

**Sunplus Technology Company Limited
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
Sunplus Technology Company Limited

Introduction

We have reviewed the accompanying consolidated balance sheets of Sunplus Technology Company Limited (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

Except as explained in the following paragraph, 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.

Basis for Qualified Conclusion

As disclosed in Note 12 to the consolidated financial statements, the financial statements of some non-significant subsidiaries included in the consolidated financial statements referred to in the first paragraph were not reviewed. As of March 31, 2022 and 2021, combined total assets of these non-significant subsidiaries were \$3,873,402 thousand and \$3,152,485 thousand, respectively, representing 24% and 24%, respectively, of the consolidated total assets, and combined total liabilities of these subsidiaries were \$142,098 thousand and \$90,127 thousand, respectively, representing 4% and 3%, respectively, of the consolidated total liabilities. For the three months ended March 31, 2022 and 2021, the amounts of combined comprehensive income (loss) of these subsidiaries were \$43,729 thousand and \$210,177 thousand, respectively, representing 7% and 64%, respectively, of the consolidated total comprehensive income (loss). In addition, as disclosed in Note 13 to the consolidated financial statements, the cumulative carrying amounts of some associates as of March 31, 2022 and 2021 were \$955,372 thousand and \$904,030 thousand, respectively. For the three months ended March 31, 2022 and 2021, the share of total comprehensive income (loss) of some associates accounted for using the equity method were

\$1,180 thousand and \$(3,374) thousand, respectively. These investment amounts disclosed in the consolidated financial statements were based on these associates' unreviewed financial statements for the same reporting periods as those of the Company.

Qualified Conclusion

Based on our reviews, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries as described in the preceding paragraph been reviewed, 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 then ended 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.

The engagement partners on the reviews resulting in this independent auditors' review report are Cheng-Chih Lin and Mei-Chen Tsai.

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.

SUNPLUS TECHNOLOGY COMPANY LIMITED 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)	\$ 4,336,287	26	\$ 4,835,568	30	\$ 3,333,693	26
Financial assets at fair value through profit or loss - current (Note 7)	1,818,539	11	1,671,234	10	1,190,930	9
Notes receivable and trade receivable, net (Notes 9, 24 and 33)	1,305,066	8	1,285,944	8	1,034,845	8
Other receivables (Notes 9, 29 and 33)	107,288	1	67,770	-	50,579	-
Inventories (Note 10)	1,723,383	11	1,467,713	9	1,000,242	8
Non-current assets held for sale (Note 11)	-	-	108,504	1	-	-
Other financial assets - current (Notes 18 and 34)	51,625	-	76,765	-	177,733	1
Other current assets (Notes 18 and 33)	99,295	1	136,271	1	99,245	1
Total current assets	<u>9,441,483</u>	<u>58</u>	<u>9,649,769</u>	<u>59</u>	<u>6,887,267</u>	<u>53</u>
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current (Note 7)	1,754,126	11	1,729,632	11	1,160,136	9
Financial assets at fair value through other comprehensive income (FVTOCI) - non-current (Note 8)	334,102	2	216,256	1	214,771	2
Investments accounted for using the equity method (Note 13)	955,372	6	949,897	6	904,030	7
Property, plant and equipment (Notes 14 and 34)	1,967,176	12	1,936,640	12	1,948,088	15
Right-of-use assets (Note 15)	210,047	1	213,324	1	225,802	2
Investment properties (Note 16)	964,047	6	948,038	6	990,693	7
Intangible assets (Note 17)	311,730	2	326,919	2	352,220	3
Deferred tax assets (Notes 4 and 26)	35,870	-	38,066	-	31,827	-
Net defined benefit assets - non-current (Notes 4 and 22)	4,553	-	4,553	-	4,440	-
Other financial assets non-current (Notes 18 and 34)	245,024	1	234,555	1	272,638	2
Other non-current assets (Note 18)	133,079	1	129,750	1	53,873	-
Total non-current assets	<u>6,915,126</u>	<u>42</u>	<u>6,727,630</u>	<u>41</u>	<u>6,158,518</u>	<u>47</u>
TOTAL	<u>\$ 16,356,609</u>	<u>100</u>	<u>\$ 16,377,399</u>	<u>100</u>	<u>\$ 13,045,785</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 19 and 34)	\$ 76,911	1	\$ 143,773	1	\$ 289,286	2
Contract liabilities - current (Note 24)	30,777	-	30,109	-	24,905	-
Accounts payable (Note 20)	683,039	4	924,523	6	510,220	4
Current tax liabilities (Notes 4 and 26)	330,631	2	254,071	1	213,675	2
Lease liabilities - current (Note 15)	11,568	-	12,166	-	12,396	-
Deferred revenue - current (Notes 21 and 29)	1,875	-	1,883	-	21,452	-
Current portion of long-term bank borrowings (Note 19)	64,182	-	46,000	-	50,000	-
Other current liabilities (Note 21)	1,215,497	8	1,433,513	9	601,599	5
Total current liabilities	<u>2,414,480</u>	<u>15</u>	<u>2,846,038</u>	<u>17</u>	<u>1,723,533</u>	<u>13</u>
NON-CURRENT LIABILITIES						
Long-term borrowings (Note 19)	365,818	2	384,000	3	380,000	3
Lease liabilities - non-current (Note 15)	205,688	1	207,912	1	216,689	2
Deferred revenue - non-current (Notes 21 and 29)	57,655	-	55,978	-	57,390	-
Net defined benefit liabilities - non-current (Notes 4 and 22)	19,785	-	19,712	-	60,335	1
Guarantee deposits	268,797	2	263,745	2	224,520	2
Other liabilities (Note 21)	17,782	-	20,918	-	23,098	-
Total non-current liabilities	<u>935,525</u>	<u>5</u>	<u>952,265</u>	<u>6</u>	<u>962,032</u>	<u>8</u>
Total liabilities	<u>3,350,005</u>	<u>20</u>	<u>3,798,303</u>	<u>23</u>	<u>2,685,565</u>	<u>21</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 23)						
Share capital						
Ordinary shares	5,919,949	36	5,919,949	36	5,919,949	45
Capital surplus	1,224,322	8	1,223,544	7	501,727	4
Retained earnings						
Legal reserve	1,745,279	11	1,745,279	11	1,712,390	13
Special reserve	261,078	1	261,078	1	276,189	2
Unappropriated earnings	1,620,291	10	1,249,574	8	546,469	4
Total retained earnings	<u>3,626,648</u>	<u>22</u>	<u>3,255,931</u>	<u>20</u>	<u>2,535,048</u>	<u>19</u>
Equity directly associated with non-current assets held for sale	-	-	21,517	-	-	-
Other equity	(133,797)	(1)	(239,203)	(1)	(249,598)	(2)
Treasury shares	(63,401)	-	(63,401)	-	(63,401)	-
Total equity attributable to owners of the Company	<u>10,573,721</u>	<u>65</u>	<u>10,118,337</u>	<u>62</u>	<u>8,643,725</u>	<u>66</u>
NON-CONTROLLING INTERESTS (Notes 12, 23 and 30)	<u>2,432,883</u>	<u>15</u>	<u>2,460,759</u>	<u>15</u>	<u>1,716,495</u>	<u>13</u>
Total equity	<u>13,006,604</u>	<u>80</u>	<u>12,579,096</u>	<u>77</u>	<u>10,360,220</u>	<u>79</u>
TOTAL	<u>\$ 16,356,609</u>	<u>100</u>	<u>\$ 16,377,399</u>	<u>100</u>	<u>\$ 13,045,785</u>	<u>100</u>

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

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

SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

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

	Three Months Ended March 31			
	2022		2021	
	Amount	%	Amount	%
NET OPERATING REVENUE (Notes 24 and 33)	\$ 2,114,599	100	\$ 1,698,327	100
OPERATING COSTS (Notes 10 and 25)	<u>960,422</u>	<u>45</u>	<u>854,347</u>	<u>50</u>
GROSS PROFIT	<u>1,154,177</u>	<u>55</u>	<u>843,980</u>	<u>50</u>
OPERATING EXPENSES (Notes 25 and 33)				
Selling and marketing expenses	73,042	3	83,576	5
General and administrative expenses	188,254	9	134,500	8
Research and development expenses	624,127	30	504,019	30
Expected credit loss	<u>-</u>	<u>-</u>	<u>73</u>	<u>-</u>
Total operating expenses	<u>885,423</u>	<u>42</u>	<u>722,168</u>	<u>43</u>
OTHER OPERATING INCOME AND EXPENSES	<u>7</u>	<u>-</u>	<u>(252)</u>	<u>-</u>
INCOME FROM OPERATIONS	<u>268,761</u>	<u>13</u>	<u>121,560</u>	<u>7</u>
NON-OPERATING INCOME AND EXPENSES (Notes 15, 25, 29 and 33)				
Interest income	7,239	-	6,855	1
Other income	39,702	2	38,661	2
Other gains and losses	317,824	15	222,687	13
Finance costs	(3,287)	-	(3,473)	-
Share of profit (loss) of associates	<u>1,180</u>	<u>-</u>	<u>(3,374)</u>	<u>-</u>
Total non-operating income and expenses	<u>362,658</u>	<u>17</u>	<u>261,356</u>	<u>16</u>
INCOME BEFORE INCOME TAX	631,419	30	382,916	23
INCOME TAX EXPENSE (Notes 4 and 26)	<u>81,500</u>	<u>4</u>	<u>65,437</u>	<u>4</u>
NET PROFIT FOR THE PERIOD	<u>549,919</u>	<u>26</u>	<u>317,479</u>	<u>19</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss (Note 23):				
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	9,104	-	7,938	-

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SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

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

	Three Months Ended March 31			
	2022		2021	
	Amount	%	Amount	%
Share of the other comprehensive income (loss) of associates accounted for using the equity method	\$ (2,678)	-	\$ 15,341	1
Items that may be reclassified subsequently to profit or loss (Note 23):				
Exchange differences on translating the financial statements of foreign operations	105,346	5	(14,053)	(1)
Share of other comprehensive income (loss) of associates accounted for using the equity method	<u>3,605</u>	<u>-</u>	<u>(504)</u>	<u>-</u>
Other comprehensive income (loss) for the period, net of income tax	<u>115,377</u>	<u>5</u>	<u>8,722</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 665,296</u>	<u>31</u>	<u>\$ 326,201</u>	<u>19</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 370,717	18	\$ 217,575	13
Non-controlling interests	<u>179,202</u>	<u>8</u>	<u>99,904</u>	<u>6</u>
	<u>\$ 549,919</u>	<u>26</u>	<u>\$ 317,479</u>	<u>19</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 476,123	22	\$ 229,055	13
Non-controlling interests	<u>189,173</u>	<u>9</u>	<u>97,146</u>	<u>6</u>
	<u>\$ 665,296</u>	<u>31</u>	<u>\$ 326,201</u>	<u>19</u>
EARNINGS PER SHARE (Note 27)				
From continuing operations				
Basic	<u>\$ 0.63</u>		<u>\$ 0.37</u>	
Diluted	<u>\$ 0.63</u>		<u>\$ 0.37</u>	

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

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

(Concluded)

SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

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

	Equity Attributable to Owners of the Company											Non-controlling Interests	Total Equity
	Share Capital Issued and Outstanding		Capital Surplus	Retained Earnings			Equity Directly Associated with Non-current Assets Held for Sale	Other Equity		Treasury Shares	Total		
	Shares (In Thousand)	Share Capital		Legal Reserve	Special Reserve	Unappropriated Earnings (Accumulated Deficit)		Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Losses from Investments in Equity Instruments Measured at FVTOCI				
BALANCE AT JANUARY 1, 2021	591,995	\$ 5,919,949	\$ 500,820	\$ 1,712,390	\$ 276,189	\$ 328,894	\$ -	\$ (228,023)	\$ (33,055)	\$ (63,401)	\$ 8,413,763	\$ 1,605,238	\$ 10,019,001
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	907	-	-	-	-	-	-	-	907	-	907
Net profit for the three months ended March 31, 2021	-	-	-	-	-	217,575	-	-	-	-	217,575	99,904	317,479
Other comprehensive income (loss) for the three months ended March 31, 2021, net of income tax	-	-	-	-	-	-	-	(12,602)	24,082	-	11,480	(2,758)	8,722
Total comprehensive income (loss) for the three months ended March 31, 2021	-	-	-	-	-	217,575	-	(12,602)	24,082	-	229,055	97,146	326,201
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	14,111	14,111
BALANCE AT MARCH 31, 2021	591,995	\$ 5,919,949	\$ 501,727	\$ 1,712,390	\$ 276,189	\$ 546,469	\$ -	\$ (240,625)	\$ (8,973)	\$ (63,401)	\$ 8,643,725	\$ 1,716,495	\$ 10,360,220
BALANCE AT JANUARY 1, 2022	591,955	\$ 5,919,949	\$ 1,223,544	\$ 1,745,279	\$ 261,078	\$ 1,249,574	\$ 21,517	\$ (259,512)	\$ 20,309	\$ (63,401)	\$ 10,118,337	\$ 2,460,759	\$ 12,579,096
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	778	-	-	-	(21,517)	-	-	-	(20,739)	-	(20,739)
Net profit for the three months ended March 31, 2022	-	-	-	-	-	370,717	-	-	-	-	370,717	179,202	549,919
Other comprehensive income for the three months ended March 31, 2022, net of income tax	-	-	-	-	-	-	-	98,980	6,426	-	105,406	9,971	115,377
Total comprehensive income for the three months ended March 31, 2022	-	-	-	-	-	370,717	-	98,980	6,426	-	476,123	189,173	665,296
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(217,049)	(217,049)
BALANCE AT MARCH 31, 2022	591,955	\$ 5,919,949	\$ 1,224,322	\$ 1,745,279	\$ 261,078	\$ 1,620,291	\$ -	\$ (160,532)	\$ 26,735	\$ (63,401)	\$ 10,573,721	\$ 2,432,883	\$ 13,006,604

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

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

SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	Three Months Ended March 31	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 631,419	\$ 382,916
Adjustments for:		
Depreciation expense	74,400	74,556
Amortization expense	36,669	31,761
Expected credit loss	-	73
Net loss (gain) on fair value changes of financial assets at fair value through profit or loss	157,507	(225,837)
Finance costs	3,287	3,473
Interest income	(7,239)	(6,855)
Dividend income	(116)	(150)
Compensation costs of share-based payments	35,313	14,111
Share of (profit) loss of associates	(1,180)	3,374
Gain on disposal of associate	(449,000)	-
(Gain) loss on disposal of property, plant and equipment	(7)	252
Impairment loss recognized on non-financial assets	4,680	-
Unrealized loss on transactions with associates	-	2,170
Realized gain on transactions with associates	(314)	-
Net loss on foreign currency exchange	25,438	10,639
Changes in operating assets and liabilities:		
(Increase) decrease in trade receivables	(42,864)	162,038
Increase in other receivables	(38,187)	(3,583)
Increase in inventories	(255,670)	(139,192)
Decrease in other current assets	22,480	1,805
Increase (decrease) in contract liabilities	668	(1,276)
(Decrease) increase in trade payables	(232,938)	62,114
Decrease in deferred revenue	(485)	(25,120)
Decrease in other current liabilities	(417,669)	(200,760)
Increase in defined benefits liabilities - non-current	73	16
Cash (used in) generated from operations	(453,735)	146,525
Interest received	5,889	6,245
Dividend received	952	647
Interest paid	(3,548)	(4,510)
Income tax paid	(2,744)	(5,690)
Net cash (used in) generated from operating activities	(453,186)	143,217
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at FVTOCI	(105,752)	(14,183)
Purchase of financial assets at FVTPL	(694,567)	(425,687)
Proceeds from sale of financial assets at FVTPL	336,684	276,185
Acquisition of associates	-	(174,000)
Net cash inflow on disposal of associate	535,987	-

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SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	Three Months Ended March 31	
	2022	2021
Prepayments for investments	-	(42,000)
Payments for property, plant and equipment	(71,592)	(29,819)
Proceeds from disposal of property, plant and equipment	138	-
Increase in refundable deposits	(3,329)	(96)
Decrease in refundable deposits	-	82
Payments for intangible assets	(38,656)	(36,768)
Decrease in other financial assets	<u>54,057</u>	<u>60,417</u>
Net cash generated from (used in) investing activities	<u>12,970</u>	<u>(385,869)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of short-term borrowings	(67,691)	(23,114)
Proceeds from long-term borrowings	-	200,000
Proceeds from guarantee deposits received	26,062	4,288
Refund of guarantee deposits received	(23,273)	(4,577)
Repayments of the principal portion of lease liabilities	(3,382)	(2,931)
(Decrease) increase in other liabilities	<u>(3,136)</u>	<u>1,180</u>
Net cash (used in) generated from financing activities	<u>(71,420)</u>	<u>174,846</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES		
	<u>12,355</u>	<u>1,017</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(499,281)	(66,789)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>4,835,568</u>	<u>3,400,482</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 4,336,287</u>	<u>\$ 3,333,693</u>

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

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

(Concluded)

SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

THREE MONTHS ENDED MARCH 31, 2021 AND 2020

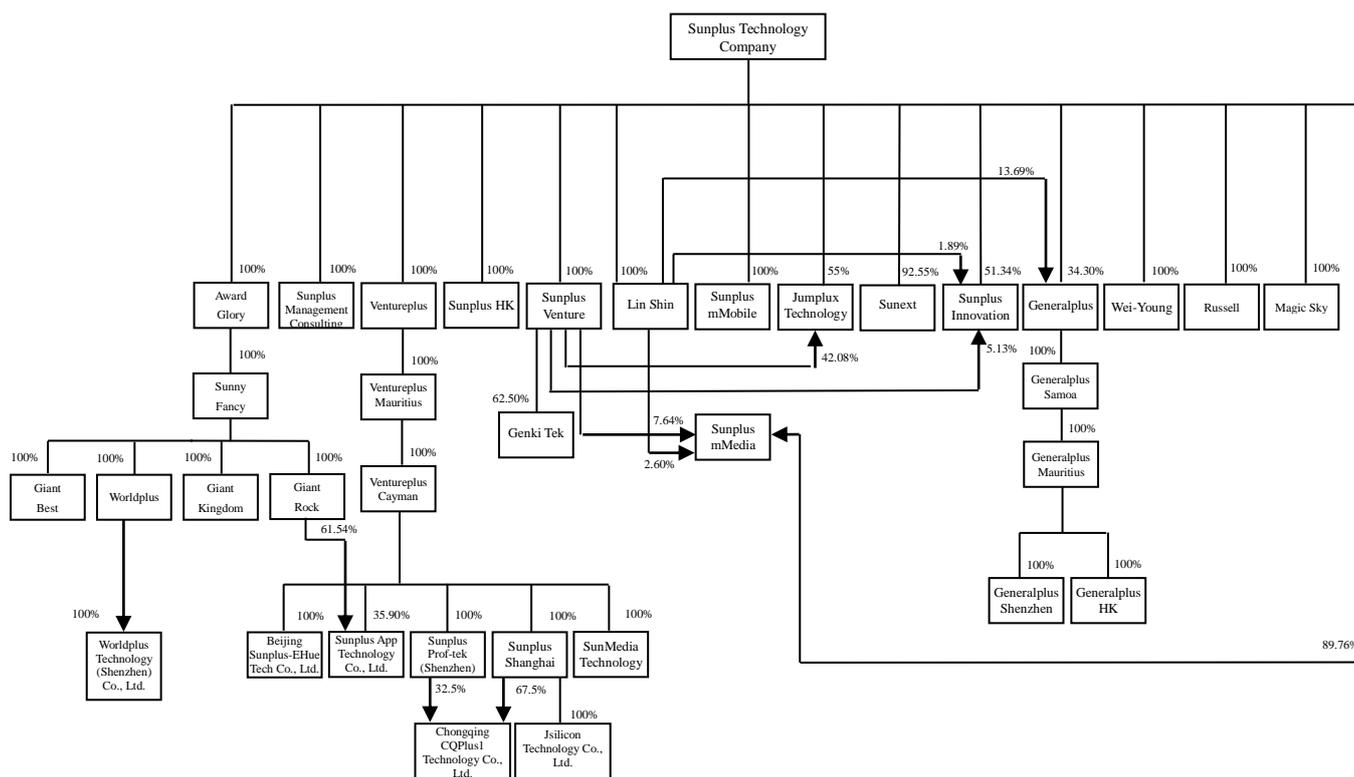
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

(Reviewed, Not Audited)

1. GENERAL INFORMATION

Sunplus Technology Company Limited (the “Company”) was established in August 1990. It researches, develops, designs, tests, sells high quality and high value-added consumer integrated circuits (ICs). Its products are based on core technologies in such areas as multimedia audio/video, single-chip microcontrollers and digital signal processors. These technologies are used to develop hundreds of products including various ICs: liquid crystal display, microcontroller, multimedia, voice/music, and application-specific. Sunplus’ shares have been listed on the Taiwan Stock Exchange since January 2000. Some of its shares have been issued in the form of global depository receipts (GDRs), which have been listed on the London Stock Exchange since March 2001 (refer to Note 23).

Following is a diagram of the relationship and ownership percentages between the Company and its subsidiaries (collectively, the “Group”) as of March 31, 2022.



The consolidated financial statements are presented in the Group’s functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Group’s board of directors and authorized for issue 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 are recognized on January 1, 2022 for temporary differences associated with leases and decommissioning obligations, the amendments are 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, 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, 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, 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, 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 judgments or assumptions in applying an accounting policy, and the Group discloses those judgments 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.

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 of the application of other standards and interpretations 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, or other regulations 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.

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 based on the significance of the inputs to the fair value measurement in its entirety, 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 consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries, including structured entities).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets (including any goodwill) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Group directly disposed of the related assets or liabilities.

The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition of the cost on initial recognition of an investment in an associate.

See Note 12 and Tables 5 and 6 for detailed information on subsidiaries (including 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) 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.

The Group considers the possible impact of the recent development of the COVID-19 and its economic environment implications/climate change and related government policies and regulations when making its critical accounting estimates on cash flow projections, growth rate, discount rate, profitability, etc. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods. Refer to the consolidated financial statements with critical accounting judgments and key sources of estimation uncertainty for the year ended December 31, 2021.

6. CASH AND CASH EQUIVALENTS

	March 31, 2022	December 31, 2021	March 31, 2021
Cash on hand	\$ 5,516	\$ 4,927	\$ 5,630
Checking accounts and demand deposits	1,395,769	1,710,989	943,384
Cash equivalents			
Time deposits in banks	<u>2,935,002</u>	<u>3,119,652</u>	<u>2,384,679</u>
	<u>\$ 4,336,287</u>	<u>\$ 4,835,568</u>	<u>\$ 3,333,693</u>

The market rate intervals of cash in bank and bank overdrafts at the end of the reporting period are as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Bank balances	0.001%-2.250%	0.001%-2.100%	0.001%-2.025%

7. FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Financial assets at FVTPL - current</u>			
Financial assets classified as at FVTPL			
Non-derivative financial assets			
Domestic and foreign investments			
- Mutual funds	\$ 1,385,233	\$ 1,199,486	\$ 763,507
- Listed shares	333,866	230,190	168,277
- Unlisted shares	86,965	241,558	258,171
Hybrid financial assets			
Domestic and foreign investments			
- Listed convertible bonds	<u>12,475</u>	<u>-</u>	<u>975</u>
	<u>\$ 1,818,539</u>	<u>\$ 1,671,234</u>	<u>\$ 1,190,930</u>
			(Continued)

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Financial liabilities at FVTPL - non-current</u>			
Financial assets classified as at FVTPL			
Non-derivative financial assets			
Domestic and foreign investments			
- Unlisted shares	\$ 972,380	\$ 1,116,150	\$ 776,270
- Limited partnership	599,152	436,013	327,352
- Listed shares	43,740	43,200	41,850
- Mutual funds	-	-	14,664
Hybrid financial assets			
Domestic and foreign investments			
- Unlisted convertible bonds	<u>138,854</u>	<u>134,269</u>	<u>-</u>
	<u>\$ 1,754,126</u>	<u>\$ 1,729,632</u>	<u>\$ 1,160,136</u> (Concluded)

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Non-current</u>			
Domestic and foreign investments			
Unlisted shares	\$ 325,255	\$ 206,194	\$ 121,255
Listed shares	<u>8,847</u>	<u>10,062</u>	<u>93,516</u>
	<u>\$ 334,102</u>	<u>\$ 216,256</u>	<u>\$ 214,771</u>

9. TRADE RECEIVABLES AND OTHER RECEIVABLES

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 1,305,066	\$ 1,285,944	\$ 1,034,884
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>	<u>(39)</u>
	<u>\$ 1,305,066</u>	<u>\$ 1,285,944</u>	<u>\$ 1,034,845</u>

Trade receivables

The average credit period on sales of goods was 30 to 60 days without interest. The Group's exposure to credit risk and external credit ratings are continuously monitored. In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting

period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all trade receivables. 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, the forecast direction of economic conditions at the reporting date. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not 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. Where recoveries are made, these are recognized in profit or loss.

The Group's current credit risk grading framework is shown in the following table:

March 31, 2022

	Not Overdue	Overdue 1- 60 days	Overdue 61-90 days	Overdue 91-120 days	Overdue 121 days or More	Total
Gross carrying amount	\$ 1,305,066	\$ -	\$ -	\$ -	\$ -	\$ 1,305,066
Loss allowance (Lifetime ECLs)	-	-	-	-	-	-
Amortized cost	<u>\$1,305,066</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,305,066</u>

December 31, 2021

	Not Overdue	Overdue 1- 60 days	Overdue 61-90 days	Overdue 91-120 days	Overdue 121 days or More	Total
Gross carrying amount	\$ 1,285,944	\$ -	\$ -	\$ -	\$ -	\$ 1,285,944
Loss allowance (Lifetime ECLs)	-	-	-	-	-	-
Amortized cost	<u>\$1,285,944</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,285,944</u>

March 31, 2021

	Not Overdue	Overdue 1- 60 days	Overdue 61-90 days	Overdue 91-120 days	Overdue 121 days or More	Total
Gross carrying amount	\$ 1,034,845	\$ -	\$ -	\$ -	\$ 39	\$ 1,034,884
Loss allowance (Lifetime ECLs)	-	-	-	-	(39)	(39)
Amortized cost	<u>\$1,034,845</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,034,845</u>

The movements of the loss allowance of trade receivables were as follows:

	For the Three Months Ended March 31	
	2022	2021
Balance at January 1	\$ -	\$ 103
Add: Net remeasurement of loss allowance	-	73
Less: Amounts written off	-	(137)
Balance at March 31	<u>\$ -</u>	<u>\$ 39</u>

Other receivables

	March 31, 2022	December 31, 2021	March 31, 2021
Tax refund receivables	\$ 53,633	\$ 24,260	\$ 19,741
Government grant receivables	19,814	-	-
Interest receivables	8,286	6,936	9,050
Others	<u>25,555</u>	<u>36,574</u>	<u>21,788</u>
	<u>\$ 107,288</u>	<u>\$ 67,770</u>	<u>\$ 50,579</u>

10. INVENTORIES

	March 31, 2022	December 31, 2021	March 31, 2021
Finished goods	\$ 583,847	\$ 536,293	\$ 259,362
Work in progress	547,647	446,127	481,964
Raw materials	<u>591,889</u>	<u>485,293</u>	<u>258,916</u>
	<u>\$ 1,723,383</u>	<u>\$ 1,467,713</u>	<u>\$ 1,000,242</u>

The cost of inventories recognized as cost of goods sold for the three months ended March 31, 2022 and 2021 were \$937,238 thousand and \$833,799 thousand, respectively.

The cost of inventories recognized as costs of goods sold for the three ended March 31, 2022 and 2021 are as follows:

	For the Three Months Ended March 31	
	2022	2021
Inventory reversed (write-downs)	\$ (11,360)	\$ 3,595
Income from scrap sales	<u>26</u>	<u>13</u>
	<u>\$ (11,334)</u>	<u>\$ 3,608</u>

11. NON-CURRENT ASSETS HELD FOR SALE

	December 31, 2021
Non-current assets held for sale	<u>\$ 108,504</u>

In December 2021, the Company's board of directors resolved to dispose of 8,000,000 shares of the associate company - iCatch Technology Co., Ltd. and entered into the "shares should be sold contract" agreement. The disposal was completed in January 2022.

12. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements

The information of the subsidiaries at the end of reporting period was as follows:

Name of Investor	Name of Investee	Main Businesses and Products	Percentage of Ownership (%)			Note
			March 31, 2022	December 31, 2021	March 31, 2021	
Sunplus	Sunplus Management Consulting	Management	100.00	100.00	100.00	-
	Ventureplus Group Inc. ("Ventureplus Group")	Investment	100.00	100.00	100.00	-
	Sunplus Technology (H.K.)	International trade	100.00	100.00	100.00	-
	Sunplus Venture	Investment	100.00	100.00	100.00	-
	Lin Shin Investment ("Lin Shin")	Investment	100.00	100.00	100.00	-
	Sunplus mMobile Inc.	Design of ICs	100.00	100.00	100.00	Sunplus mMobile Inc. considered its business' future development and concluded that it has no plan to continue operation. On January 19, 2022, Sunplus mMobile Inc.'s board of directors resolved to dispose of the proposed dissolution and completed the process of dissolution on February 7, 2022.
	Sunext Technology Co., Ltd. ("Sunext")	Design of ICs	92.55	92.55	92.55	-
	Sunplus Innovation Technology	Design of ICs	51.34	51.34	58.21	-
	Generalplus Technology ("Generalplus")	Design of ICs	34.30	34.30	34.30	Sunplus and its subsidiaries had a 47.99% stake in Generalplus Technology, Inc. and the Group had controlling interest over Generalplus Technology, Inc.; the investee is included in the consolidated financial statements.
		Wei-Young Investment Inc.	Investment	100.00	100.00	100.00
	Russell Holdings Limited	Investment	100.00	100.00	100.00	-
	Magic Sky Limited	Investment	100.00	100.00	100.00	-
	Sunplus mMedia Inc.	Design of ICs	89.76	89.76	89.76	-
	Award Glory	Investment	100.00	100.00	100.00	-
	Jumplux Technology	Design of ICs	55.00	55.00	55.00	-
Ventureplus Group	Ventureplus Mauritius	Investment	100.00	100.00	100.00	-
Ventureplus Mauritius	Ventureplus Cayman	Investment	100.00	100.00	100.00	-
Ventureplus Cayman	Sunplus App Technology	Sale of electronic components and information management and education.	35.90	35.90	51.47	Sunplus and its subsidiaries owned 97.44% of the equity in Sunplus App Technology
	Sunplus Prof-tek Technology (Shenzhen)	Software development, consumer technological services and rental building and property management	100.00	100.00	100.00	-
	Sunplus Technology (Shanghai)	Software development, consumer technological services and rental building	100.00	100.00	100.00	-
	SunMedia Technology	Software development, consumer technological services and rental building	100.00	100.00	100.00	-
	Beijing Sunplus-EHue Tech Co., Ltd.	Software development, consumer technological services and rental building	100.00	100.00	100.00	-
Sunplus Technology (Shanghai)	Jisilicon Technology	Software Development and IC Design	100.00	100.00	100.00	-
	Chongqing CQPlus1 Technology	Software Development and IC Design	67.50	56.67	56.67	-
Sunplus Prof-tek (Shenzhen)	Chongqing CQPlus1 Technology	Software Development and IC Design	32.50	43.33	43.33	Sunplus and its subsidiaries held 100% equity in Chongqing CQPlus1 Technology Ltd.
Sunplus Venture	Jumplux Technology	Design of ICs	42.08	42.08	42.08	Sunplus and its subsidiaries owned 97.08% of the equity in Jumplux Technology.
	Sunplus mMedia	Design of ICs	7.64	7.64	7.64	Sunplus and its subsidiaries had 100% equity in Sunplus mMedia.
	Sunplus Innovation	Design of ICs	5.13	5.13	5.64	Sunplus and its subsidiaries had 58.36% equity in Sunplus Innovation
	Genki Tek Technology	Software development	62.50	62.50	62.50	-
Lin Shin	Generalplus	Design of ICs	13.69	13.69	13.69	Sunplus and its subsidiaries had a 47.99% stake in Generalplus Technology, Inc. and the Group had controlling interest over Generalplus Technology, Inc.; the investee is included in the consolidated financial statements.

(Continued)

Name of Investor	Name of Investee	Main Businesses and Products	Percentage of Ownership (%)			Note
			March 31, 2022	December 31, 2021	March 31, 2021	
Lin Shin	Sunplus mMedia	Design of ICs	2.60	2.60	2.60	Sunplus and its subsidiaries had 100% equity in Sunplus mMedia.
	Sunplus Innovation	Design of ICs	1.89	1.89	2.09	Sunplus and its subsidiaries had 58.36% equity in Sunplus Innovation
Generalplus	Generalplus Samoa	Investment	100.00	100.00	100.00	-
	Generalplus Mauritius	Investment	100.00	100.00	100.00	-
Generalplus Mauritius	Generalplus Shenzhen	Design of ICs, after sales service and marketing research	100.00	100.00	100.00	-
Award Glory	Generalplus HK	Sales	100.00	100.00	100.00	-
	Sunny Fancy	Investment	100.00	100.00	100.00	-
Sunny Fancy	Giant Kingdom	Investment	100.00	100.00	100.00	-
	Giant Rock	Investment	100.00	100.00	100.00	-
Worldplus	WORLDPLUS HOLDING L.L.C. (Worldplus)	Investment	100.00	100.00	100.00	-
	Giant Best Ltd. (Giant Best)	Investment	100.00	100.00	100.00	At the end of March 2022, the establishment registration was completed, but capital was not invested yet.
Giant Rock	Sunplus App Technology	Manufacturing and sale of computer software; system integration services and information management and education	61.54	61.54	44.85	Sunplus and its subsidiaries had a 97.44% stake in Sunplus App.
Worldplus	Worldplus Technology (Shenzhen) Co., Ltd.	Software development rental building and property management	100.00	100.00	100.00	-

(Concluded)

The financial statements as of and for the three months ended March 31, 2022 and 2021 of the above subsidiaries, except those of Generalplus, Sunplus Innovation Technology, Sunplus mMobile Inc., Ventureplus Group Inc., Ventureplus Mauritius Inc., and Ventureplus Cayman Inc., and non-significant subsidiaries Sunplus Technology (Shanghai) and Sunplus Prof-tek Technology (Shenzhen), were not reviewed.

b. Subsidiaries excluded from the consolidated financial statements

Company name	The Voting Ratio of Non-controlling Equity		
	March 31, 2022	December 31, 2021	March 31, 2021
Generalplus	52.01%	52.01%	52.01%
Sunplus Innovation Technology	41.64%	41.64%	34.06%

Refer to Table 5 for information on country of registration and principal business activities.

Company Name	Profit Attributed to Non-controlling Interests		Non-controlling Interests		
	Three Months Ended		March 31, 2022	December 31, 2021	March 31, 2021
	2022	2021			
Generalplus	\$ 114,930	\$ 50,344	\$ 1,451,812	\$ 1,326,915	\$ 1,171,435
Sunplus Innovation Technology	66,638	49,027	966,292	1,116,703	525,107

The summarized financial information below represents amounts before intragroup eliminations.

	March 31, 2022	December 31, 2021	March 31, 2021
Current assets	\$ 6,179,674	\$ 6,105,300	\$ 4,160,818
Non-current assets	900,854	902,454	808,344
Current liabilities	1,953,512	1,729,822	1,097,817
Non-current liabilities	<u>195,234</u>	<u>196,591</u>	<u>203,400</u>
Equity	<u>\$ 4,931,782</u>	<u>\$ 5,081,341</u>	<u>\$ 3,667,945</u>
Equity attributable to:			
Owners of the Company	\$ 2,513,678	\$ 2,637,723	\$ 1,971,403
Non-controlling interests	<u>2,418,104</u>	<u>2,443,618</u>	<u>1,696,542</u>
	<u>\$ 4,931,782</u>	<u>\$ 5,081,341</u>	<u>\$ 3,667,945</u>
		For the Three Months Ended March 31	
		2022	2021
Operating revenue		<u>\$ 1,502,539</u>	<u>\$ 1,289,981</u>
Net income		\$ 380,968	\$ 240,740
Other comprehensive gain (loss)		<u>19,161</u>	<u>(6,114)</u>
Total other comprehensive income		<u>\$ 400,129</u>	<u>\$ 234,626</u>
Equity attributable to:			
Owners of the Company		\$ 199,400	\$ 141,369
Non-controlling interests		<u>181,568</u>	<u>99,371</u>
		<u>\$ 380,968</u>	<u>\$ 240,740</u>
Total other comprehensive income attributable to:			
Owners of the Company		\$ 208,594	\$ 138,012
Non-controlling interests		<u>191,535</u>	<u>96,614</u>
		<u>\$ 400,129</u>	<u>\$ 234,626</u>
Cash flows			
Operating activities		\$ (8,688)	\$ 285,933
Investing activities		(196,246)	5,596
Financing activities		(68,001)	2,764
Effects of exchange rate changes on the balance of cash held in foreign currencies		<u>4,307</u>	<u>171</u>
Net cash inflow (outflow)		<u>\$ (268,628)</u>	<u>\$ 294,464</u>
Dividends paid to non-controlling interests		<u>\$ -</u>	<u>\$ -</u>

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	March 31, 2022	December 31, 2021	March 31, 2021
Investments in associates	\$ 955,372	\$ 949,897	\$ 904,030
Associates			
Global View Co., Ltd.	\$ 346,814	\$ 342,742	\$ 366,137
iCatch Technology	346,647	343,423	293,462
AkiraNET CO., Ltd.	191,901	195,034	171,489
Autosys Co., Ltd.	68,498	67,084	71,016
GlintMed Innovation Co., Ltd.	<u>1,512</u>	<u>1,614</u>	<u>1,926</u>
	<u>\$ 955,372</u>	<u>\$ 949,897</u>	<u>\$ 904,030</u>

Name of associate	March 31, 2022	December 31, 2021	March 31, 2021
Global View Co., Ltd.	13%	13%	13%
iCatch Technology	20%	21%	35%
AkiraNET CO., Ltd.	35%	35%	35%
Autosys Co., Ltd.	16%	16%	16%
GlintMed Innovation Co., Ltd.	25%	25%	25%

Refer to Table 5 following these notes to the consolidated financial statements for information on the associates' business types, main operating locations and registered countries.

Fair values (Level 1) of investments in associates with available published price quotations are summarized as follows:

Name of Associate	March 31, 2022	December 31, 2021	March 31, 2021
iCatch Technology	<u>\$ 1,178,198</u>	<u>\$ 1,475,899</u>	<u>\$ 866,570</u>
Global View Co., Ltd.	<u>\$ 303,667</u>	<u>\$ 313,131</u>	<u>\$ 413,942</u>

Investments in the above jointly controlled entities are accounted for using the equity method.

For the three months ended March 31, 2022 and 2021, the equity method of investment and the company's share of profit and loss and other comprehensive profit and loss are calculated based on financial statements that have not been reviewed by accountants.

14. PROPERTY, PLANT AND EQUIPMENT

Assets used by the Group

	For the Three Months Ended March 31, 2022									
	Buildings	Auxiliary Equipment	Machinery and Equipment	Testing Equipment	Transportation Equipment	Furniture and Fixtures	Leasehold Improvements	Other Equipment	Construction in Progress	Total
<u>Cost</u>										
Balance at January 1, 2022	\$ 2,316,438	\$ 189,846	\$ 26,865	\$ 626,345	\$ 4,578	\$ 308,499	\$ 1,208	\$ 29,029	\$ 43,517	\$ 3,546,325
Additions	-	100	2,395	36,135	-	3,220	-	-	6,420	48,270
Disposals	-	-	-	(2,274)	-	(421)	(170)	(18)	-	(2,883)
Reclassified	-	-	5,845	26,429	-	-	-	-	(32,274)	-
Effects of exchange rate changes	40,717	8,677	(10,030)	12,793	142	4,882	1	(4,716)	12	52,478
Balance at March 31, 2022	<u>\$ 2,357,155</u>	<u>\$ 198,623</u>	<u>\$ 25,075</u>	<u>\$ 699,428</u>	<u>\$ 4,720</u>	<u>\$ 316,180</u>	<u>\$ 1,039</u>	<u>\$ 24,295</u>	<u>\$ 17,675</u>	<u>\$ 3,644,190</u>

(Continued)

	For the Three Months Ended March 31, 2022									
	Buildings	Auxiliary Equipment	Machinery and Equipment	Testing Equipment	Transportation Equipment	Furniture and Fixtures	Leasehold Improvements	Other Equipment	Construction in Progress	Total
<u>Accumulated depreciation</u>										
Balance at January 1, 2022	\$ 639,674	\$ 166,576	\$ 11,899	\$ 535,876	\$ 3,762	\$ 225,712	\$ 1,081	\$ 25,105	\$ -	\$ 1,609,685
Additions	8,673	7,088	1,331	26,249	54	9,004	215	173	-	52,787
Disposals	-	-	-	(2,229)	-	(335)	(170)	(18)	-	(2,752)
Effects of exchange rate changes	10,871	1,380	(5,230)	8,632	129	4,372	(202)	(2,658)	-	17,294
Balance at March 31, 2022	<u>\$ 659,218</u>	<u>\$ 175,044</u>	<u>\$ 8,000</u>	<u>\$ 568,528</u>	<u>\$ 3,945</u>	<u>\$ 238,753</u>	<u>\$ 924</u>	<u>\$ 22,602</u>	<u>\$ -</u>	<u>\$ 1,677,014</u>
Net balance at end of period	<u>\$ 1,697,937</u>	<u>\$ 23,579</u>	<u>\$ 17,075</u>	<u>\$ 130,900</u>	<u>\$ 775</u>	<u>\$ 77,427</u>	<u>\$ 115</u>	<u>\$ 1,693</u>	<u>\$ 17,675</u>	<u>\$ 1,967,176</u>
Balance at December 31, 2021 and January 1, 2022	<u>\$ 1,676,764</u>	<u>\$ 23,270</u>	<u>\$ 14,966</u>	<u>\$ 90,469</u>	<u>\$ 816</u>	<u>\$ 82,787</u>	<u>\$ 127</u>	<u>\$ 3,924</u>	<u>\$ 43,517</u>	<u>\$ 1,936,640</u>

(Concluded)

	For the Three Months Ended March 31, 2021									
	Buildings	Auxiliary Equipment	Machinery and Equipment	Testing Equipment	Transportation Equipment	Furniture and Fixtures	Leasehold Improvements	Other Equipment	Construction in Progress	Total
<u>Cost</u>										
Balance at January 1, 2021	\$ 2,365,248	\$ 184,498	\$ 21,489	\$ 639,111	\$ 4,607	\$ 268,761	\$ 3,123	\$ 24,146	\$ 17,156	\$ 3,528,139
Additions	-	151	-	11,970	-	25,266	74	236	-	37,697
Disposals	-	-	(58)	(2,881)	-	(1,155)	-	-	-	(4,094)
Reclassified	-	-	-	-	-	68	-	-	(68)	-
Effects of exchange rate changes	(8,599)	(582)	(8,114)	7,193	(29)	(967)	(13)	(104)	-	(11,215)
Balance at March 31, 2021	<u>\$ 2,356,649</u>	<u>\$ 184,067</u>	<u>\$ 13,317</u>	<u>\$ 655,393</u>	<u>\$ 4,578</u>	<u>\$ 291,973</u>	<u>\$ 3,184</u>	<u>\$ 24,278</u>	<u>\$ 17,088</u>	<u>\$ 3,550,527</u>
<u>Accumulated depreciation</u>										
Balance at January 1, 2021	\$ 616,336	\$ 150,142	\$ 12,612	\$ 547,664	\$ 3,394	\$ 202,794	\$ 1,685	\$ 22,260	\$ -	\$ 1,556,887
Additions	13,217	4,639	597	27,311	130	6,929	115	150	-	53,088
Disposals	-	-	(58)	(2,670)	-	(1,114)	-	-	-	(3,842)
Effects of exchange rate changes	(1,401)	(635)	(3,840)	3,696	(25)	(877)	(3)	(609)	-	(3,694)
Balance at March 31, 2021	<u>\$ 628,152</u>	<u>\$ 154,146</u>	<u>\$ 9,311</u>	<u>\$ 576,001</u>	<u>\$ 3,499</u>	<u>\$ 207,732</u>	<u>\$ 1,797</u>	<u>\$ 21,801</u>	<u>\$ -</u>	<u>\$ 1,602,439</u>
Net balance at March 31, 2021	<u>\$ 1,728,497</u>	<u>\$ 29,921</u>	<u>\$ 4,006</u>	<u>\$ 79,392</u>	<u>\$ 1,079</u>	<u>\$ 84,241</u>	<u>\$ 1,387</u>	<u>\$ 2,477</u>	<u>\$ 17,088</u>	<u>\$ 1,948,088</u>

The above items of property, plant and equipment used by the Group are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	10-56 years
Auxiliary equipment	3-11 years
Machinery and equipment	3-10 years
Testing equipment	1-6 years
Transportation equipment	4 years
Furniture and fixtures	1-6 years
Leasehold improvements	5 years
Other equipment	3-10 years

Refer to Note 34 for the carrying amounts of property, plant and equipment that had been pledged by the Group to secure borrowings.

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Carrying amount</u>			
Land	\$ 196,159	\$ 197,819	\$ 207,370
Buildings	12,955	14,464	18,097
Transportation equipment	933	1,041	335
	<u>\$ 210,047</u>	<u>\$ 213,324</u>	<u>\$ 225,802</u>

	For the Three Months Ended March 31	
	2022	2021
Additions to right-of-use assets	\$ <u>-</u>	\$ <u>-</u>
Depreciation charge for right-of-use assets		
Land	\$ 1,661	\$ 1,714
Buildings	2,064	2,072
Transportation equipment	<u>108</u>	<u>112</u>
	<u>\$ 3,833</u>	<u>\$ 3,898</u>

Except for the depreciation expense above, the company's right-of-use assets did not experience significant sublease and impairment from January 1 to March 31, 2022 and 2021.

The other part of the land use right in China is because the above-ground buildings are subleased by business lease, the related right-of-use assets are presented as investment properties. As set out in Note 16.

b. Lease liabilities

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Carrying amount</u>			
Current	<u>\$ 11,568</u>	<u>\$ 12,166</u>	<u>\$ 12,396</u>
Non-current	<u>\$ 205,688</u>	<u>\$ 207,912</u>	<u>\$ 216,689</u>

Range of discount rates for lease liabilities was as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Land	2.390%	2.390%	2.390%
Buildings	1.575%-5.000%	1.575%-5.000%	1.575%-5.000%
Transportation equipment	1.175%	1.175%	1.575%

c. Material lease-in activities and terms

The Group leases land and buildings for the use of plants, offices and dormitory, also leases transportation equipment for the use of business travel with lease terms of 2 to 39 years. The lease contract for land located in the ROC and the lease terms is 20 years. The lease agreement specifies that lease payments will be adjusted on the basis of changes in announced land value prices. The Group does not have bargain purchase options to acquire the leasehold land, buildings and transportation equipment at the end of the lease terms.

The Company has no significant new lease contracts from January 1 to March 31, 2022 and 2021.

d. Other lease information

	For the Three Months Ended March 31	
	2022	2021
Expenses relating to short-term leases	\$ 2,258	\$ 1,624
Expenses relating to low-value asset leases	\$ 105	\$ 108
Total cash outflow for leases	<u>\$ 6,482</u>	<u>\$ 6,072</u>

16. INVESTMENT PROPERTIES

	Completed Investment Properties	Right-of-use Assets	Total
<u>Cost</u>			
Balance at January 1, 2022	\$ 1,426,446	\$ 101,764	\$ 1,528,210
Effects of exchange rate changes	<u>51,908</u>	<u>3,796</u>	<u>55,704</u>
Balance at March 31, 2022	<u>\$ 1,478,354</u>	<u>\$ 105,560</u>	<u>\$ 1,583,914</u>
<u>Accumulated depreciation</u>			
Balance at January 1, 2022	\$ 572,824	\$ 7,348	\$ 580,172
Depreciation expense	17,152	628	17,780
Effects of exchange rate differences	<u>21,627</u>	<u>288</u>	<u>21,915</u>
Balance at March 31, 2022	<u>\$ 611,603</u>	<u>\$ 8,264</u>	<u>\$ 619,867</u>
Net Balance at March 31, 2022	<u>\$ 866,751</u>	<u>\$ 97,296</u>	<u>\$ 964,047</u>
Net Balance at December 31, 2021 and January 1, 2022	<u>\$ 853,622</u>	<u>\$ 94,416</u>	<u>\$ 948,038</u>
<u>Cost</u>			
Balance at January 1, 2021	\$ 1,429,106	\$ 100,521	\$ 1,529,627
Effects of exchange rate changes	<u>(10,514)</u>	<u>(758)</u>	<u>(11,272)</u>
Balance at March 31, 2021	<u>\$ 1,418,592</u>	<u>\$ 99,763</u>	<u>\$ 1,518,355</u>
<u>Accumulated depreciation</u>			
Balance at January 1, 2021	\$ 509,133	\$ 4,950	\$ 514,083
Depreciation expense	16,961	609	17,570
Effects of exchange rate differences	<u>(3,948)</u>	<u>(43)</u>	<u>(3,991)</u>
Balance at March 31, 2021	<u>\$ 522,146</u>	<u>\$ 5,516</u>	<u>\$ 527,662</u>
Net Balance at March 31, 2021	<u>\$ 896,446</u>	<u>\$ 94,247</u>	<u>\$ 990,693</u>

The right-of-use assets in the investment properties are the use right of land signed by the Company and is subleased by operating lease. The lease terms of the investment properties are from 1 to 15 years, with extension option according to the original contract when exercising the renewal right. The lessee does not have the right of first refusal at the end of the lease period.

The maturity analysis of lease payments receivable under operating leases of investment properties as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Year 1	\$ 220,743	\$ 231,116	\$ 207,148
Year 2	132,497	142,276	163,963
Year 3	<u>99,031</u>	<u>98,722</u>	<u>99,717</u>
	<u>\$ 452,271</u>	<u>\$ 472,114</u>	<u>\$ 470,828</u>

The above items of investment properties were depreciated on a straight-line basis over their estimated useful lives as follows:

Completed investment properties	5-26 years
Right-of-use assets	35-39 years

The fair value of the investment properties of Worldplus Technology (Shenzhen) Co., Ltd. assessed in 2021 and 2020 had been determined on the basis of valuations carried out on December 31, 2021 and 2020 by Suzhou Fengzheng Renhe Estate Land Assets Appraisal Co., Ltd. and Guanhong Real Estate Appraisers Office, respectively. The valuation was arrived at by reference to the income approach. The significant unobservable inputs used include discount rates; the fair value as appraised is as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Fair value	\$ 44,220	\$ 44,220	\$ 45,471

The fair value of investment properties was valued by independent valuers; the Group assessed and determined that the fair values as of December 31, 2021 and 2020 were still valid as of March 31, 2022 and 2021, respectively.

The fair value of the investment properties of SunMedia Technology assessed in 2021 and 2020 had been determined on the basis of valuations carried out on December 31, 2021 and 2020 by Sichuan Jinshuo Ruilin Assets Appraisal Office Co., Ltd. and Sichuan Zongli Real Estate Land Assets Evaluation Co., Ltd. The valuation was arrived at by reference to the income approach. The significant unobservable inputs used include discount rates; the fair value as appraised is as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Fair value	\$ 1,153,471	\$ 1,153,471	\$ 1,192,093

The fair value of investment properties was valued by independent valuers; the Group assessed and determined that the fair values reported as of December 31, 2021 and 2020 were still valid as of March 31, 2022 and 2021, respectively.

The fair value of the investment properties of Sunplus Technology (Shanghai) Co., Ltd. assessed in 2021 and 2020 had been determined on the basis of valuations carried out on December 31, 2021 and 2020 by Suzhou Feng-Zheng Valuation Firm. The valuation was arrived at by reference to the income approach. The significant unobservable inputs used include discount rates; the fair value as appraised is as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Fair value	\$ 2,225,361	\$ 2,225,361	\$ 2,374,398

The fair value of investment properties was valued by independent valuers; the Group assessed and determined that the fair values reported as of December 31, 2021 and 2020 were still valid as of March 31, 2022 and 2021, respectively.

17. INTANGIBLE ASSETS

	For the Three Months Ended March 31, 2022				
	Technology License Fees	Software	Patents	Goodwill	Total
<u>Cost</u>					
Balance at January 1, 2022	\$ 1,074,594	\$ 348,196	\$ 116,496	\$ 30,596	\$ 1,569,882
Additions	20,879	4,875	-	-	25,754
Disposals	(1,533)	(1,049)	-	-	(2,582)
Effects of exchange rate differences	1,123	1,167	10	-	2,300
Balance at March 31, 2022	<u>\$ 1,095,063</u>	<u>\$ 353,189</u>	<u>\$ 116,506</u>	<u>\$ 30,596</u>	<u>\$ 1,595,354</u>
<u>Accumulated amortization</u>					
Balance at January 1, 2022	\$ 698,474	\$ 323,912	\$ 87,864	\$ -	\$ 1,110,250
Amortization expense	30,397	5,827	445	-	36,669
Disposal	(1,533)	(1,049)	-	-	(2,582)
Effects of exchange rate differences	918	875	6	-	1,799
Balance at March 31, 2022	<u>\$ 728,256</u>	<u>\$ 329,565</u>	<u>\$ 88,315</u>	<u>\$ -</u>	<u>\$ 1,146,136</u>
<u>Accumulated impairment</u>					
Balance at January 1 and March 31, 2022	\$ 111,136	\$ -	\$ 21,577	\$ -	\$ 132,713
Impairment losses	4,680	-	-	-	4,680
Effects of exchange rate differences	95	-	-	-	95
Balance at March 31, 2022	<u>\$ 115,911</u>	<u>\$ -</u>	<u>\$ 21,577</u>	<u>\$ -</u>	<u>\$ 137,488</u>
Net balance at March 31, 2022	<u>\$ 250,896</u>	<u>\$ 23,624</u>	<u>\$ 6,614</u>	<u>\$ 30,596</u>	<u>\$ 311,730</u>
Net balance at December 31, 2021 and January 1, 2022	<u>\$ 264,984</u>	<u>\$ 24,284</u>	<u>\$ 7,055</u>	<u>\$ 30,596</u>	<u>\$ 326,919</u>
	For the Three Months Ended March 31, 2021				
	Technology License Fees	Software	Patents	Goodwill	Total
<u>Cost</u>					
Balance at January 1, 2021	\$ 986,612	\$ 325,261	\$ 116,498	\$ 30,596	\$ 1,458,967
Additions	50,869	4,665	-	-	55,534
Disposals	-	(388)	-	-	(388)
Effects of exchange rate differences	(228)	(229)	(2)	-	(459)
Balance at March 31, 2021	<u>\$ 1,037,253</u>	<u>\$ 329,309</u>	<u>\$ 116,496</u>	<u>\$ 30,596</u>	<u>\$ 1,513,654</u>
<u>Accumulated amortization</u>					
Balance at January 1, 2021	\$ 607,530	\$ 304,045	\$ 86,088	\$ -	\$ 997,663
Amortization expense	25,764	5,552	445	-	31,761
Disposal	-	(388)	-	-	(388)
Effects of exchange rate differences	(156)	(158)	(1)	-	(315)
Balance at March 31, 2021	<u>\$ 633,138</u>	<u>\$ 309,051</u>	<u>\$ 86,532</u>	<u>\$ -</u>	<u>\$ 1,028,721</u>
<u>Accumulated impairment</u>					
Balance at January 1 and March 31, 2021	<u>\$ 111,136</u>	<u>\$ -</u>	<u>\$ 21,577</u>	<u>\$ -</u>	<u>\$ 132,713</u>
Net balance at March 31, 2021	<u>\$ 292,979</u>	<u>\$ 20,258</u>	<u>\$ 8,387</u>	<u>\$ 30,596</u>	<u>\$ 352,220</u>

Other intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Technology license fees	1-10 years
Software	1-10 years
Patents	8-18 years

An analysis of amortization by function

	For the Three Months Ended March 31	
	2022	2021
Operating costs	\$ 35	\$ -
Selling and marketing expenses	-	9
General and administrative expenses	909	939
Research and development expenses	<u>35,725</u>	<u>30,813</u>
	<u>\$ 36,669</u>	<u>\$ 31,761</u>

18. OTHER ASSETS

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Current</u>			
Other financial assets			
Restricted assets (a)	\$ 25,940	\$ 25,940	\$ 44,201
Time deposits (b)	25,685	50,825	19,392
Pledged time deposits (c)	<u>-</u>	<u>-</u>	<u>114,140</u>
	<u>\$ 51,625</u>	<u>\$ 76,765</u>	<u>\$ 177,733</u>
Other assets			
Prepayments for EDA tools	\$ 21,626	\$ 23,579	\$ 19,968
Prepaid technical licensing fee	7,768	7,636	7,601
Others	<u>69,901</u>	<u>105,056</u>	<u>71,676</u>
	<u>\$ 99,295</u>	<u>\$ 136,271</u>	<u>\$ 99,245</u>
<u>Non-current</u>			
Other financial assets			
Time deposits (d)	\$ 229,806	\$ 221,544	\$ 234,576
Pledged time deposits (c)	<u>15,218</u>	<u>13,011</u>	<u>38,062</u>
	<u>\$ 245,024</u>	<u>\$ 234,555</u>	<u>\$ 272,638</u>
Other assets			
Refundable deposits(f)	\$ 102,442	\$ 99,113	\$ 4,073
Prepayments for purchases(e)	22,837	22,837	-
Prepayment for investments	-	-	42,000
Other	<u>7,800</u>	<u>7,800</u>	<u>7,800</u>
	<u>\$ 133,079</u>	<u>\$ 129,750</u>	<u>\$ 53,873</u>

- a. Refer to Note 29 for information on restricted assets.
- b. Worldplus Technology (Shenzhen) Company and Beijing Sunplus-EHue Tech Co., Ltd. made fixed deposit of RMB5,700 thousand at banks on March 31, 2022; Generalplus Shenzhen Company, Worldplus Technology (Shenzhen) Company, Beijing Sunplus-EHue Tech Co., Ltd., made fixed deposit of RMB11,700 thousand at banks on December 31, 2021; Worldplus Technology (Shenzhen) Company and Beijing Sunplus-EHue Tech Co., Ltd. made fixed deposit of RMB4,464 thousand at banks on March 31, 2021. The deposit period of time deposit is 6 months to 1 year, and interest can be charged at a certain interest rate during the deposit period.
- c. Refer to Note 34 for information on pledged time deposits.
- d. Sunplus Technology (Shanghai) Company, Worldplus Technology (Shenzhen) Company and Generalplus Shenzhen Company made certificates of deposit of RMB51,000 thousand, RMB51,000 thousand and RMB54,000 thousand at the bank on March 31, 2022, December 31, 2021 and March 31, 2021 respectively. The deposit period of the certificates of deposit is 1 to 3 years, 1 to 3 years and 2 to 3 years, respectively, and interest can be charged at a certain interest rate during the deposit period.
- e. The amount of prepayments is Generalplus signed a production capacity cooperation agreement with the supplier, and the prepayment paid in accordance with the contract will be offset in 5 years when the production capacity conditions in the contract are met.
- f. Refer to Note 35 for information on Refundable deposits.

19. BORROWINGS

Short-term borrowings

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Secured borrowings</u>			
Bank loans	\$ -	\$ -	\$ 97,055
<u>Unsecured borrowings</u>			
Bank loans	<u>76,911</u>	<u>143,773</u>	<u>192,231</u>
	<u>\$ 76,911</u>	<u>\$ 143,773</u>	<u>\$ 289,286</u>

The weighted average effective interest rate intervals for bank loans as of March 31, 2022, December 31, 2021 and March 31, 2021 were 1.545%-1.995%, 0.700%-1.745% and 0.670%-2.400% per annum, respectively.

Long-term borrowings

The borrowings of the Group are as follows:

	Maturity Date	Significant Covenant	March 31, 2022	December 31, 2021	March 31, 2021
<u>Floating rate borrowings</u>					
Unsecured bank borrowings	2025.08.21	Repayable quarterly from November 2021, in 11 installments.	\$ 200,000	\$ 200,000	\$ 400,000
Unsecured bank borrowings	2023.10.13	Repayable semiannually from October 2022, in 3 installments.	230,000	230,000	30,000
Less: Matured within 1 year			<u>(64,182)</u>	<u>(46,000)</u>	<u>(50,000)</u>
Long-term borrowings			<u>\$ 365,818</u>	<u>\$ 384,000</u>	<u>\$ 380,000</u>

The intervals of effective borrowing rates as of March 31, 2022 December 31, 2021 and March 31, 2021 were 1.470%-1.500%, 1.22%-1.250% and 1.250%-1.320% per annum, respectively.

20. TRADE PAYABLES

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Accounts payable</u>			
Payables - operating	<u>\$ 683,039</u>	<u>\$ 924,523</u>	<u>\$ 510,220</u>

The average credit period on purchases of certain goods was 30-60 days. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

21. OTHER LIABILITIES

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Current</u>			
Other payables			
Payables for salaries or bonuses	\$ 398,537	\$ 643,524	\$ 230,239
Payables for employees' compensation and remuneration of directors	259,645	202,118	101,844
Payables for dividends	252,362	-	-
Refund liabilities (Note 24)	117,777	97,015	84,254
Labor/health insurance	30,945	33,524	27,695
Payable for royalties	30,888	259,185	68,860
Payables for purchase of equipment	23,696	61,665	14,933
Commission payable	8,038	7,475	7,322
Payables for labor costs	6,526	8,389	5,138
Payables for purchase of intangible assets	5,155	14,715	4,040
Others	<u>81,928</u>	<u>105,903</u>	<u>57,274</u>
	<u>\$ 1,215,497</u>	<u>\$ 1,433,513</u>	<u>\$ 601,599</u>
Deferred revenue			
Government grants (Note 29)	<u>\$ 1,875</u>	<u>\$ 1,883</u>	<u>\$ 21,452</u>

(Continued)

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Non-current</u>			
Other payable			
Long-term payable	\$ 10,245	\$ 10,039	\$ 7,665
Payables for purchase of intangible assets	3,578	6,920	8,654
Payable for purchases of equipment	3,070	3,070	5,890
Decommissioning liabilities	<u>889</u>	<u>889</u>	<u>889</u>
	<u>\$ 17,782</u>	<u>\$ 20,918</u>	<u>\$ 23,098</u>
Deferred revenue			
Government grants (Note 29)	<u>\$ 57,655</u>	<u>\$ 55,978</u>	<u>\$ 57,390</u> (Concluded)

22. RETIREMENT BENEFIT PLANS

Employee benefits expense in respect of the Group's defined benefit retirement plans were \$133 thousand and \$314 thousand as of the three months ended March 31, 2022 and 2021, respectively, and were calculated using the respective annual, actuarially determined pension cost discount rates as of December 31, 2021 and 2020.

23. EQUITY

a. Share capital

1) Ordinary shares

	March 31, 2022	December 31, 2021	March 31, 2021
Numbers of shares authorized (in thousands)	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,200,000</u>
Value of shares authorized	<u>\$ 12,000,000</u>	<u>\$ 12,000,000</u>	<u>\$ 12,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>591,995</u>	<u>591,995</u>	<u>591,995</u>
Value of shares issued	<u>\$ 5,919,949</u>	<u>\$ 5,919,949</u>	<u>\$ 5,919,949</u>

Fully paid ordinary shares, which have a par value of \$10, carry one vote per share and carry a right to dividends.

Of the Group's authorized shares, 80,000 thousand shares had been reserved for the issuance of convertible bonds and employee share options.

2) Global depositary receipts

In March 2001, Sunplus issued 20,000 thousand units of global depositary receipts (GDRs), representing 40,000 thousand ordinary shares that consist of newly issued and originally outstanding shares. The GDRs are listed on the London Stock Exchange (code: SUPD) with an issuance price of US\$9.57 per unit. As of March 31, 2022, the outstanding 175 thousand units of GDRs represented 350 thousand ordinary shares.

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 (a)</u>			
Issuance of ordinary shares	\$ 18,497	\$ 18,497	\$ 18,497
From business combinations	157,423	157,423	157,423
The difference between the consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	298,767	298,767	207,316
<u>May only be used to offset a deficit</u>			
Treasury share transactions	48,178	48,178	46,307
Changes in percentage of ownership interests in subsidiaries (2)	497,906	497,906	-
Changes in net equity of associates or joint ventures accounted for using the equity method	<u>203,551</u>	<u>202,773</u>	<u>72,184</u>
	<u>\$ 1,224,322</u>	<u>\$ 1,223,544</u>	<u>\$ 501,727</u>

- a) When the Company has no deficit, such capital surplus may be distributed as cash dividends, or may be transferred to share capital once a year and within a certain percentage of the Company's capital surplus.
- b) Such capital surplus arises from the effects of changes in ownership interests in subsidiaries resulting from equity transactions other than actual disposals or acquisitions or from changes in capital surplus of subsidiaries accounted for using the equity method.

c. Retained earnings and dividend policy

The board of directors proposed to amend the Company's Articles of Association on March 29, 2022. Under the dividends policy as set forth in the amended Articles, when the Company makes a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, though this limitation is not applicable when the legal reserve has reached the total capital, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. However, the ratio of earnings for distribution and the ratio of the shareholders' cash dividends may depend on the current year. The actual profit and capital status shall be adjusted by the resolution of the shareholders in their meeting. The total number of shareholders' dividends based on the annual surplus shall be distributed at the rate of not less than 10% of the newly added distributable surplus for the year but shall not be distributed when the annual surplus is less than 1% of the paid-in capital. The aforementioned cash dividends shall not be less than 10% of the total dividends to be distributed to shareholders.

Under the dividends policy as set forth before the amended Articles, when the Company makes a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit. However, this limitation is not applicable when the legal reserve has reached the total capital. Setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. However, the ratio of the surplus for distribution and the ratio of shareholders' cash dividends may be adjusted by the resolution of the shareholders in the shareholders' meeting depending on the actual profit and capital situation of the current year. The Company's policy is that cash dividends should be at least 10% of total dividends distributed. However, cash dividends will not be distributed if these dividends are less than NT\$0.5 per share.

Under the regulations promulgated, a special reserve equivalent to the debit balance of any account shown in the shareholders' equity section of the balance sheet should be allocated from unappropriated retained earnings. For the policies on the distribution of employees' compensation and remuneration to directors and supervisors before and after the amendment, refer to Note 25-h.

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.

The earnings distribution for 2021 and 2020 was proposed and resolved by the board of directors in their meeting on March 29, 2022 and the shareholders' meeting on July 20, 2021 as follows:

	For the Year	
	2021	2020
Legal reserve	<u>\$ 124,955</u>	<u>\$ 32,889</u>
Special reserve reversed	<u>\$ 21,875</u>	<u>\$ 15,111</u>
Cash dividend	<u>\$ 1,146,102</u>	<u>\$ 311,093</u>
Cash dividend per share (NT\$)	\$ 1.936	\$ 0.5255

The appropriation of earnings for 2021 is subject to resolution in the shareholders' meeting to be held on June 8, 2022.

The board of directors proposed in meetings on March 29, 2022 to issue and cash dividends of \$37,888 thousand from the capital surplus.

d. Special reserves

	For the Three Months Ended	
	March 31	
	2022	2021
Balance at January 1 and March 31	<u>\$ 261,078</u>	<u>\$ 276,189</u>

e. Other equity items

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

	For the Three Months Ended March 31	
	2022	2021
Balance at January 1	\$ (259,512)	\$ (228,023)
Recognized for the period		
Exchange differences on the translation of the financial statements of foreign operations	95,375	(12,098)
Share from associates accounted for using the equity method	<u>3,605</u>	<u>(504)</u>
Balance at March 31	<u>\$ (160,532)</u>	<u>\$ (240,625)</u>

2) Unrealized valuation gain/(loss) on financial assets at FVTOCI

	For the Three Months Ended March 31	
	2022	2021
Balance at January 1	\$ 20,309	\$ (33,055)
Recognized for the period		
Unrealized gains (losses)	9,104	8,741
Share from associates accounted for using equity method	<u>(2,678)</u>	<u>15,341</u>
Balance at March 31	<u>\$ 26,735</u>	<u>\$ (8,973)</u>

f. Non-controlling interests

	For the Three Months Ended March 31	
	2022	2021
Balance at January 1	\$ 2,460,759	\$ 1,605,238
Attributable to non-controlling interests:		
Share of profit for the period	179,202	99,904
Exchange differences on the translation of the financial statements of foreign operations	9,971	(1,955)
Cash dividends from subsidiaries	(252,362)	-
Unrealized gain (loss) on financial assets at FVTOCI	-	(803)
Non-controlling interests from vested employee share options granted by Sunplus Innovation (Note 28)	<u>35,313</u>	<u>14,111</u>
Balance at March 31	<u>\$ 2,432,883</u>	<u>\$ 1,716,495</u>

g. Treasury shares

Purpose of Buyback	Shares Transferred to Employees (In Thousands of Shares)	Shares Held by Its Subsidiaries (In Thousands of Shares)	Total (In Thousands of Shares)
Number of shares as of January 1, 2021	-	3,560	3,560
Decrease	<u>-</u>	<u>-</u>	<u>-</u>
Number of shares as March 31, 2021	<u>-</u>	<u>3,560</u>	<u>3,560</u>
Number of shares as of January 1, 2022	-	3,560	3,560
Decrease	<u>-</u>	<u>-</u>	<u>-</u>
Number of shares as March 31, 2022	<u>-</u>	<u>3,560</u>	<u>3,560</u>

The Group's shares held by its subsidiaries at the end of the reporting periods are as follows:

Name of Subsidiary	Number of Shares Held (In Thousands of Shares)	Carrying Amount	Market Price
<u>March 31, 2022</u>			
Lin Shin Investment Co., Ltd.	3,560	\$ <u>63,401</u>	\$ <u>131,186</u>
<u>December 31, 2021</u>			
Lin Shin Investment Co., Ltd.	3,560	\$ <u>63,401</u>	\$ <u>138,306</u>
<u>March 31, 2021</u>			
Lin Shin Investment Co., Ltd.	3,560	\$ <u>63,401</u>	\$ <u>106,800</u>

Under the Securities and Exchange Act, Sunplus should neither pledge treasury shares nor exercise shareholders' rights on these shares, such as the right to dividends and to vote.

24. REVENUE

	For the Three Months Ended March 31	
	2022	2021
Revenue from the sale of goods	\$ 2,007,906	\$ 1,606,592
Rental income from property	64,011	59,670
Others	<u>42,682</u>	<u>32,065</u>
	<u>\$ 2,114,599</u>	<u>\$ 1,698,327</u>

a. Contract information

Revenue from the sale of goods

IC products are sold to agents and customers. The Company determines the sales price of products based on orders. It takes into consideration the past purchases of agents and customers in order to estimate the most likely discount amount and return rate. Based on the determination of revenue, the Company recognizes the amount and the liabilities for refunds (accounted for as other current liabilities).

Other

Other mainly come from software development and royalties.

b. Contract balances

	March 31, 2022	December 31, 2021	March 31, 2021	January 1, 2021
Notes receivable and trade receivables (Note 9)	<u>\$ 1,305,066</u>	<u>\$ 1,285,944</u>	<u>\$ 1,034,845</u>	<u>\$ 1,204,798</u>
Contract liabilities - current	<u>\$ 30,777</u>	<u>\$ 30,109</u>	<u>\$ 24,905</u>	<u>\$ 26,181</u>

c. Disaggregation of revenue

	<u>Reportable Segments</u>	
	<u>Direct Sales</u>	
	<u>For the Three Months Ended</u>	
	<u>March 31</u>	
	<u>2022</u>	<u>2021</u>
<u>Primary geographical markets</u>		
Asia	\$ 1,265,079	\$ 975,748
Taiwan	826,854	721,061
Others	<u>22,666</u>	<u>1,518</u>
	<u>\$ 2,114,599</u>	<u>\$ 1,698,327</u>
<u>Timing of revenue recognition</u>		
Satisfied at a point in time	\$ 2,048,505	\$ 1,637,215
Satisfied over time	<u>66,094</u>	<u>61,112</u>
	<u>\$ 2,114,599</u>	<u>\$ 1,698,327</u>

25. NET PROFIT

Net profit (loss) includes the following items:

a. Interest income

	For the Three Months Ended March 31	
	2022	2021
Bank deposits	<u>\$ 7,239</u>	<u>\$ 6,855</u>

b. Other income

	For the Three Months Ended March 31	
	2022	2021
Subsidy income (Note 29)	\$ 21,757	\$ 27,155
Dividend income	116	150
Others	<u>17,829</u>	<u>11,356</u>
	<u>\$ 39,702</u>	<u>\$ 38,661</u>

c. Other gains and losses

	For the Three Months Ended March 31	
	2022	2021
Gain on disposal of investments accounted for using equity method	\$ 449,000	\$ -
Net gains (losses) on financial assets and liabilities		
Net gain (loss) on financial assets designated as at FVTPL	(157,506)	225,837
Net foreign exchange gain (loss)	27,472	(6,348)
Impairment loss recognized on non-financial asset	(4,608)	-
Others	<u>3,539</u>	<u>3,198</u>
	<u>\$ 317,824</u>	<u>\$ 222,687</u>

d. Finance costs

	For the Three Months Ended March 31	
	2022	2021
Interest on bank loans	\$ 1,899	\$ 2,019
Interest on lease liabilities	1,285	1,357
Other finance costs	<u>103</u>	<u>97</u>
	<u>\$ 3,287</u>	<u>\$ 3,473</u>

e. Depreciation and amortization

	For the Three Months Ended March 31	
	2022	2021
An analysis of depreciation by function		
Operating costs	\$ 20,327	\$ 19,408
Operating expenses	<u>54,073</u>	<u>55,148</u>
	<u>\$ 74,400</u>	<u>\$ 74,556</u>
An analysis of amortization by function		
Operating costs	\$ 35	\$ -
Operating expenses	<u>36,634</u>	<u>31,761</u>
	<u>\$ 36,669</u>	<u>\$ 31,761</u>

f. Operating expenses directly related to investment properties

	For the Three Months Ended March 31	
	2022	2021
Direct operating expenses from investment properties that generate rental income	<u>\$ 23,184</u>	<u>\$ 20,548</u>

g. Employee benefits expense

	For the Three Months Ended March 31	
	2022	2021
Short-term benefits	\$ 597,932	\$ 452,875
Post-employment benefits		
Defined contribution plans	11,943	11,855
Defined benefit plans (Note 22)	133	314
Share-based payments		
Equity-settled	35,313	14,111
Other employee benefits	<u>9,009</u>	<u>8,594</u>
Total employee benefits expense	<u>\$ 654,330</u>	<u>\$ 487,749</u>
An analysis of employee benefits expense by function		
Operating costs	\$ 24,837	\$ 26,968
Operating expenses	<u>629,493</u>	<u>460,781</u>
	<u>\$ 654,330</u>	<u>\$ 487,749</u>

h. Compensation of employees and remuneration of directors and supervisors

The Company resolved amendments to its Articles of Incorporation to distribute compensation of employees and remuneration of directors at rates of no less than 1% and no higher than 1.5%, respectively, of net profit before income tax, compensation of employees, and remuneration to directors. However, when the company still has accumulated losses (including adjusting the undistributed surplus

amount), it should reserve the compensation amount in advance. The employees' compensation 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	1.00%	1.00%
Remuneration of directors	1.50%	1.50%

Amount

	For the Three Months Ended March 31	
	2022	2021
Compensation of employees	<u>\$ 3,803</u>	<u>\$ 2,232</u>
Remuneration of directors	<u>\$ 5,705</u>	<u>\$ 3,349</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, and will be adjusted in next fiscal year.

The remuneration of employees and directors of the year 2021 and 2020 was approved by the board of directors on March 29, 2022 and March 29, 2021 as follows:

	For the Year Ended December 31			
	2022		2021	
	Cash	Shares	Cash	Shares
Compensation of employees	\$ 12,136	\$ -	\$ 3,317	\$ -
Remuneration of directors	18,203	-	4,975	-

There is no difference between the actual amounts of compensation of employees and remuneration of directors 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 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

i. Gain or loss on exchange rate changes

	For the Three Months Ended March 31	
	2022	2021
Exchange rate gains	\$ 53,507	\$ 15,159
Exchange rate losses	<u>(26,035)</u>	<u>(21,507)</u>
Net loss	<u>\$ 27,472</u>	<u>\$ (6,348)</u>

26. INCOME TAXES

a. Income tax recognized in profit or loss

The major components of tax expense are as follows:

	For the Three Months Ended March 31	
	2022	2021
Current tax		
In respect of the current year	\$ 79,304	\$ 64,227
Adjustments for prior periods	<u>-</u>	<u>-</u>
	79,304	64,227
Deferred tax		
In respect of the current year	<u>2,196</u>	<u>1,210</u>
Income tax expense recognized in profit or loss	<u>\$ 81,500</u>	<u>\$ 65,437</u>

b. Income tax assessments

The income tax returns of Sunplus, Sunplus mMobile and Generalplus through 2019; Sunext, Jumplux, Lin Shin, Sunplus Venture, Sunplus mMedia, Wei-Young, Sunplus Management, GenkiTek Technology and Sunplus Innovation Technology Consulting through 2020 have been assessed by the tax authorities.

27. EARNINGS PER SHARE

Unit: NT\$ Per Share

	For the Three Months Ended March 31	
	2022	2021
Basic earnings per share	<u>\$ 0.63</u>	<u>\$ 0.37</u>
Diluted earnings per share	<u>\$ 0.63</u>	<u>\$ 0.37</u>

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share are as follows:

Net profit for the period

	For the Three Months Ended March 31	
	2022	2021
Profit for the period attributable to owners of the Company	\$ 370,717	\$ 217,575
Effects of potentially dilutive ordinary shares		
Bonuses to employee	<u>-</u>	<u>-</u>
Earnings used in the computation of diluted EPS from continuing operations	<u>\$ 370,717</u>	<u>\$ 217,575</u>

Weighted average number of ordinary shares outstanding (in thousands of shares):

	For the Three Months Ended March 31	
	2022	2021
Weighted average number of ordinary shares used in the computation of basic earnings per share	588,435	588,435
Effects of potentially dilutive potential ordinary shares:		
Bonuses issued to employees	<u>445</u>	<u>185</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>588,880</u>	<u>588,620</u>

The Company may settle the compensation of employees in cash or shares; therefore, the Company assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares will be 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 number of shares to be distributed to employees is resolved in the following year.

28. SHARE-BASED PAYMENT ARRANGEMENTS

a. Restricted shares for employees

In the shareholders' meeting of Sunplus Innovation Technology on June 22, 2020, the shareholders approved a restricted share plan for employees with a total amount of \$20,000 thousand, consisting of 2,000 thousand shares. The aforementioned resolution was declared effectively by the FSC on October 12, 2020.

The first and second restricted share plans were approved by the board of directors on October 28, 2020 and September 6, 2021. The total amount both of the two shares was \$10,000 thousand, consisting of 1,000 thousand shares and the issuing price of each share was \$0. Sunplus Innovation Technology has set October 28, 2020 and September 6, 2021 as the grant dates, and November 5, 2020 and September 7, 2021 as the record dates of capital increase. The amounts of the fair value of the granted shares were \$75.26 and \$163.50 per share.

After the restricted shares are allocated to employees in accordance with the Sunplus Innovation Technology's regulations, and they are still working after the expiration of the following vested terms while they meet the performance conditions, the proportions of vested shares are as follows:

- 1) Those who served in the Company for a year after the grant date with recent personal performance rating before the expiration date reaches the top 35% (included) of the Company, will receive 50% of the number of allocated shares.
- 2) Those who served in the Company for two years after the grant date with recent personal performance rating before the expiration date reaches the top 35% (included) of the Company, will receive 50% of the number of allocated shares.

When the employee fails to meet the vesting conditions:

- 1) Resignation (voluntary resignation/retirement/layoff/dismissal): The employee that has not fulfilled the vesting conditions will be deemed to have not met the vesting conditions from the day of resignation. The Company will buy back and cancel the employee's restricted shares at the original issuing price according to the laws.

- 2) Unpaid leave: The employee that has not fulfilled the vesting conditions will be restored to the rights and interests from the date of reinstatement, but the vesting period shall be deferred according to the period of unpaid leave.
- 3) Death: The employee that has not fulfilled the vesting conditions will be deemed to have not met the vesting conditions from the day of death. The Company will buy back and cancel the employee's restricted shares at the original issuing price according to the laws.
- 4) Occupational injury:
 - a) Those who are unable to continue their employment due to occupational injury and have not fulfilled the vesting conditions shall still fulfill the vesting conditions according to regulation 3) Death.
 - b) Death due to occupational injury may cause the employee not fulfilling the vesting conditions which shall be fulfilled by the heirs from the day of the death of the inherited employee according to regulation 3) Death.
- 5) Transfer employment: If an employee is requested to transfer to an affiliate company or other company (except transferring to a subsidiary), the restricted shares shall be proceed according to the regulation of "Resignation". However, due to Sunplus Innovation Technology Company's operation need, employees for those who were assigned by Sunplus Innovation Technology Company to be transferred to the company's affiliates or other companies will not be affected.
- 6) Employees or their heirs shall receive the transferred shares according to the trust agreement.
- 7) Share dividends and cash dividends that have been allocated to employees who have not fulfilled the vesting conditions during the vesting period shall not be returned.

The restrictions on the rights of the employees who acquire the restricted shares but have not met the vesting conditions are as follows:

- 1) The employees cannot sell, pledge, transfer, donate or, in any other way, dispose of these shares.
- 2) The employees holding these shares are not entitled to receive cash dividends and share dividends.
- 3) Employees should immediately place the restricted shares under the trust or custody after the issuance of restricted shares. They shall not request the trustee or custodian to return the restricted shares for any reason before the vesting conditions are fulfilled.

Other agreements were as follow:

Sunplus Innovation Technology Company shall act on behalf of employees to negotiate with trust institutions or custodian institutions. It may include but not limited to negotiate, sign, revise, extend, cancel and terminate the trust contracts or custody contracts and instructions for the delivery, use and disposal of trust or custody property during the period of trust or custody.

a. Information on employee restricted share was as follows:

	For the Three Months Ended March 31	
	2022	2021
	Number of Options (In Thousands of Units)	Number of Options (In Thousands of Units)
Outstanding shares at March 31	<u>1,495</u>	<u>1,000</u>

Compensation costs recognized were \$35,313 thousand and \$14,111 thousand for the year for the three months ended March 31, 2022 and 2021.

b. Capital Increase by Cash Reserved for Employees

The board of directors of Sunplus Innovation Technology resolved on June 2, 2021 to process the initial cash capital increase before the OTC to reserve 506 thousand shares for employees to subscribe. The grant date was July 15, 2021, and the total number of subscribed shares was 486 thousand shares. The above ordinary share issuance reserved for employee option's fair value was priced using the Black-Scholes evaluation model, and the inputs to the model are as follows:

	July, 2021
Grant-date share price (NT\$)	\$ 156.90
Exercise price (NT\$)	\$ 160.00
Expected volatility	52.57%
Expected life (in days)	8
Risk-free interest rate	0.35%
Fair value of option (NT\$)	\$ 3.50

29. GOVERNMENT GRANTS

In August 2013, SunMedia Technology Co., Ltd. received a government grant amounting to RMB16,390 thousand (\$79,213 thousand) for the purchase of land on which to build a plant. This amount, which was recognized as deferred revenue, will be recognized in profit or loss over the useful life of the land. The total revenue recognized as profit were \$401 thousand and \$398 thousand for the three months ended March 31, 2022 and 2021, respectively.

The Company applied for the AI on Chip R&D subsidy program of the Ministry of Economic Affairs, and the "Shared Intelligent Computing Chiplet Architecture R&D Program" was reviewed and approved on November 20, 2020. The approved total subsidy amounted is \$ 115,356 thousand. As of March 31, 2022 and 2021, the accumulated subsidy received are \$ 70,139 thousand and \$ 44,201 thousand, and the income from the recognized subsidy is \$19,814 thousand and \$ 24,632 thousand for the three months ended March 31, 2022 and 2021. In addition, the Company has a special account for subsidies in accordance with regulations, and the monthly withdrawal amount should be withdrawn according to the monthly expenditure summary statement, and the withdrawal amount shall not be higher than the expenditure amount.

30. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

In August 2021, Giant Rock subscribed for the cash capital increase of Sunplus APP Technology, increasing its controlling interest from 96.32% to 97.44%.

In July 2021, the Company disposed of its 2.28% shareholding in Sunplus Innovation Technology. The Company at a percentage different from its existing ownership percentage for the cash capital increase equity, resulting in a decrease in the overall shareholding ratio from 65.94% to 58.86%.

In November 2021, Sunplus Innovation Technology had vested restricted shares, resulting in a decrease in the overall shareholding ratio from 58.86% to 58.36%.

The above transactions were accounted for as equity transactions since the Group did not cease to have control over these subsidiaries.

31. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity of the Group (comprising issued capital, reserves, retained earnings and other equity) attributable to owners of the Group.

The Group is not subject to any externally imposed capital requirements.

32. FINANCIAL INSTRUMENTS

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

The management of the Group considers that the fair value of financial assets and financial liabilities that are not measured at fair value approximate their fair value.

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

1) Fair value hierarchy

March 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Mutual funds	\$ 1,385,233	\$ -	\$ -	\$ 1,385,233
Domestic/foreign unlisted shares	79,695	-	979,650	1,059,345
Domestic/foreign listed shares	377,606	-	-	377,606
				(Continued)

	Level 1	Level 2	Level 3	Total
Securities listed in the ROC and other countries - convertible bonds	\$ 12,475	\$ -	\$ 138,854	\$ 151,329
Limited partnership	<u>-</u>	<u>-</u>	<u>599,152</u>	<u>599,152</u>
	<u>\$ 1,855,009</u>	<u>\$ -</u>	<u>\$ 1,717,656</u>	<u>\$ 3,572,665</u>
Financial assets at FVTOCI				
Domestic/foreign unlisted shares	\$ 106,545	\$ -	\$ 218,710	\$ 325,255
Domestic private listed shares	<u>-</u>	<u>-</u>	<u>8,847</u>	<u>8,847</u>
	<u>\$ 106,545</u>	<u>\$ -</u>	<u>\$ 227,557</u>	<u>\$ 334,102</u> (Concluded)

December 31, 2021

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Mutual funds	\$ 1,199,486	\$ -	\$ -	\$ 1,199,486
Domestic/foreign unlisted shares	164,738	-	1,192,970	1,357,708
Domestic/foreign listed shares	273,390	-	-	273,390
Securities listed in the ROC and other countries - convertible bonds	-	-	134,269	134,269
Limited partnership	<u>-</u>	<u>-</u>	<u>436,013</u>	<u>436,013</u>
	<u>\$ 1,637,614</u>	<u>\$ -</u>	<u>\$ 1,763,252</u>	<u>\$ 3,400,866</u>
Financial assets at FVTOCI				
Domestic private listed shares	\$ -	\$ -	\$ 10,062	\$ 10,062
Domestic/foreign unlisted shares	<u>89,486</u>	<u>-</u>	<u>116,708</u>	<u>206,194</u>
	<u>\$ 89,486</u>	<u>\$ -</u>	<u>\$ 126,770</u>	<u>\$ 216,256</u>

March 31, 2021

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Mutual funds	\$ 778,171	\$ -	\$ -	\$ 778,171
Domestic/foreign unlisted shares	248,290	-	786,151	1,034,441 (Continued)

	Level 1	Level 2	Level 3	Total
Domestic/foreign listed shares	\$ 210,127	\$ -	\$ -	\$ 210,127
Securities listed in the ROC and other countries - convertible bonds	975	-	-	975
Limited partnership	<u>-</u>	<u>-</u>	<u>327,352</u>	<u>327,352</u>
	<u>\$ 1,237,563</u>	<u>\$ -</u>	<u>\$ 1,113,503</u>	<u>\$ 2,351,066</u>
Financial assets at FVTOCI				
Domestic listed shares	\$ 85,853	\$ -	\$ -	\$ 85,853
Domestic/foreign unlisted shares	47,923	-	73,332	121,255
Domestic private listed shares	<u>-</u>	<u>-</u>	<u>7,663</u>	<u>7,663</u>
	<u>\$ 133,776</u>	<u>\$ -</u>	<u>\$ 80,995</u>	<u>\$ 214,771</u>

(Concluded)

There were no transfers between Levels 1 and 2 in the current and prior periods.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the three months ended March 31, 2022

Financial Assets	Financial Assets at FVTPL	Financial Assets at FVTOCI	Total
Balance at January 1, 2021	\$ 1,763,252	\$ 126,770	\$ 1,890,022
Recognized in profit or loss	(102,563)	-	(102,563)
Recognized in other comprehensive income (loss)	-	(7,955)	(7,955)
Purchases	111,243	105,752	216,995
Transfers out of Level 3	(69,300)	-	(69,300)
Effects of exchange rate changes	<u>15,024</u>	<u>2,990</u>	<u>18,014</u>
Balance at March 31, 2021	<u>\$ 1,717,656</u>	<u>\$ 227,557</u>	<u>\$ 1,945,213</u>

For the three months ended March 31, 2021

Financial Assets	Financial Assets at FVTPL	Financial Assets at FVTOCI	Total
Balance at January 1, 2021	\$ 1,073,957	\$ 78,699	\$ 1,152,656
Recognized in profit or loss	104,457	-	104,457
Recognized in other comprehensive income (loss)	-	(12,010)	(12,010)
Purchases	1,139	14,267	15,406
Disposal	(8,100)	-	(8,100)
Transfers out of Level 3	(57,353)	-	(57,353)
Effects of exchange rate changes	<u>(597)</u>	<u>39</u>	<u>(558)</u>
Balance at March 31, 2021	<u>\$ 1,113,503</u>	<u>\$ 80,995</u>	<u>\$ 1,194,498</u>

3) Valuation techniques and inputs applied for Level 3 fair value measurement

- a) The fair values of unlisted equity securities - domestic and foreign were determined using the market approach. The significant unobservable inputs used are listed in the table below. An increase in the price-to-book ratio or price-sales ratio or a decrease in the discount for lack of marketability used in isolation would result in increases in fair value.

	March 31, 2022	December 31, 2021	March 31, 2021
Price-to-book ratio	0.33-3.23	0.005-3.49	2.58-5.50
Price-to-sales ratio	0.85-2.53	0.91-2.85	2.54-12.41
Discount for lack of marketability	10%-20%	10%-20%	10%-20%

- b) The fair values of unlisted shares and emerging market shares and private funds were determined using the asset-based approach. The Group assesses that the amount of its net assets attributable to its investment approaches the fair value of the equity investment. The Group assesses the total value of the individual assets and liabilities covered by the target to reflect the overall value of the business.

- c) The fair values of unlisted shares and emerging market shares were determined using the income approach. In this approach, the discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of these investees. The significant unobservable inputs used are listed in the table below. An increase in long-term revenue growth rates or a decrease in the weighted average cost of capital (WACC) or discount for lack of marketability used in isolation would result in increases in fair value.

	March 31, 2022	December 31, 2021	March 31, 2021
Long-term revenue growth rates	2.00%	2.00%	2.00%
Weighted average cost of capital ratio	9.207%	8.879%	9.872%
Discount for lack of marketability	30.00%	30.00%	30.00%

- d) Domestic listed private equity investment refers to the transaction price of the listed company's shares in the active market, and the unobservable input value was used as discount for lack of marketability to determine the value of the evaluation target.

	March 31, 2022	December 31, 2021	March 31, 2021
Discount for lack of marketability	29.8%	29.8%	25.9%

c. Categories of financial instruments

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Financial assets</u>			
Fair value through profit or loss (FVTPL)	\$ 3,572,665	\$ 3,400,866	\$ 2,351,066
Financial assets at amortized cost (i)	6,147,732	6,599,715	4,873,561
Financial assets at fair value through other comprehensive income			
Equity instruments	334,102	216,256	214,771
<u>Financial liabilities</u>			
Measured at amortized cost (ii)	1,458,747	1,762,041	1,454,026

i) The balances include financial assets, which comprise cash and cash equivalents, trade receivables, other receivables, other financial assets and refundable deposits.

ii) The balances include financial liabilities measured at amortized cost, which comprise short-term loans, trade payables, long-term liabilities - current portion, long term loans and guarantee deposits.

d. Financial risk management objectives and policies

The Group's major financial instruments include mutual funds, convertible bonds, equity investment, trade receivables, trade payables, borrowings and lease liabilities. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, 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 currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The corporate treasury function reports quarterly to the Group's risk management committee.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below). The Group entered into a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk, including:

a) Foreign currency risk

A part of the Group's cash flows is denominated in foreign currencies, and management's use of derivative financial instruments is for hedging adverse changes in exchange rates, not for profit.

For exchange rate risk management, each foreign currency denominated item of net assets and liabilities is reviewed regularly. In addition, before obtaining foreign loans, the Group considers the cost of the hedging instrument and the hedging period.

For the carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the reporting period, refer to Note 36.

Sensitivity analysis

The Group was mainly exposed to the USD and RMB.

The following table details the Company sensitivity to a US\$1.00 and RMB1.00 increase and decrease in the New Taiwan dollar (the functional currency) against the relevant foreign currencies. The sensitivity analysis considers the currencies of USD and RMB in circulation, and adjusts the end-of-term conversion to exchange rate change of \$1.00. The sensitivity analysis covers cash and cash equivalents, notes and accounts receivable, other receivables, accounts payable, other accounts payable, long-term and short-term loans, other financial assets, and deposit margins. A negative number below indicates a decrease in post-tax profit associated with the New Taiwan dollar strengthening \$1.00 against USD and RMB. For a \$1.00 weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on post-tax profit, and the balances below would be positive (negative).

	USD Impact	
	For the Three Months Ended March 31	
	2022	2021
Profit or loss	\$ (25,886)	\$ (5,247)

	RMB Impact	
	For the Three Months Ended March 31	
	2022	2021
Profit or loss	\$ (2,651)	\$ 927

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. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetites, ensuring the most cost-effective hedging strategies are applied.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period are as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Fair value interest rate risk			
Financial assets	\$ 2,314,911	\$ 2,618,028	\$ 2,563,349
Financial liabilities	217,256	220,078	481,371
Cash flow interest rate risk			
Financial assets	2,312,505	2,523,929	1,215,081
Financial liabilities	506,911	573,773	467,000

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for both derivative and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the reporting period was outstanding for the whole period. A 0.125% increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been increased/decreased by 0.125% and all variables been held constant, the Group's post-tax profit for the three months ended March 31, 2022 and 2021 would increase/decrease by \$2,257 thousand and \$935 thousand, respectively.

c) Other price risk

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

The sensitivity analyses below were determined based on the exposure to equity price risks at the end of the reporting period.

Had the prices of financial assets at FVTPL been 1% higher/lower, post-tax profit for the three months ended March 31, 2022 and 2021 would have increased/decreased by \$35,727 thousand and \$23,511 thousand, respectively.

Had the prices of financial assets at FVTOCI been 1% higher/lower, post-tax profit for the three months ended March 31, 2022 and 2021 would have increased/decreased by \$3,341 thousand and \$2,148 thousand, respectively.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to the failure to discharge an obligation by the counterparties and financial guarantees provided by the Group arising from the carrying amount of the respective recognized financial assets as stated in the balance sheets.

In order to minimize credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Group consider that the Group's credit risk was significantly reduced.

The credit risk on liquid funds and derivatives was limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of trade receivables and, where appropriate, credit guarantee insurance covers are purchased.

The Group's concentration of credit risk of 65%, 68% and 66% in total trade receivables as of March 31, 2022 December 31, 2021 and March 31, 2021 respectively, was related to the five largest customers within the property construction business segment.

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.

The Group relies on bank borrowings as a significant source of liquidity. As of March 31, 2022, December 31, 2021 and March 31, 2021, the Group had available unutilized overdraft and financing facilities set out below.

a) Liquidity and interest rate risk tables

The following table details the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed repayment periods. The tables had been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

March 31, 2022

	On Demand or Less than 1 Month	1-3 Months	More than 3 Months to 1 Year	Over 1 Year to 5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing liabilities	\$ 473,420	\$ 212,984	\$ 85	\$ 42,873	\$ -
Lease liabilities	1,489	2,997	12,215	44,362	242,428
Variable interest rate liabilities	266	48,000	100,000	330,000	-
Fixed interest rate liabilities	<u>28,913</u>	<u>-</u>	<u>-</u>	<u>4,851</u>	<u>185,234</u>
	<u>\$ 504,088</u>	<u>\$ 263,981</u>	<u>\$ 112,300</u>	<u>\$ 422,086</u>	<u>\$ 427,662</u>

Additional information about the maturity analysis for lease liabilities

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	<u>\$ 16,701</u>	<u>\$ 44,362</u>	<u>\$ 48,109</u>	<u>\$ 48,109</u>	<u>\$ 38,853</u>	<u>\$ 107,357</u>

December 31, 2021

	On Demand or Less than 1 Month	1-3 Months	More than 3 Months to 1 Year	Over 1 Year to 5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing liabilities	\$ 658,464	\$ 381,214	\$ 8,222	\$ 40,492	\$ -
Lease liabilities	1,486	3,114	12,624	45,671	244,833
Variable interest rate liabilities	99,024	45,000	46,000	384,000	-
Fixed interest rate liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,972</u>	<u>183,713</u>
	<u>\$ 758,974</u>	<u>\$ 429,328</u>	<u>\$ 66,846</u>	<u>\$ 475,135</u>	<u>\$ 428,546</u>

Additional information about the maturity analysis for lease liabilities

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	<u>\$ 17,224</u>	<u>\$ 45,671</u>	<u>\$ 48,109</u>	<u>\$ 48,109</u>	<u>\$ 39,358</u>	<u>\$ 109,257</u>

March 31, 2021

	On Demand or Less than 1 Month	1-3 Months	More than 3 Months to 1 Year	Over 1 Year to 5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing liabilities	\$ 362,037	\$ 253,259	\$ 376	\$ 35,173	\$ -
Lease liabilities	1,507	3,398	13,621	50,898	254,189
Variable interest rate liabilities	171	-	87,000	380,000	-
Fixed interest rate liabilities	<u>155,415</u>	<u>-</u>	<u>97,055</u>	<u>5,466</u>	<u>143,787</u>
	<u>\$ 519,130</u>	<u>\$ 256,657</u>	<u>\$ 198,052</u>	<u>\$ 471,537</u>	<u>\$ 397,976</u>

Additional information about the maturity analysis for lease liabilities

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	<u>\$ 18,526</u>	<u>\$ 50,898</u>	<u>\$ 49,046</u>	<u>\$ 49,046</u>	<u>\$ 41,138</u>	<u>\$ 114,959</u>

b) Financing facilities

	March 31, 2022	December 31, 2021	March 31, 2021
Unsecured bank overdraft facilities			
Amount used	\$ 566,841	\$ 599,711	\$ 726,450
Amount unused	<u>4,145,613</u>	<u>3,871,132</u>	<u>4,176,304</u>
	<u>\$ 4,712,454</u>	<u>\$ 4,470,843</u>	<u>\$ 4,902,754</u>

33. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries had 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. Name and relationship of related parties

Name	Relationship with the Group
Beijing Golden Global View Co., Ltd.	Associate (Note)
iCatch Technology Co., Ltd.	Associate

Note: It is an associate of the Company; subsidiary of Global View Co., Ltd.

b. Sales of goods

Line Item	Related Party Category	For the Three Months Ended March 31	
		2022	2021
Sales	Associates	<u>\$ 11,705</u>	<u>\$ 17,709</u>

Sales price to related parties is based on cost and market price. The sales terms to related parties are similar to those with external customers.

c. Receivables from related parties (excluding loans to related parties)

Line Item	Related Party Category	March 31, 2022	December 31, 2021	March 31, 2021
Trade receivables	Associates	<u>\$ 11,199</u>	<u>\$ 10,752</u>	<u>\$ 10,248</u>
Other trade receivables	Associates	<u>\$ 214</u>	<u>\$ 529</u>	<u>\$ 223</u>

There were no guarantees on outstanding receivables from related parties. For the three months ended March 31, 2022 and 2021, no impairment loss was recognized for trade receivables from related parties.

d. Prepayments (excluding loans to related parties)

Line Item	Related Party Category	March 31, 2022	December 31, 2021	March 31, 2021
Other current assets	Associates	<u>\$ 90</u>	<u>\$ 189</u>	<u>\$ 25</u>

e. Other transactions with related parties

Account Item	Related Party Type	For the Three Months Ended March 31	
		2022	2021
Operating expenses	Associates	<u>\$ 34</u>	<u>\$ 125</u>
Non-operating income and expenses	Associates	<u>\$ 2,735</u>	<u>\$ 2,661</u>

Administrative support services price were negotiated between the Company and the related parties, and were thus not comparable with those in the market. There are no other available transactions to be compared with.

The pricing and payment terms of the lease contracts between the Company and the related parties are similar to those with external customers.

f. Compensation of key management personnel

	For the Three Months Ended March 31	
	2022	2021
Short-term employee benefits	\$ 42,848	\$ 28,685
Post-employment benefits	<u>325</u>	<u>302</u>
	<u>\$ 43,173</u>	<u>\$ 28,987</u>

The remuneration of directors and other key management personnel was determined by the compensation committee in accordance with individual performance and the market trend.

34. PLEDGED OR MORTGAGED ASSETS

The following assets of the company have been pledged or mortgaged as endorsement guarantees, loans, purchase quotas, leased land and collateral for customs clearance:

	March 31, 2022	December 31, 2021	March 31, 2021
Buildings, net	\$ 552,081	\$ 556,931	\$ 571,482
Pledged time deposits (classified as other financial assets, including current and non-current)	<u>15,218</u>	<u>13,011</u>	<u>152,202</u>
	<u>\$ 567,299</u>	<u>\$ 569,942</u>	<u>\$ 723,684</u>

35. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

Significant commitment of the Company as of the end of the reporting period, excluding these disclosed in other note, were as follow:

a. Long-term purchase contract:

Generalplus signed a long-term supply contract with the supplier in December 2021. According to the contract agreed that supply quantity and price from January 1, 2022 to December 31, 2024. According to the contract, Generalplus has been paid USD 3,456 thousand to the supplier as a guarantee to ensure the supply of production capacity. The contract stipulates that if fail to fulfill the agreed purchase quantity or supply quantity, the other party has the right to demand a certain amount of compensation.

36. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Group and the related exchange rates between foreign currencies and respective functional currencies were as follows:

March 31, 2022

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 55,705	28.6250	\$ 1,594,556
CNY	1,266	4.5060	5,705
JPY	25,629	0.2353	6,031
HKD	149	3.6560	545
GBP	3	37.6200	113
EUR	1	31.9200	32
Non-monetary items			
CHF	580	30.9350	17,953

(Continued)

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
<u>Financial liabilities</u>			
Monetary items			
USD	\$ 29,819	28.6250	\$ 853,569
CNY	3,917	4.5060	17,650
JPY	3,654	0.2353	860
			(Concluded)

December 31, 2021

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 65,245	27.6800	\$ 1,805,982
CNY	1,258	4.3440	5,465
JPY	9,108	0.2410	2,195
HKD	150	3.5490	532
GBP	3	37.3000	112
EUR	1	31.3200	31
Nonmonetary items			
CHF	595	30.1750	17,953

Financial liabilities

Monetary items			
USD	48,434	27.6800	1,340,653
CNY	3,857	4.3440	16,755
JPY	417	0.2410	100
HKD	14	3.5490	50

March 31, 2021

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 31,918	28.5350	\$ 910,780
CNY	2,251	4.3440	9,778
JPY	371	0.2577	96
HKD	152	3.6700	558
GBP	3	39.2300	118
EUR	1	33.4800	33
Non-monetary items			
CHF	520	30.2750	15,731
			(Continued)

	Foreign Currency (In Thousands)	Exchange Rate	Carrying Amount
<u>Financial liabilities</u>			
Monetary items			
USD	\$ 26,671	28.5350	\$ 761,057
CNY	3,178	4.3440	13,805
JPY	842	0.2577	217
EUR	159	33.4800	5,323
			(Concluded)

The foreign currency exchange losses (realized and unrealized) amounted to \$27,472 thousand and \$6,348 thousand for the three months ended March 31, 2022 and 2021, respectively. Due to the diversity of the Group's assets and liabilities denominated in foreign currencies, it is impractical to disclose foreign currency exchange gains and losses by each significant foreign currency other than those with significant influence.

37. ADDITIONAL DISCLOSURES

- a. Information about significant transactions and investees and b. Information on investees:
- 1) Financings provided: Table 1 (attached)
 - 2) Endorsements/guarantees provided: Table 2 (attached)
 - 3) Marketable securities held: Table 3 (attached)
 - 4) Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital: : Table 4 (attached)
 - 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital: No.
 - 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital: No.
 - 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: No.
 - 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: No.
 - 9) Trading in derivative instruments: No.
 - 10) Intercompany relationships and significant intercompany transactions: Table 5 (attached)
 - 11) Information on investees: Table 6 (attached)

c. 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 7)
- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (Table 8)
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
 - c) The amount of property transactions and the amount of the resultant gains or losses.
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
 - e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.
 - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.
- d. 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 9)

Except for the information disclosed in Tables 1 to 9, there is no further information about other significant transactions.

38. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on types of goods provided. Since all products have similar economic characteristics and product selling is centralized, the Group reports information as one segment. Thus, the information of the operating segment is the same as that presented in the accompanying financial statements. That is, the revenue by sub-segment and operating results for the three months ended March 31, 2022 and 2021 are shown in the accompanying consolidated statements of comprehensive income on March 31, 2022 and 2021, and the assets by segment as of March 31, 2022 and 2021 are shown in the accompanying consolidated balance sheets for March 31, 2022, December 31, 2021 and March 31, 2021.

SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

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

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Bad Debt	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limit
													Item	Value		
1	Sunplus Technology (Shanghai) Co., Ltd.	Chongqing CQPlus1 Technology Co., Ltd.	Receivables from related parties	Yes	\$ 60,816	\$ -	\$ -	1.80%	Note 1	\$ -	Note 2	\$ -	-	\$ -	\$ 370,801 (Note 7)	\$ 370,801 (Note 7)
1	Sunplus Technology (Shanghai) Co., Ltd.	SunMedia Technology Co., Ltd.	Receivables from related parties	Yes	136,081	136,081	136,081	1.80%	Note 1	-	Note 3	-	-	-	370,801 (Note 7)	370,801 (Note 7)
2	Russell Holdings Ltd.	SunMedia Technology Co., Ltd.	Receivables from related parties	Yes	243,313	243,313	243,313	-	Note 1	-	Note 4	-	-	-	559,142 (Note 8)	559,142 (Note 8)
3	Sunplus Venture Capital Co., Ltd.	SunMedia Technology Co., Ltd.	Receivables from related parties	Yes	30,056	30,056	30,056	0.52%	Note 1	-	Note 5	-	-	-	427,393 (Note 9)	427,393 (Note 9)
4	Lin Shin Investments co., Ltd.	SunMedia Technology Co., Ltd.	Receivables from related parties	Yes	103,050	103,050	103,050	0.52%	Note 1	-	Note 6	-	-	-	478,349 (Note 10)	478,349 (Note 10)

Note 1: Short-term financing.

Note 2: Sunplus Technology (Shanghai) Co., Ltd. provided funds for the operating needs of Chongqing CQPlus1 Technology Co., Ltd..

Note 3: Sunplus Technology (Shanghai) Co., Ltd. provided funds for the operating needs of SunMedia Technology Co., Ltd.

Note 4: Russell Holdings Ltd. provided funds for the operating needs of SunMedia Technology Co., Ltd.

Note 5: Sunplus Venture Capital provided funds for the operating needs of SunMedia Technology Co., Ltd.

Note 6: Lin Shin Investments Co., Ltd. provided funds for the operating needs of SunMedia Technology Co., Ltd.

Note 7: The total amount of all guarantees issued and the individual amount of each guarantee should not exceed 10% Sunplus Technology (Shanghai) Co., Ltd.'s net equity as of its latest financial statement.

Note 8: Russell Holdings Ltd. and the loans are all foreign companies whose parent company directly and indirectly holds 100% of the voting shares. When the short-term financing funds need to be engaged in capital lending, the capital loan and the individual amount and total amount should not exceed the capital loan. The enterprise's net worth should not exceed to 80%, and its period should not exceed more than 2 years.

Note 9: The total amount of all guarantees issued and the individual amount of each guarantee should not exceed 40% of Sunplus Venture Capital Co., Ltd.'s net equity as of its latest financial statements.

Note 10: The total amount of all guarantees issued and the individual amount of each guarantee should not exceed 40% of Lin Shin Investments Co., Ltd.'s net equity as of its latest financial statements.

SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED

FOR THE THREE MONTHS ENDED MARCH 31, 2022

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

No.	Endorser/ Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Given on Behalf of Each Party	Maximum Balance for the Period	Ending Balance	Actual Borrowing Amount	Value of Collateral Property, Plant, or Equipment	Percentage of Accumulated Amount of Collateral to Net Equity as of the Latest Financial Statements	Maximum Collateral/Gua rantee Amounts Allowable	Provided by the Company	Guarantee Provided by the Subsidiary	Guarantee Provided to a Subsidiary Located in Mainland China
		Name	Nature of Relationship										
0 (Note 1)	Sunplus	Chongqing CQPlus1 Technology Co., Ltd.	3 (Note 3)	\$ 1,057,372 (Note 4)	\$ 67,590	\$ 67,590	\$ 67,590	\$ -	0.64	\$ 2,114,744 (Note 5)	Yes	No	Yes
1 (Note 1)	RUSSELL HOLDINGS LTD.	SunMedia Technology Co., Ltd.	3 (Note 3)	\$ 419,356 (Note 6)	57,250	57,250	-	-	8.19	419,356 (Note 6)	No	No	Yes

Note 1: Issuer.

Note 2: Investee.

Note 3: Sunplus and its subsidiaries jointly hold more than 50% of the ordinary shares of the endorsee.

Note 4: For each transaction entity, the guarantee amount should not exceed 10% of the endorsement/guarantee provider's net equity based on the provider's latest financial statements.

Note 5: The guarantee amount should not exceed 20% of the endorsement/guarantee provider's net equity based on the provider's latest financial statements.

Note 6: Russell Holdings Ltd. and the endorsement guaranty object are the parent company which holds 100% voting rights directly or indirectly. For each transaction entity, the guarantee amount should not exceed 60% of the endorsement/guarantee provider's net equity.

SUNPLUS TECHNOLOGY COMPANY LIMITED 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 Security	Relationship with the Holding Company	Financial Statement Account	March 31, 2022				Note
				Shares or Units (In Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
Sunplus Technology Company Limited (the "Company")	Taishin 1699 Money Market Fund	-	Financial assets at FVTPL - current	1,467	\$ 20,077	-	\$ 20,077	Note 3
	Taishin ESG Emerging Markets Bond Fund	-	Financial assets at FVTPL - current	972	8,382	-	8,382	Note 3
	Yuanta USD Money Market Fund	-	Financial assets at FVTPL - current	99	30,161	-	30,161	Note 3
	PineBridge Global ESG Quantitative Bond Fund	-	Financial assets at FVTPL - current	2,894	27,710	-	27,710	Note 3
	Evergreen Steel Co., Ltd.	-	Financial assets at FVTPL - current	800	49,360	-	49,360	Note 2
	Triknight Capital Corporation	-	Financial assets at FVTPL - non-current	29,285	515,261	5	515,261	Note 1
	Marvest Series 1 Fund	-	Financial assets at FVTPL - non-current	2	-	-	-	Note 1
Lin Shin Investment Co., Ltd.	Taiwan Mask Corp.	-	Financial assets at FVTPL - current	101	9,787	-	9,787	Note 2
	UPI Semiconductor Corp.	-	Financial assets at FVTPL - current	95	60,325	-	60,325	Note 2
	Episil-Precision Inc. – Convertible Bonds	-	Financial assets at FVTPL - current	40	4,888	-	4,888	Note 1
	Episil technologies Inc. – Convertible Bonds	-	Financial assets at FVTPL - current	60	7,587	-	7,587	Note 1
	A-Spine Asia Co., Ltd.	-	Financial assets at FVTPL - current	197	7,270	-	7,270	Note 1
	Enterex International Limited - Convertible Bonds	-	Financial assets at FVTPL - current	30	-	-	-	Note 1
	Yong Feng Yu Inc.	-	Financial assets at FVTPL - current	393	19,041	-	19,041	Note 2
	Evergreen Aviation Technologies Corporation	-	Financial assets at FVTPL - current	1,050	79,695	-	79,695	Note 1
	Genius Vision Digital Co., Ltd.	-	Financial assets at FVTPL - non-current	300	-	1	-	Note 1
	Sanjet Technology Corporation	-	Financial assets at FVTPL - non-current	8	-	-	-	Note 1
	Lead Sun Corporation	-	Financial assets at FVTPL - non-current	1,000	28,480	11	28,480	Note 1
	Chain Sea Information Integration Co., Ltd.	-	Financial assets at FVTPL - non-current	53	474	-	474	Note 1
	AIII CO., Ltd.	-	Financial assets at FVTPL - non-current	29	431	-	431	Note 1
	GEMFOR Leading Financial Solution Provider Fund	-	Financial assets at FVTPL - non-current	13	216	-	216	Note 1
	Prine Rich International Co., Ltd.	-	Financial assets at FVTPL - non-current	33	2,470	-	2,470	Note 1
Sunplus Technology Co., Ltd.	Parent company	Financial assets at FVTOCI - non-current	3,560	131,186	1	131,186	Note 2	

(Continued)

Holding Company Name	Type and Name of Marketable Security	Relationship with the Holding Company	Financial Statement Account	March 31, 2022				Note
				Shares or Units (In Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
Russell Holdings Limited	Synerchip Inc.	-	Financial assets at FVTPL - non-current	6,452	-	12	-	Note 1
	OZ Optics Limited	-	Financial assets at FVTPL - non-current	1,000	-	8	-	Note 1
	Ortega InfoSystem, Inc.	-	Financial assets at FVTPL - non-current	2,557	-	-	-	Note 1
	Innobrige International Inc.	-	Financial assets at FVTPL - non-current	4,000	-	15	-	Note 1
	Ether Precision Inc.	-	Financial assets at FVTPL - non-current	1,250	-	1	-	Note 1
	Asia B2B on Line Inc.	-	Financial assets at FVTPL - non-current	1,000	-	3	-	Note 1
	AMED Ventures I, L.P.	-	Financial assets at FVTPL - non-current	-	15,027	2	15,027	Note 1
	AMED Ventures II, L.P.	-	Financial assets at FVTPL - non-current	-	5,725	-	5,725	Note 1
	Intudo Ventures II, L.P.	-	Financial assets at FVTPL - non-current	-	135,605	6	135,605	Note 1
	Intudo Ventures III, L.P.	-	Financial assets at FVTPL - non-current	-	15,028	1	15,028	Note 1
	Intudo Istimewa I, LLC	-	Financial assets at FVTPL - non-current	-	14,313	-	14,313	Note 1
	Intudo Istimewa II, LLC	-	Financial assets at FVTPL - non-current	-	14,313	-	14,313	Note 1
	Pacific 8 Ventures	-	Financial assets at FVTPL - non-current	-	5,725	-	5,725	Note 1
	Gigajot Technology, Inc.- Convertible Bonds	-	Financial assets at FVTPL - non-current	-	138,854	-	138,854	Note 1
	Gigajot Technology, Inc.- Stock	-	Financial assets at FVTPL - non-current	1	10,734	-	10,734	Note 1
	GeneOne Diagnostics Corporation	-	Financial assets at FVTOCI - non-current	1,710	3,811	13	3,811	Note 1
	Eys3d Microelectronics, Inc.	-	Financial assets at FVTOCI - non-current	1,190	14,313	2	14,313	Note 1
Sunplus Venture Capital Co., Ltd.	Charles Schwab - Money Fund	-	Financial assets at FVTPL - current	-	1,945	-	1,945	Note 1
	Taiwan Mask Corp.	-	Financial assets at FVTPL - current	108	10,465	-	10,465	Note 2
	TSMC Co., Ltd	-	Financial assets at FVTPL - current	20	11,940	-	11,940	Note 2
	Jih Sun Vietnam Opportunity Fund	-	Financial assets at FVTPL - current	500	5,225	-	5,225	Note 1
	eWave System, Inc.	-	Financial assets at FVTPL - non-current	1,833	-	22	-	Note 1
	Book4u Company Limited	-	Financial assets at FVTPL - non-current	9	-	-	-	Note 1
	Sanjet Technology Corp.	-	Financial assets at FVTPL - non-current	49	-	-	-	Note 1
	Simple Act Inc.	-	Financial assets at FVTPL - non-current	1,900	-	10	-	Note 1
Genius Vision Digital Co., Ltd.	-	Financial assets at FVTPL - non-current	375	-	1	-	Note 1	

(Continued)

Holding Company Name	Type and Name of Marketable Security	Relationship with the Holding Company	Financial Statement Account	March 31, 2022				Note
				Shares or Units (In Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
Sunplus Venture Capital Co., Ltd.	TGVest Capital Inc.	-	Financial assets at FVTPL - non-current	-	\$ 35,394	5	\$ 35,394	Note 1
	CYBERON Corporation	-	Financial assets at FVTPL - non-current	865	16,950	8	16,950	Note 1
	Grand Fortune Venture Capital Co., Ltd.	-	Financial assets at FVTPL - non-current	4,000	61,886	7	61,886	Note 1
	Huijia Health Life Technology	-	Financial assets at FVTPL - non-current	1,049	1,070	5	1,070	Note 1
	San Neng Group Holding Co., Ltd.	-	Financial assets at FVTPL - non-current	900	43,740	1	43,740	Note 2
	Raynergy Tek Inc.	-	Financial assets at FVTPL - non-current	5,691	43,134	15	43,134	Note 1
	Fuyou Venture Capital Limited Partnership	-	Financial assets at FVTPL - non-current	5,000	51,676	10	51,676	Note 1
	CDIB Capital Growth Partners L.P.	-	Financial assets at FVTPL - non-current	-	118,583	2	118,583	Note 1
	TIEF Fund LP	-	Financial assets at FVTPL - non-current	-	37,821	7	37,821	Note 1
	Intudo Ventures I, L.P.	-	Financial assets at FVTPL - non-current	-	79,172	8	79,172	Note 1
	Promise Technology Inc.	-	Financial assets at FVTOCI - non-current	962	8,847	1	8,847	Note 1
	Neuchips Inc.	-	Financial assets at FVTOCI - non-current	2,100	47,960	4	47,960	Note 1
	Feature Integration Technology Inc.	-	Financial assets at FVTOCI - non-current	1,247	106,545	4	106,545	Note 4
	Qun-Kin Venture Capital	-	Financial assets at FVTOCI - non-current	3,000	21,139	6	21,139	Note 1
	Protect Life International Biomedical Inc.	-	Financial assets at FVTOCI - non-current	1,564	2,920	4	2,920	Note 1
Wei-Young Investment Inc.	Feedback Technology Corp.	-	Financial assets at FVTPL - current	231	20,721	-	20,721	Note 2
	MPI Corporation	-	Financial assets at FVTPL - current	200	20,400	-	20,400	Note 2
	Wholetech System Hitech Limited	-	Financial assets at FVTPL - current	100	5,250	-	5,250	Note 2
	Chime Ball Technology Co., Ltd.	-	Financial assets at FVTPL - current	150	6,292	-	6,292	Note 2
	United Microelectronics Corp.	-	Financial assets at FVTPL - current	500	27,000	-	27,000	Note 2
Sunplus Technology (Shanghai) Co., Ltd.	GF Live Treasury Currency B	-	Financial assets at FVTPL - current	6,750	30,989	-	30,989	Note 3
	Ready Sun Investment Group Fund	-	Financial assets at FVTPL - non-current	-	42,290	16	42,290	Note 1
	Xiamen Xm-plus Technology Ltd.	-	Financial assets at FVTPL - non-current	-	63,534	3	63,534	Note 1
Generalplus Technology Inc.	Yuanta De-Li Money Market Fund	-	Financial assets at FVTPL - current	17,611	290,230	-	290,230	Note 3
Sunplus Innovation Technology Inc.	Mega Diamond Money Market Fund	-	Financial assets at FVTPL - current	8,702	110,385	-	110,385	Note 3
	Yuanta De-Bao Money Market Fund	-	Financial assets at FVTPL - current	23,108	280,468	-	280,468	Note 3
	Yuanta Wan Tai Money Market Fund	-	Financial assets at FVTPL - current	3,933	60,132	-	60,132	Note 3
	Fuh Hwa Money Market Fund	-	Financial assets at FVTPL - current	6,869	100,099	-	100,099	Note 3
	Fubon Chi-Hsiang Money Market Fund	-	Financial assets at FVTPL - current	6,318	100,073	-	100,073	Note 3
	Fuh Hwa You Li Money Market Fund	-	Financial assets at FVTPL - current	6,658	90,567	-	90,567	Note 3
	Taishin Ta-Chong Money Market Fund	-	Financial assets at FVTPL - current	9,765	140,214	-	140,214	Note 3

(Continued)

Holding Company Name	Type and Name of Marketable Security	Relationship with the Holding Company	Financial Statement Account	March 31, 2022				Note
				Shares or Units (In Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
Sunplus Innovation Technology Inc.	Taishin 1699 Money Market Fund	-	Financial assets at FVTPL - current	5,877	\$ 80,439	-	\$ 80,439	Note 3
	Advanced Silicon SA	-	Financial assets at FVTOCI - non-current	1,000	17,953	10	17,953	Note 1
	Advanced NuMicro System, Inc.	-	Financial assets at FVTOCI - non-current	2,000	-	8	-	Note 1
	PointGrab Ltd.	-	Financial assets at FVTOCI - non-current	453	-	1	-	Note 1
Sunext Technology Co., Ltd.	Evergreen Steel Co., Ltd.	-	Financial assets at FVTPL - current	550	33,935	-	33,935	Note 2
	TSMC Co., Ltd	-	Financial assets at FVTPL - current	60	35,820	-	35,820	Note 2
	MediaTek Inc.	-	Financial assets at FVTPL - current	26	23,530	-	23,530	Note 2
Jsilicon Technology Co., Ltd. (Ru Dong)	GF Live Treasury Currency A	-	Financial assets at FVTPL - current	580	2,698	-	2,698	Note 3
	GF Every Day The Red Haired Type Money Market Fund B	-	Financial assets at FVTPL - current	580	2,703	-	2,703	Note 3
	GF Purse Money Market Fund A	-	Financial assets at FVTPL - current	599	2,736	-	2,736	Note 3
Magic Sky Limited	GTA Co., Ltd.	-	Financial assets at FVTPL - non-current	1,413	-	-	-	Note 1
	Xiamen Xm-plus Technology Ltd.	-	Financial assets at FVTPL - non-current	-	258,690	12	258,690	Note 1
Chongqing CQPlus1 Technology Co., Ltd.	Shending Technology (Shanghai) Co., Ltd.	-	Financial assets at FVTOCI - non-current	-	108,144	8	108,144	Note 1

Note 1: The market value was based on the carrying amount as of March 31 2022

Note 2: The market value was based on the closing price as of March 31, 2022

Note 3: The market value was based on the net asset value of the fund as of March 31, 2022

Note 4: The market value was based on the average quoted price as of March 31, 2022

(Concluded)

SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES 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)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Carrying Amount	Gain (Loss) on Disposal	Number of Shares	Amount
Sunplus	iCatch Technology, Inc.	Non-current assets held for sale	Egis Technology Inc.	-	8,000	\$ 108,504	-	\$ -	8,000	\$ 557,504	\$ 108,504	\$ 449,000	-	\$ -

Note 1: Marketable Securities in this table include shares, bonds, beneficiary certificates and derivative products.

Note 2: Fill in the two columns if marketable securities are accounted for using equity method.

Note 3: The accumulated amount of acquisition/disposal were calculated separately.

Note 4: Paid-in capital is the paid-in capital of the parent company Shares of issuers without par value or not NT\$10 per share are calculated according to 10% of total equity attributable to owners of the Company regarding the regulation on transaction amount of 20% of paid-in capital.

SUNPLUS TECHNOLOGY COMPANY LIMITED 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)

Company Name	Counterparty	Flow of Transactions (Note 5)	Intercompany Transactions			
			Financial Statement Account Item	Amount	Terms	Percentage of Consolidated Total Gross Sales or Total Assets
Sunplus Technology Co., Ltd. (the "Company")	Generalplus Technology Inc.	1	Sales	\$ 1,832	Note 1	0.09%
			Notes and accounts receivable	1,183	Note 1	0.01%
	Sunext Technology Co., Ltd.	1	Non-operating income	92	Note 2	-
			Other receivables	92	Note 3	-
	Sunplus Innovation Technology Inc.	1	Sales	103	Note 1	-
			Non-operating income	746	Note 2	0.04%
			Notes and accounts receivable	72	Note 1	-
			Other receivables	292,862	Note 3	1.79%
	Jumplux Technology Co., Ltd.	1	Sales	250	Note 1	0.01%
Non-operating income			1,547	Notes 2 and 4	0.07%	
Notes and accounts receivable			99	Note 1	-	
Other receivables			547	Note 3	-	
Other accrued expenses			179	Note 1	-	
GenkiTek Co.	1	Other receivables	97	Note 3	-	
		Non-operating income	291	Note 2	0.01%	
Chongqing CQPlus1 Technology Co., Ltd.	1	Cost of goods sold	14,064	Note 2	0.67%	
Sunplus Prof-tek (Shenzhen) Co., Ltd.	1	Other accrued expenses	15,385	Note 1	0.09%	
		Research and development expense	7,994	Note 2	0.38%	
SunMedia Technology Co., Ltd.	1	Other accrued expenses	5,091	Note 1	0.03%	
		Research and development expense	5,037	Note 2	0.24%	
Sunplus Innovation Technology Inc.	SunMedia Technology Co., Ltd.	2	Other accrued expenses	1,638	Note 3	0.01%
			Marketing expenses	1,590	Note 2	0.08%
Worldplus Technology (Shenzhen) Co., Ltd.	2	Marketing expenses	7,124	Note 2	0.34%	
		Other accrued expenses	7,332	Note 3	0.04%	
Generalplus Technology Inc.	Generalplus Technology (H.K.) Inc.	2	Marketing expenses	3,738	Note 2	0.38%
			Other accrued expenses	3,826	Note 3	0.10%
Generalplus Technology (Shenzhen) Inc.	2	Research and development expenses	18,897	Note 2	1.95%	
		Other accrued expenses	19,203	Note 3	0.51%	
Sunplus Technology (Shanghai) Co., Ltd.	SunMedia Technology Co., Ltd.	2	Other receivables	136,081	Note 3	0.83%
			Interest revenue	565	Note 2	0.03%
Chongqing CQPlus1 Technology Co., Ltd.	2	Other accrued expenses	389	Note 1	-	
		Research and development expenses	380	Note 1	0.02%	
Lin Shin Investment Co., Ltd.	SunMedia Technology Co., Ltd.	2	Other receivables	103,067	Note 3	0.63%
			Interest revenue	132	Note 2	0.01%
Sunplus Innovation Technology Inc.	2	Other receivables	10,747	Note 3	0.07%	
		Other receivables	30,058	Note 3	0.18%	
Sunplus Venture Capital Co., Ltd.	SunMedia Technology Co., Ltd.	2	Interest revenue	38	Note 2	-
			Other receivables	29,235	Note 3	0.18%

(Continued)

Company Name	Counterparty	Flow of Transactions (Note 5)	Intercompany Transactions			
			Financial Statement Account Item	Amount	Terms	Percentage of Consolidated Total Gross Sales or Total Assets
Russell Holdings Limited	SunMedia Technology Co., Ltd.	2	Other receivables	\$ 243,313	Note 3	1.49%
Sunplus App Technology	Beijing Sunplus-EHue Tech Co., Ltd.	2	Management expenses	98	Note 2	-
			Refundable deposits	35	Note 2	-
			Other current assets	170	Note 2	-
Sunplus Prof-tek (Shenzhen) Co., Ltd.	Worldplus Technology (Shenzhen) Co., Ltd.	2	Non-operating income	2,305	Note 2	0.11%
SunMedia Technology Co., Ltd.	Beijing Sunplus-EHue Tech Co., Ltd.	2	Research and development	2,351	Note 2	0.11%
			Accounts payable	2,404	Note 3	0.01%

Note 1: The transactions were based on normal commercial prices and terms.

Note 2: The prices were based on negotiations; the payment period and related terms were not comparable to market terms.

Note 3: The transaction payment terms were similar to normal commercial terms.

Note 4: Lease transaction terms were based on negotiations and were thus not comparable to market terms. The transactions between the Company and counterparty were made under normal terms.

Note 5: 1 - From parent company to subsidiary.

2 - Between subsidiaries.

(Concluded)

SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

NAMES, LOCATIONS, AND RELATED INFORMATION OF INVESTEEES OVER WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE
MARCH 31, 2022
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of March 31, 2022			Net Income (Loss) of the Investee	Investment Gain (Loss)	Note
				March 31, 2022	December 31, 2021	Shares (In Thousands)	Percentage of Ownership (%)	Carrying Amount			
Sunplus Technology Company Limited	Ventureplus Group Inc.	Belize	Investment	\$ 2,306,346 (US\$ 74,605 RMB 37,900)	\$ 2,306,346 (US\$ 74,605 RMB 37,900)	-	100	\$ 1,649,101	\$ (5,269)	\$ (5,269)	Subsidiary
	Award Glory Ltd.	Belize	Investment	278,587 (US\$ 7,072 RMB 16,900)	278,587 (US\$ 7,072 RMB 16,900)	9,567	100	362,561	(104,520)	(104,520)	Subsidiary
	Global View Co., Ltd.	New Taipei City, Taiwan	Consumer electronics, components and rental of buildings	315,658	315,658	8,229	13	346,814	22,334	2,917	Investee
	Lin Shin Investment Co., Ltd.	Hsinchu, Taiwan	Investment	699,988	699,988	70,000	100	1,058,702	(1,160)	(1,160)	Subsidiary
	Generalplus Technology Inc.	Hsinchu, Taiwan	Design of ICs	281,001	281,001	37,324	34	930,417	220,963	75,791	Subsidiary
	Sunplus Venture Capital Co., Ltd.	Hsinchu, Taiwan	Investment	829,982	829,982	83,000	100	1,088,503	10,395	10,395	Subsidiary
	Sunplus Innovation Technology Inc.	Hsinchu, Taiwan	Design of ICs	273,941	374,161	29,266	51	1,076,103	160,005	82,145	Subsidiary
	Russell Holdings Limited	Cayman Islands, British West Indies	Investment	864,046 (US\$ 30,185)	864,046 (US\$ 30,185)	30,185	100	749,996	26,831	26,831	Subsidiary
	iCatch Technology, Inc.	Hsinchu, Taiwan	Design of ICs	127,345	127,345	12,735	15	253,359	13,029	1,462	Investee
	Sunext Technology Co., Ltd.	Hsinchu, Taiwan	Design of ICs	983,237	983,237	58,778	93	239,851	(15,798)	(14,621)	Subsidiary
	Sunplus mMedia Inc.	Hsinchu, Taiwan	Design of ICs	407,565	407,565	22,441	90	22,745	(572)	(513)	Subsidiary
	Sunplus Management Consulting Inc.	Hsinchu, Taiwan	Management	5,000	5,000	500	100	3,335	(47)	(47)	Subsidiary
	Sunplus Technology (H.K.) Co., Ltd.	Kowloon Bay, Hong Kong	International trade	40,490 (HK\$ 11,075)	40,490 (HK\$ 11,075)	11,075	100	26	-	-	Subsidiary
	Magic Sky Limited	Samoa	Investment	295,983 (US\$ 10,340)	295,983 (US\$ 10,340)	-	100	22	(655)	(655)	Subsidiary
	Sunplus mMobile Inc.	Hsinchu, Taiwan	Design of ICs	2,596,792	2,596,792	16,240	100	29,047	(179)	(179)	Subsidiary
	Wei-Young Investment Inc.	Hsinchu, Taiwan	Investment	70,157	70,157	5,400	100	95,645	(7,209)	(7,209)	Subsidiary
Jumplux Technology Co., Ltd.	Hsinchu, Taiwan	Design of ICs	132,000	132,000	13,200	55	(13,969)	8,669	4,768	Subsidiary	
AkiraNET Co., Ltd.	Taipei, Taiwan	Information software service	174,000	174,000	17,400	35	191,901	(9,055)	(3,132)	Investee	
Lin Shin Investment Co., Ltd.	Generalplus Technology Inc.	Hsinchu, Taiwan	Design of ICs	86,256	86,256	14,892	14	372,487	220,963	30,241	Subsidiary
	Sunplus Innovation Technology Inc.	Hsinchu, Taiwan	Design of ICs	15,701	15,701	1,075	2	37,290	160,005	3,017	Subsidiary
	iCatch Technology, Inc.	Hsinchu, Taiwan	Design of ICs	9,645	9,645	965	1	20,943	13,029	150	Investee
	Sunplus mMedia Inc.	Hsinchu, Taiwan	Design of ICs	19,408	19,408	650	3	5,323	(572)	(15)	Subsidiary
	GlintMed Innovation Co., Ltd.	Hsinchu, Taiwan	Investment management consultant	1,250	1,250	125	13	756	(413)	(52)	Investee
Sunplus Venture Capital Co., Ltd.	Jumplux Technology Co., Ltd.	Hsinchu, Taiwan	Design of ICs	101,000	101,000	10,100	42	(10,687)	8,669	3,648	Subsidiary
	Sunplus Innovation Technology Inc.	Hsinchu, Taiwan	Design of ICs	60,588	60,588	2,924	5	108,491	160,005	8,206	Subsidiary
	iCatch Technology, Inc.	Hsinchu, Taiwan	Design of ICs	33,439	33,439	3,332	4	72,345	13,029	520	Investee
	Sunplus mMedia Inc.	Hsinchu, Taiwan	Design of ICs	44,878	44,878	1,909	8	382	(572)	(44)	Subsidiary
	GenKi Tek Co.	Taipei, Taiwan	Software development	20,000	20,000	2,000	63	4,003	(3,817)	(2,385)	Subsidiary
	GlintMed Innovation Co., Ltd.	Hsinchu, Taiwan	Investment management consultant	1,250	1,250	125	13	756	(413)	(52)	Investee
Russell Holdings Limited	Autosys Co., Ltd.	Cayman Islands, British West Indies	Investment	71,563 (US\$ 2,500)	71,563 (US\$ 2,500)	5,000	16	68,498	(3,899)	(634)	Investee
Ventureplus Group Inc.	Ventureplus Mauritius Inc.	Mauritius	Investment	2,306,346 (US\$ 74,605 RMB 37,900)	2,306,346 (US\$ 74,605 RMB 37,900)	-	100	1,665,950	(102)	(102)	Subsidiary
Ventureplus Mauritius Inc.	Ventureplus Cayman Inc.	Cayman Islands, British West Indies	Investment	2,306,346 (US\$ 74,605 RMB 37,900)	2,306,346 (US\$ 74,605 RMB 37,900)	-	100	1,665,929	(103)	(103)	Subsidiary
Generalplus Technology Inc.	Generalplus International (Samoa) Inc.	Samoa	Investment	546,451 (US\$ 19,090)	546,451 (US\$ 19,090)	19,090	100	533,472	4,217	4,217	Subsidiary
Generalplus International (Samoa) Inc.	Generalplus (Mauritius) Inc.	Mauritius	Investment	546,451 (US\$ 19,090)	546,451 (US\$ 19,090)	19,090	100	536,732	4,217	4,217	Subsidiary
Generalplus (Mauritius) Inc.	Generalplus Technology (Hong Kong) Co., Ltd.	Hong Kong	Marketing	11,164 (US\$ 390)	11,164 (US\$ 390)	-	100	11,539	698	698	Subsidiary

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of March 31, 2022			Net Income (Loss) of the Investee	Investment Gain (Loss)	Note
				March 31, 2022	December 31, 2021	Shares (In Thousands)	Percentage of Ownership (%)	Carrying Amount			
Award Glory Ltd.	Sunny Fancy Ltd.	Seychelles	Investment	\$ 278,587 (US\$ 7,072 RMB 16,900)	\$ 278,587 (US\$ 7,072 RMB 16,900)	9,567	100	\$ 362,561	(104,520)	(104,520)	Subsidiary
Sunny Fancy Ltd.	Giant Kingdom Ltd.	Seychelles	Investment	22,099 (US\$ 772)	22,029 (US\$ 772)	772	100	266	-	-	Subsidiary
	Giant Rock Inc.	Anguilla	Investment	153,439 (US\$ 2,700 RMB 16,900)	153,439 (US\$ 2,700 RMB 16,900)	5,195	100	261,859	(103,894)	(103,894)	Subsidiary
	WORLDPLUS HOLDINGS L.L.C.	America	Investment	103,050 (US\$ 3,600)	103,050 (US\$ 3,600)	-	100	100,435	(294)	(627)	Subsidiary
	Giant Best Ltd.	Seychelles	Investment	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	Subsidiary

Note 1: The initial exchange rate was based on the exchange rate as of March 31, 2022

Note 2: The establishment registration has been completed at the end of March 2022, but the actual remittance has not completed remitted:

(Concluded)

SUNPLUS TECHNOLOGY COMPANY LIMITED 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 Name	Main Businesses and Products	Total Amount of Paid-in Capital	Investment Type	Accumulated Outflow of Investment from Taiwan as of January 1, 2022	Investment Flows		Accumulated Outflow of Investment from Taiwan as of March 31, 2022	% Ownership of Direct or Indirect Investment	Net Income (Loss) of the investee	Investment Loss (Note 2)	Carrying Value as of March 31, 2022	Accumulated Inward Remittance of Earnings as of March 31, 2022
					Outflow	Inflow						
Sunplus Technology (Shanghai) Co., Ltd.	Software development, consumer technological services and rental building	\$ 492,350 (US\$ 17,200)	Note 1	\$ 505,374 (US\$ 17,655)	\$ -	\$ -	\$ 505,374 (US\$ 17,655)	100%	\$ 3,850	\$ 3,850 (Note 2)	\$ 618,001	\$ -
Sunplus Prof-tek (Shenzhen) Co., Ltd.	Software development, consumer technological services and rental building and property management.	923,156 (US\$ 32,250)	Note 1	923,156 (US\$ 32,250)	-	-	923,156 (US\$ 32,250)	100%	1,113	1,113 (Note 2)	766,778	-
SunMedia Technology Co., Ltd.	Software development, consumer technological services and rental building	57,250 (US\$ 20,000)	Note 1	572,500 (US\$ 20,000)	-	-	572,500 (US\$ 20,000)	100%	(5,139)	(5,139) (Note 3)	222,762	-
Sunplus App Technology Co., Ltd.	Sale of electronic components and information management and education	175,110 (RMB 39,000)	Note 1	169,978 (US\$ 586 RMB 34,000)	-	-	169,978 (US\$ 586 RMB 34,000)	97%	(469)	(457) (Note 3)	3,324	-
Beijing Sunplus-EHue Tech Co., Ltd.	Software development, consumer technological services and rental building	121,662 (RMB 27,000)	Note 1	121,662 (RMB 27,000)	-	-	121,662 (RMB 27,000)	100%	144	144 (Note 3)	52,928	-
JSilicon Technology Co., Ltd. (Ru Dong)	Software development and IC design	90,120 (RMB 20,000)	Note 4	-	-	-	-	100%	142	142 (Note 3)	28,696	-
Worldplus Technology (Shenzhen) Co., Ltd.	Software development, consumer technological services and rental building and property management.	85,790 (RMB 19,039)	Note 6	103,050 (US\$ 3,600)	-	-	103,050 (US\$ 3,600)	100%	(294)	(627) (Note 3)	100,435	-
Chongqing CQPlus1 Technology Co., Ltd.	Software development and IC design	180,240 (RMB 40,000)	Note 5	-	-	-	-	100%	27,951	27,951 (Note 3)	121,441	-

Accumulated Investment in Mainland China as of March 31, 2022	Investment Amounts Authorized by the Investment Commission, MOEA	Limit on Investment
\$ 2,569,763 (US\$ 79,872 RMB 62,900)	\$ 2,570,861 (US\$ 80,052 RMB 62,000)	\$ 6,344,233

Sunplus Venture Capital Co., Ltd.

Accumulated Investment in Mainland China as of March 31, 2022 (Note 7)	Investment Amounts Authorized by Investment Commission, MOEA (Note 8)	Limit on Investment
\$ 36,068 (US\$ 1,260)	\$ 36,068 (US\$ 1,260)	\$ 641,090

(Continued)

Generalplus Technology (Nature of Relationship: 1)

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Investment Type (e.g., Direct or Indirect)	Accumulated Outflow of Investment from Taiwan as of January 1, 2022	Investment Flows		Accumulated Outflow of Investment from Taiwan as of March 31, 2022	% Ownership of Direct or Indirect Investment	Net Loss of the investee	Investment Loss (Note 2)	Carrying Value as of March 31, 2022	Accumulated Inward Remittance of Earnings as of March 31, 2022
					Outflow	Inflow						
Generalplus Shenzhen	Design of ICs after sales service and marketing research	\$ 535,288 (US\$ 18,700)	Note 1	\$ 535,288 (US\$ 18,700)	\$ -	\$ -	\$ 535,288 (US\$ 18,700)	100%	\$ 3,519	\$ 3,519	\$ 525,172	\$ -

Accumulated Investment in Mainland China as of March 31, 2022	Investment Amount Authorized by the Investment Commission, MOEA	Limit on Investment
\$ 535,288 (US\$ 18,700)	\$ 535,288 (US\$ 18,700)	\$ 1,644,834

Note 1: Indirect investment in a company located in mainland China through investment in a company located in a third country.

Note 2: Based on the reviewed financial statements of investees in the same period.

Note 3: Based on the financial statements which had not been reviewed in the same period.

Note 4: Sunplus Technology (Shanghai) Co., Ltd.'s indirect investment in a company located in mainland China.

Note 5: Shanghai Sunplus Technology Co., Ltd. and Sunplus Prof-tek (Shenzhen) Co., Ltd. reinvested in a company located in mainland China.

Note 6: It is a company located in mainland China that acquired the investment of the third regional investment company on September 2, 2019.

Note 7: The investment amount approved by the Investment Review Committee of the Ministry of Economic Affairs includes the investment business of Sanneng Group Holding Company in mainland China, Sanneng Appliances (Wuxi) Co., Ltd.

Note 8: The original foreign currency was derived from the exchange rate on March 31, 2022.

(Concluded)

SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES

SIGNIFICANT TRANSACTIONS WITH INVESTEE COMPANIES IN MAINLAND CHINA, EITHER DIRECTLY OR INDIRECTLY THROUGH A THIRD PARTY, AND THEIR PRICES, PAYMENT TERMS, AND UNREALIZED GAINS OR LOSSES

FOR THE THREE MONTHS ENDED MARCH 31, 2022

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

Investee Company	Transaction Type	Research and Development Expense		Price	Transaction Details		Notes/Trade Receivables and other accrued expenses		Unrealized (Gain) Loss	Note
		Amount	%		Payment Terms	Comparison with Market Transactions	Ending Balance	%		
Generalplus Technology (Shenzhen) Corp.	Development and processing services	\$ 18,897	11.42	Based on contract	Based on contract	Not comparable with market transactions	\$ 19,203	83.26	\$ -	NA
	Sales	-	-	Based on contract	Based on contract	Not comparable with market transactions	-	-	(2,346)	NA

SUNPLUS TECHNOLOGY COMPANY LIMITED AND SUBSIDIARIES**INFORMATION OF MAJOR SHAREHOLDERS****MARCH 31, 2022****(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Chou-chye, Huang	92,737,817	15.66%

Note 1: The information of major shareholder in this table is calculated by Taiwan Depository & Clearing Corporation on the last business day at the end of the quarter, and the total number of ordinary shares and special shares held by the shareholders who have completed the delivery of the company which is not physical registration (including treasury shares) is more than 5%. The share capital recorded in the Company's consolidated financial report and the actual number of shares delivered without physical registration may be different or different due to the basis of preparation and calculation.

Note 2: If the above information is a shareholder's shareholding trust, the trustee will open a trust account to set up a separate account. As for shareholders who deal with the distribution of insider shares with a shareholding ratio of more than 10% in accordance with the Securities Exchange Act, their shareholdings include their shareholdings, including their delivery of trusts and shares that have the right to make decisions on trust property, etc. Refer to Market Observation Post System website.