

**DELTA ELECTRONICS, INC. AND
SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
JUNE 30, 2022 AND 2021**

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

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Board of Directors and Shareholders of Delta Electronics, Inc.

Introduction

We have reviewed the accompanying consolidated balance sheets of Delta Electronics, Inc. and its subsidiaries (the “Group”) as at June 30, 2022 and 2021, and the related consolidated statements of comprehensive income for the three months and six months then ended, as well as the related consolidated statements of changes in equity and of cash flows for the six months then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and International Accounting Standards (IAS) No. 34, “Interim Financial Reporting” as endorsed by the Financial Supervisory Commission (FSC). Our responsibility is to express a conclusion on these interim financial statements based on our reviews and the review reports of other independent auditors.

Scope of review

Except as explained in the Basis for Qualified Conclusion, we conducted our reviews in accordance with the Statement of Auditing Standards No. 65, “Review of Financial Statements”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As explained in Notes 4(3)B and 6(8), the financial statements of certain insignificant consolidated subsidiaries and investments accounted for under the equity method were not reviewed by independent auditors. Those statements reflect total assets of NT\$22,664,075 thousand and NT\$18,127,683 thousand, constituting 5.75% and 5.17% of the consolidated total assets, and total liabilities of NT\$6,212,789 thousand and NT\$5,889,623 thousand, constituting 3.16% and 3.35% of the consolidated total liabilities as at June 30, 2022 and 2021, respectively, and total comprehensive loss of (NT\$370,128) thousand and (NT\$65,542) thousand, constituting (3.04%) and (1.68%) of the consolidated total comprehensive income for the three months then ended, respectively, and total

comprehensive loss of (NT\$15,229) thousand and (NT\$317,496) thousand, constituting (0.06%) and (2.53%) of the consolidated total comprehensive income for the six months then ended, respectively.

Qualified Conclusion

Based on our reviews and the review reports of other independent auditors as described in the Other Matter–Review Reports By Other Independent Auditors section of our report, except for the possible effects of the matter described in the Basis for Qualified Conclusion section of our report, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at June 30, 2022 and 2021, and of its consolidated financial performance for the three months and six months then ended, and its consolidated cash flows for the six months then ended in accordance with the “Rules Governing the Preparation of Financial Reports by Securities Issuers” and IAS No. 34, “Interim Financial Reporting” as endorsed by the FSC.

Other Matter – Review Reports By Other Independent Auditors

We did not review the financial statements of certain subsidiaries which were reviewed by other independent auditors. Those statements reflect total assets amounting to NT\$65,120,611 thousand and NT\$52,950,810 thousand, constituting 16.53% and 15.09% of the consolidated total assets as at June 30, 2022 and 2021, respectively, and total operating revenues amounting to NT\$20,848,803 thousand and NT\$16,319,417 thousand, constituting 23.17% and 20.72% of the consolidated total operating revenues for the three months then ended, respectively, and total operating revenues amounting to NT\$39,216,681 thousand and NT\$31,794,537 thousand, constituting 22.73% and 21.02% of the consolidated total operating revenues for the six months then ended, respectively.

The consolidated financial statements of Delta Electronics, Inc. and subsidiaries as at and for the six months ended June 30, 2022 expressed in US dollars are presented solely for the convenience of the reader and were translated from the financial statements expressed in New Taiwan dollars using the exchange rate of \$29.72 to US\$1.00 at June 30, 2022. This basis of translation is not in accordance with International Financial Reporting Standards, International Accounting Standards, and relevant interpretations and interpretative bulletins that are ratified by the FSC.

Hsiao, Chun-Yuan Chou, Chien-Hung

for and on behalf of PricewaterhouseCoopers, Taiwan

July 28, 2022

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the review of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and review report of independent auditors are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

DELTA ELECTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2022, DECEMBER 31, 2021 AND JUNE 30, 2021
(EXPRESSED IN THOUSANDS OF DOLLARS)
(THE BALANCE SHEETS AS OF JUNE 30, 2022 AND 2021 ARE UNAUDITED)

Assets	Notes	US Dollars		New Taiwan Dollars	
		June 30, 2022	June 30, 2022	December 31, 2021	June 30, 2021
Current assets					
Cash and cash equivalents	6(1)	\$ 2,054,130	\$ 61,048,738	\$ 49,855,053	\$ 57,483,109
Financial assets at fair value through profit or loss - current	6(2)	48,786	1,449,914	1,085,729	1,042,097
Financial assets at amortised cost - current	8	10,644	316,331	327,238	453,887
Contract assets - current	6(21)	121,472	3,610,156	3,589,313	2,932,483
Notes receivable, net	6(5)	107,715	3,201,289	3,420,633	3,464,533
Accounts receivable, net	6(5)	2,407,606	71,554,046	67,436,377	59,987,429
Accounts receivable - related parties	7	1,037	30,816	27,831	29,415
Other receivables	6(6) and 7	62,293	1,851,363	1,815,370	1,990,133
Current income tax assets		15,627	464,441	349,207	443,700
Inventories	6(7)	2,400,542	71,344,118	66,107,351	56,150,566
Prepayments		90,108	2,678,000	2,450,269	2,692,937
Non-current assets held for sale	6(9)	-	-	320,551	720,196
Other current assets		2,799	83,182	93,272	64,925
Total current assets		7,322,759	217,632,394	196,878,194	187,455,410
Non-current assets					
Financial assets at fair value through profit or loss - non-current	6(2)	91,238	2,711,600	3,351,798	3,109,829
Financial assets at fair value through other comprehensive income - non-current	6(3)	55,139	1,638,731	1,587,843	1,793,192
Contract assets - non-current	6(21)	24,113	716,632	462,941	393,792
Investments accounted for under the equity method	6(8)	2,486	73,869	63,731	65,206
Property, plant and equipment	6(9) and 8	2,702,234	80,310,399	76,607,285	73,025,221
Right-of-use assets	6(10)	143,393	4,261,646	3,006,960	2,939,311
Investment property, net		474	14,070	14,070	14,070
Intangible assets	6(11)	2,567,587	76,308,689	73,609,564	73,641,438
Deferred income tax assets		249,947	7,428,432	7,177,747	6,264,649
Other non-current assets	6(5)(12) and 8	95,969	2,852,209	2,352,477	2,217,016
Total non-current assets		5,932,580	176,316,277	168,234,116	163,463,724
Total assets		\$ 13,255,339	\$ 393,948,671	\$ 365,112,310	\$ 350,919,134

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DELTA ELECTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2022, DECEMBER 31, 2021 AND JUNE 30, 2021
(EXPRESSED IN THOUSANDS OF DOLLARS)
(THE BALANCE SHEETS AS OF JUNE 30, 2022 AND 2021 ARE UNAUDITED)

Liabilities and Equity	Notes	US Dollars		New Taiwan Dollars	
		June 30, 2022	June 30, 2022	December 31, 2021	June 30, 2021
Current liabilities					
Short-term borrowings	6(13)	\$ 78,573	\$ 2,335,181	\$ 4,397,362	\$ 1,562,853
Financial liabilities at fair value through profit or loss - current	6(2)	7,712	229,195	41,371	132,770
Contract liabilities - current	6(21)	203,645	6,052,343	5,438,939	5,701,674
Notes payable		65	1,944	440	2,860
Accounts payable		1,897,849	56,404,082	54,554,462	52,457,907
Accounts payable - related parties	7	212	6,291	15,023	13,471
Other payables	6(14)	1,641,611	48,788,693	35,652,202	46,758,294
Current income tax liabilities		124,193	3,691,010	3,486,108	2,866,736
Other current liabilities	6(16)	168,728	5,014,587	4,583,570	4,394,786
Total current liabilities		4,122,588	122,523,326	108,169,477	113,891,351
Non-current liabilities					
Bonds payable	6(15)	222,073	6,600,000	-	-
Long-term borrowings	6(16)	1,303,076	38,727,429	43,913,787	36,853,575
Deferred income tax liabilities		618,706	18,387,937	16,777,156	16,212,223
Lease liabilities - non-current		50,698	1,506,754	1,366,401	1,362,311
Other non-current liabilities		308,502	9,168,670	8,760,831	7,367,247
Total non-current liabilities		2,503,055	74,390,790	70,818,175	61,795,356
Total liabilities		6,625,643	196,914,116	178,987,652	175,686,707
Equity					
Share capital	6(18)				
Common stock		874,005	25,975,433	25,975,433	25,975,433
Capital surplus	6(19)				
Capital surplus		1,649,385	49,019,740	49,114,151	49,096,130
Retained earnings	6(20)				
Legal reserve		1,089,714	32,386,305	29,697,752	29,697,752
Special reserve		543,968	16,166,722	12,543,208	12,543,208
Unappropriated retained earnings		1,578,989	46,927,545	53,622,701	40,971,132
Other equity interest					
Other equity interest		(263,331)	(7,826,201)	(16,166,723)	(14,325,868)
Equity attributable to owners of the parent		5,472,730	162,649,544	154,786,522	143,957,787
Non-controlling interest	4(3)	1,156,966	34,385,011	31,338,136	31,274,640
Total equity		6,629,696	197,034,555	186,124,658	175,232,427
Significant contingent liabilities and unrecorded contract commitments	9				
Significant events after the balance sheet date	11				
Total liabilities and equity		\$ 13,255,339	\$ 393,948,671	\$ 365,112,310	\$ 350,919,134

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

DELTA ELECTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
SIX MONTHS ENDED JUNE 30, 2022 AND 2021
(EXPRESSED IN THOUSANDS OF DOLLARS, EXCEPT EARNINGS PER SHARE DATA)
(UNAUDITED)

Items	Notes	US Dollars		New Taiwan Dollars		
		Six months ended	Three months ended June 30,		Six months ended June 30,	
		June 30, 2022	2022	2021	2022	2021
Operating revenue	6(21) and 7	\$ 5,805,345	\$ 89,996,793	\$ 78,769,884	\$ 172,534,868	\$ 151,255,167
Operating costs	6(7)(26)(27) and 7	(4,157,205)	(63,526,620)	(55,090,019)	(123,552,139)	(105,968,081)
Gross profit		1,648,140	26,470,173	23,679,865	48,982,729	45,287,086
Operating expenses	6(26)(27)					
Selling expenses		(348,798)	(5,405,018)	(4,945,198)	(10,366,285)	(9,653,538)
General and administrative expenses		(227,966)	(3,610,588)	(3,072,047)	(6,775,140)	(6,062,815)
Research and development expenses		(489,832)	(7,691,908)	(6,970,466)	(14,557,804)	(13,436,216)
Expected credit impairment gain (loss)	12(2)	(5,370)	(107,888)	88,281	(159,609)	147,142
Total operating expenses		(1,071,966)	(16,815,402)	(14,899,430)	(31,858,838)	(29,005,427)
Operating profit		576,174	9,654,771	8,780,435	17,123,891	16,281,659
Non-operating income and expenses						
Interest income	6(22)	6,294	95,833	114,538	187,049	231,943
Other income	6(23)	55,809	814,195	776,635	1,658,653	1,500,355
Other gains and losses	6(24)	19,140	361,415	466,580	568,830	1,026,078
Finance costs	6(25)	(6,008)	(105,033)	(73,477)	(178,557)	(142,683)
Share of profit (loss) of associates and joint ventures accounted for under the equity method	6(8)	356	9,884	16,261	10,576	(2,133)
Total non-operating income and expenses		75,591	1,176,294	1,300,537	2,246,551	2,613,560
Profit before income tax		651,765	10,831,065	10,080,972	19,370,442	18,895,219
Income tax expense	6(28)	(124,433)	(1,989,543)	(2,017,495)	(3,698,130)	(3,788,447)
Profit for the period		\$ 527,332	\$ 8,841,522	\$ 8,063,477	\$ 15,672,312	\$ 15,106,772

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DELTA ELECTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
SIX MONTHS ENDED JUNE 30, 2022 AND 2021
(EXPRESSED IN THOUSANDS OF DOLLARS, EXCEPT EARNINGS PER SHARE DATA)
(UNAUDITED)

Items	Notes	US Dollars	New Taiwan Dollars			
		Six months ended June 30, 2022	Three months ended June 30,		Six months ended June 30,	
			2022	2021	2022	2021
Other comprehensive income (loss)						
Components of other comprehensive income (loss) that will not be reclassified to profit or loss						
Gain on remeasurements of defined benefit plans		\$ 7,032	\$ 78,834	\$ 17,567	\$ 208,988	\$ 64,089
Unrealised gain (loss) on valuation of equity investment at fair value through other comprehensive income	6(3)	4,149	89,345	(163,932)	123,304	(130,567)
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(28)	(47)	(1,382)	-	(1,382)	-
Other comprehensive income (loss) that will not be reclassified to profit or loss		11,134	166,797	(146,365)	330,910	(66,478)
Components of other comprehensive income (loss) that will be reclassified to profit or loss						
Financial statements translation differences of foreign operations		358,025	3,282,991	(4,214,539)	10,640,474	(2,574,438)
Loss on hedging instrument		-	-	(745)	-	(782)
Share of other comprehensive (loss) income of associates and joint ventures accounted for under the equity method that will be reclassified to profit or loss	6(8)	(26)	(831)	187	(767)	144
Income tax relating to the components of other comprehensive income that will be reclassified to profit or loss	6(28)	(18,490)	(133,661)	196,945	(549,513)	98,796
Other comprehensive income (loss) that will be reclassified to profit or loss		339,509	3,148,499	(4,018,152)	10,090,194	(2,476,280)
Other comprehensive income (loss) for the period		\$ 350,643	\$ 3,315,296	(\$ 4,164,517)	\$ 10,421,104	(\$ 2,542,758)
Total comprehensive income for the period		\$ 877,975	\$ 12,156,818	\$ 3,898,960	\$ 26,093,416	\$ 12,564,014
Profit attributable to:						
Owners of the parent		\$ 460,517	\$ 7,627,940	\$ 7,589,583	\$ 13,686,562	\$ 14,169,883
Non-controlling interest		\$ 66,815	\$ 1,213,582	\$ 473,894	\$ 1,985,750	\$ 936,889
Comprehensive income (loss) attributable to:						
Owners of the parent		\$ 748,471	\$ 10,255,464	\$ 4,390,832	\$ 22,244,564	\$ 12,451,312
Non-controlling interest		\$ 129,504	\$ 1,901,354	(\$ 491,872)	\$ 3,848,852	\$ 112,702
Basic earnings per share (in dollars)	6(29)					
Basic earnings per share		\$ 0.18	\$ 2.94	\$ 2.92	\$ 5.27	\$ 5.46
Diluted earnings per share (in dollars)	6(29)					
Diluted earnings per share		\$ 0.18	\$ 2.93	\$ 2.92	\$ 5.25	\$ 5.44

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

DELTA ELECTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
SIX MONTHS ENDED JUNE 30, 2022 AND 2021
(EXPRESSED IN THOUSANDS OF DOLLARS)
(UNAUDITED)

Items	Notes	Equity attributable to owners of the parent												
		Retained Earnings					Other Equity Interest					Total	Non-controlling interest	Total equity
		Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gain (loss) on financial assets measured at fair value through other comprehensive income	Gain (loss) on hedging instruments					
2021 New Taiwan Dollars														
Balance at January 1, 2021		25,975,433	\$ 49,202,505	\$ 27,342,534	\$ 7,622,034	\$ 48,300,040	(\$ 12,319,980)	(\$ 353,844)	\$ 130,616	\$ 145,899,338	\$ 32,690,303	\$ 178,589,641		
Profit for the period		-	-	-	-	14,169,883	-	-	-	14,169,883	936,889	15,106,772		
Other comprehensive income (loss) for the period		-	-	-	-	64,089	(1,651,389)	(130,567)	(704)	(1,718,571)	(824,187)	(2,542,758)		
Total comprehensive income (loss) for the period		-	-	-	-	14,233,972	(1,651,389)	(130,567)	(704)	12,451,312	112,702	12,564,014		
Distribution of 2020 earnings	6(20)													
Legal reserve appropriated		-	-	2,355,218	-	(2,355,218)	-	-	-	-	-	-		
Special reserve appropriated		-	-	-	4,921,174	(4,921,174)	-	-	-	-	-	-		
Cash dividends of ordinary share		-	-	-	-	(14,286,488)	-	-	-	(14,286,488)	-	(14,286,488)		
Changes in ownership interests in subsidiaries		-	(109,051)	-	-	-	-	-	-	(109,051)	-	(109,051)		
Difference between consideration and carrying amount of subsidiaries acquired or disposed		-	2,676	-	-	-	-	-	-	2,676	(63,859)	(61,183)		
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	(1,464,506)	(1,464,506)		
Balance at June 30, 2021		\$ 25,975,433	\$ 49,096,130	\$ 29,697,752	\$ 12,543,208	\$ 40,971,132	(\$ 13,971,369)	(\$ 484,411)	\$ 129,912	\$ 143,957,787	\$ 31,274,640	\$ 175,232,427		
2022 New Taiwan Dollars														
Balance at January 1, 2022		\$ 25,975,433	\$ 49,114,151	\$ 29,697,752	\$ 12,543,208	\$ 53,622,701	(\$ 15,520,287)	(\$ 776,353)	\$ 129,917	\$ 154,786,522	\$ 31,338,136	\$ 186,124,658		
Profit for the period		-	-	-	-	13,686,562	-	-	-	13,686,562	1,985,750	15,672,312		
Other comprehensive income for the period		-	-	-	-	208,988	8,227,092	121,922	-	8,558,002	1,863,102	10,421,104		
Total comprehensive income for the period		-	-	-	-	13,895,550	8,227,092	121,922	-	22,244,564	3,848,852	26,093,416		
Distribution of 2021 earnings	6(20)													
Legal reserve appropriated		-	-	2,688,553	-	(2,688,553)	-	-	-	-	-	-		
Special reserve appropriated		-	-	-	3,623,514	(3,623,514)	-	-	-	-	-	-		
Cash dividends of ordinary share		-	-	-	-	(14,286,488)	-	-	-	(14,286,488)	-	(14,286,488)		
Changes in ownership interests in subsidiaries		-	(105,868)	-	-	(643)	-	-	-	(106,511)	-	(106,511)		
Difference between consideration and carrying amount of subsidiaries acquired or disposed	6(33)	-	11,457	-	-	-	-	-	-	11,457	(91,184)	(79,727)		
Disposal of financial assets at fair value through other comprehensive income		-	-	-	-	8,492	-	(8,492)	-	-	-	-		
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	(710,793)	(710,793)		
Balance at June 30, 2022		\$ 25,975,433	\$ 49,019,740	\$ 32,386,305	\$ 16,166,722	\$ 46,927,545	(\$ 7,293,195)	(\$ 662,923)	\$ 129,917	\$ 162,649,544	\$ 34,385,011	\$ 197,034,555		

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

DELTA ELECTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
SIX MONTHS ENDED JUNE 30, 2022 AND 2021
(EXPRESSED IN THOUSANDS OF DOLLARS)
(UNAUDITED)

Items	Notes	Equity attributable to owners of the parent												
		Retained Earnings					Other Equity Interest					Total	Non-controlling interest	Total equity
		Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gain (loss) on financial assets measured at fair value through other comprehensive income	Gain (loss) on hedging instruments					
<u>2022 US Dollars</u>														
Balance at January 1, 2022		\$ 874,005	\$ 1,652,562	\$ 999,251	\$ 422,046	\$ 1,804,264	(\$ 522,217)	(\$ 26,122)	\$ 4,372	\$ 5,208,161	\$ 1,054,446	\$ 6,262,607		
Profit for the period		-	-	-	-	460,517	-	-	-	460,517	66,815	527,332		
Other comprehensive income for the period		-	-	-	-	7,032	276,820	4,102	-	287,954	62,689	350,643		
Total comprehensive income for the period		-	-	-	-	467,549	276,820	4,102	-	748,471	129,504	877,975		
Distribution of 2021 earnings	6(20)													
Legal reserve appropriated		-	-	90,463	-	(90,463)	-	-	-	-	-	-		
Special reserve appropriated		-	-	-	121,922	(121,922)	-	-	-	-	-	-		
Cash dividends of ordinary share		-	-	-	-	(480,703)	-	-	-	(480,703)	-	(480,703)		
Changes in ownership interests in subsidiaries		-	(3,562)	-	-	(22)	-	-	-	(3,584)	-	(3,584)		
Difference between consideration and carrying amount of subsidiaries acquired or disposed	6(33)	-	385	-	-	-	-	-	-	385	(3,068)	(2,683)		
Disposal of financial assets at fair value through other comprehensive income		-	-	-	-	286	-	(286)	-	-	-	-		
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	(23,916)	(23,916)		
Balance at June 30, 2022		\$ 874,005	\$ 1,649,385	\$ 1,089,714	\$ 543,968	\$ 1,578,989	(\$ 245,397)	(\$ 22,306)	\$ 4,372	\$ 5,472,730	\$ 1,156,966	\$ 6,629,696		

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

DELTA ELECTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED JUNE 30, 2022 AND 2021
(EXPRESSED IN THOUSANDS OF DOLLARS)
(UNAUDITED)

	Notes	US Dollars	New Taiwan Dollars	
		Six months ended June 30, 2022	Six months ended June 30, 2022 2021	
CASH FLOWS FROM OPERATING ACTIVITIES				
Consolidated profit before tax for the period		\$ 651,765	\$ 19,370,442	\$ 18,895,219
Adjustments				
Income and expenses having no effect on cash flows				
Depreciation	6(9)(10)			
	(26)	244,136	7,255,733	6,541,803
Amortization	6(11)(26)	63,868	1,898,171	1,833,978
Expected credit impairment loss (gain)	12(2)	5,370	159,609	(147,142)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	6(2)(24)	5,345	158,848	(204,573)
Interest expense	6(25)	6,008	178,557	142,683
Interest income	6(22)	(6,294)	(187,049)	(231,943)
Dividend income	6(23)	(2,790)	(82,923)	(113,365)
Share of (profit) loss of associates accounted for under the equity method	6(8)	(356)	(10,576)	(2,133)
Loss on disposal of property, plant and equipment	6(24)	1,847	54,897	12,236
Gain on disposal of investments	6(24)	-	-	(90,109)
Changes in assets/liabilities relating to operating activities				
Net changes in assets relating to operating activities				
Financial assets mandatorily measured at fair value through profit or loss		5,557	165,151	241,816
Contract assets	(	9,237)	(274,534)	(628,875)
Notes receivable		7,380	219,344	269,062
Accounts receivable	(	144,358)	(4,290,307)	(641,793)
Accounts receivable - related parties	(	100)	(2,985)	(12,869)
Other receivables	(	1,032)	(30,681)	(85,614)
Other receivables - related parties	(	4)	(123)	(199)
Inventories	(	176,203)	(5,236,767)	(11,371,166)
Prepayments	(	5,602)	(166,486)	(533,734)
Other current assets		340	10,090	20,800
Other non-current assets	(	929)	(27,611)	(19,464)
Net changes in liabilities relating to operating activities				
Contract liabilities		20,639	613,404	689,085
Notes payable		51	1,504	374
Accounts payable		62,235	1,849,620	5,807,868
Accounts payable - related parties	(	294)	(8,732)	(16,667)
Other payables	(	29,556)	(878,401)	(427,923)
Other current liabilities		326	9,692	169,825
Other non-current liabilities		15,750	468,093	(324,494)
Cash inflow generated from operations		713,862	21,215,980	20,013,244
Interest received		6,125	182,034	234,021
Dividends received		2,784	82,749	109,081
Interest paid	(	5,255)	(156,176)	(141,577)
Income taxes paid	(	98,651)	(2,931,931)	(3,068,498)
Net cash flows from operating activities		618,865	18,392,656	17,146,271

(Continued)

DELTA ELECTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED JUNE 30, 2022 AND 2021
(EXPRESSED IN THOUSANDS OF DOLLARS)
(UNAUDITED)

	Notes	US Dollars		New Taiwan Dollars	
		Six months ended June 30, 2022		Six months ended June 30, 2022	2021
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>					
Acquisition of financial assets mandatorily measured at fair value through profit or loss		\$ -	\$ -	(\$ -)	197,148
Proceeds from disposal of financial assets at fair value through other comprehensive income		2,736		81,320	-
Proceeds from capital withdrawal from financial asset at fair value through profit or loss		-		-	31,626
Net cash flow from acquisition of subsidiaries (net of cash acquired)	6(31)	-		-	(9,015)
Decrease in financial assets at amortised cost		2,860		85,008	235,027
Proceeds from disposal of subsidiaries (net of cash disposed)	6(32)	-		-	(1,434)
Increase in prepayment for long-term investment		(12,113)	(	360,000)	(27,953)
Acquisition of property, plant and equipment	6(9)	(311,643)	(	9,262,053)	(11,816,394)
Proceeds from disposal of property, plant and equipment		1,389		41,289	204,921
Acquisition of intangible assets	6(11)	(13,827)	(	410,931)	(617,732)
Increase in other non-current assets		(6,642)	(	197,403)	(314,033)
Net cash flows used in investing activities		(337,240)	(	10,022,770)	(12,512,135)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>					
Decrease in short-term borrowings	6(34)	(69,387)	(	2,062,181)	(438,679)
Issuance of bonds payable	6(34)	222,073		6,600,000	-
Proceeds from long-term debt	6(34)	1,091,932		32,452,232	17,498,608
Repayment of long-term debt	6(34)	(1,263,605)	(	37,554,359)	(19,961,005)
Lease principal repayment		(16,832)	(	500,254)	(238,902)
Decrease in refundable deposits		(9,057)	(	269,178)	-
Cash dividends paid to minority share interests		(22,391)	(	665,450)	(1,364,066)
Acquisition of ownership interests in subsidiaries	6(33)	(2,683)	(	79,727)	(61,183)
Net cash flows from financing activities		(69,950)	(	2,078,917)	(4,565,227)
Effects due to changes in exchange rate		164,963		4,902,716	(1,297,785)
Increase (decrease) in cash and cash equivalents		376,638		11,193,685	(1,228,876)
Cash and cash equivalents at beginning of period		1,677,492		49,855,053	58,711,985
Cash and cash equivalents at end of period		\$ 2,054,130	\$	61,048,738	\$ 57,483,109

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

DELTA ELECTRONICS, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
SIX MONTHS ENDED JUNE 30, 2022 AND 2021
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,
EXCEPT AS OTHERWISE INDICATED)
(UNAUDITED)

1. HISTORY AND ORGANIZATION

Delta Electronics, Inc. (the Company) was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China (R.O.C.). The Company and its subsidiaries (collectively referred herein as the Group) are global leaders in power and thermal management solutions and are primarily engaged in the research and development, design, manufacturing and sales of electronic control systems, DC brushless fans, thermal system, and miniaturization key component, industrial automation products, digital display products, communication products, consumer electronics products, energy-saving lighting application, renewable energy applications, EV charging, energy technology services and consulting services of building management and control solutions, etc. The Group's mission statement, to provide innovative, clean and energy-efficient solutions for a better tomorrow, focuses on addressing key environmental issues such as global climate change. With the concern for the environment, the Group continues to develop innovative energy-efficient products and solutions. In recent years, the Group has transformed from a product provider towards a solution provider and the Group's business is segregated into power electronics business, automation business, and infrastructure business.

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

These consolidated financial statements were reported to the Board of Directors on July 28, 2022.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

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

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

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

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

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

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

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

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

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs as endorsed by the FSC are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 10 and IAS 28, ‘Sale or contribution of assets between an investor and its associate or joint venture’	To be determined by International Accounting Standards Board
IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendment to IFRS 17, ‘Initial application of IFRS 17 and IFRS 9 – comparative information’	January 1, 2023
Amendments to IAS 1, ‘Classification of liabilities as current or non-current’	January 1, 2023

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(1) Compliance statement

A. The consolidated financial statements of the Group have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the

International Accounting Standards 34, “Interim financial reporting” as endorsed by the FSC.

- B. These consolidated financial statements should be read along with the consolidated financial statements for the year ended December 31, 2021.

(2) Basis of preparation

- A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:
- (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
 - (b) Financial assets at fair value through other comprehensive income.
 - (c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.
- B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

- A. Basis for preparation of consolidated financial statements:
- (a) All subsidiaries are included in the Group’s consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
 - (b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.
 - (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
 - (d) Changes in a parent’s ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as

equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.

- (e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss, on the same basis as if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				June 30, 2022	December 31, 2021	June 30, 2021	
1	Delta Electronics, Inc.	Delta International Holding Limited B.V. (DIH)	Equity investments	100	100	100	
2	"	Delta Networks Holding Limited (DNH)	"	100	100	100	
3	"	Delta Electronics (Netherlands) B.V. (DEN)	Sales of power products, display solution products, electronic components, industrial automation products and materials	100	100	100	
4	"	Cyntec Co., Ltd. (Cyntec)	Research, development, manufacturing and sales of film optic-electronics devices	100	100	100	
5	"	DelBio Inc. (DelBio)	Manufacturing, wholesale and retail of medical equipment	100	100	100	Note 1 Note 2
6	"	Delta Electronics Capital Company (DECC)	Equity investments	100	100	100	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				June 30, 2022	December 31, 2021	June 30, 2021	
7	Delta Electronics, Inc.	Delta Electronics Int'l (Singapore) Pte. Ltd. (DEIL-SG)	Research, development and sales of electronic products	100	100	100	
8	"	Allied Material Technology Corp. (AMT)	Lease services, etc.	-	99.97	99.97	Note 20
9	Delta Electronics, Inc. and DEN	Delta America Ltd. (DAL)	Equity investments	100	100	100	
10	DEN	Delta Electronics (H.K.) Ltd. (DHK)	Equity investments, operations management and engineering services	100	100	100	
11	DIH	DEI Logistics (USA) Corp. (ALI)	Warehousing and logistics services	100	100	100	
12	"	Delta Electronics (Japan), Inc. (DEJ)	Sales of power products, display solution products, electronic components, industrial automation products and materials	100	100	100	Note 1
13	DEN	Drake Investment (HK) Limited (Drake-HK)	Equity investments	100	100	100	
14	DGSG, Drake-HK and Boom	Delta Greentech (China) Co., Ltd. (DGC)	Sales of uninterruptible power systems and others	95.91	95.91	95.91	
15	DEN	Delta Greentech SGP Pte. Ltd. (DGSG)	Equity investments	100	100	100	
16	DIH	Delta Electronics Europe Ltd. (DEU)	Repair centre and providing support services	100	100	100	Note 1 Note 2
17	DEN	Boom Treasure Limited (Boom)	Equity investments	100	100	100	
18	DIH	Galaxy Star Investment (HK) Limited (Galaxy Star-HK)	"	-	-	100	Note 8

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				June 30, 2022	December 31, 2021	June 30, 2021	
19	DHK	Delta Electronics (Dongguan) Co., Ltd. (DDG)	Manufacturing and sales of transformer and thermal products	100	100	100	
20	"	Delta Electronics (Shanghai) Co., Ltd. (DPEC)	Product design, management consulting service and distribution of electronic products	100	100	100	
21	"	Delta Electronics (Jiangsu) Ltd. (DWJ)	Manufacturing and sales of power supplies and transformers	100	100	100	
22	"	Delta Electronics (Wuhu) Co., Ltd. (DWH)	Manufacturing and sales of LED light source, power supplies and others	100	100	100	
23	"	Delta Electronics (Chenzhou) Co., Ltd. (DCZ)	Manufacturing and sales of transformers	100	100	100	
24	"	Cyntec Electronics (Wuhu) Co., Ltd. (CEWH)	Technology services, development, consultation, exchange, transfer and promotion; manufacturing, wholesale and retail of electronic components; manufacturing and sales of molds; manufacturing and sales of forgings and powder metallurgy products and import and export of goods or technique	100	100	100	Note 1
25	DHK and DIH	Delta Electronics International Mexico S.A. DE C.V. (DEIL-MX)	Sales of power management system of industrial automation product and telecommunications equipment	100	100	100	Note 1 Note 2 Note 11
26	DHK	Delta Green (Tianjin) Industries Co., Ltd. (DGT)	Manufacturing and sales of transformers	100	100	100	Note 1 Note 2

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				June 30, 2022	December 31, 2021	June 30, 2021	
27	DHK	Delta Electronics (Pingtan) Co., Ltd. (Delta Pingtan)	Wholesale and retail of electronic products and energy-saving equipment	100	100	100	Note 1 Note 2
28	DEJ	Addtron Technology (Japan), Inc. (AT Japan)	Trading of networking system and peripherals	100	100	100	Note 1
29	"	Delta Electronics (Korea), Inc. (Delta Korea)	Sales of power products, display solution products, electronic components, industrial automation products and their materials	100	100	100	Note 1
30	DCZ	Chenzhou Delta Technology Co., Ltd. (CDT)	Manufacturing and sales of transformers	100	100	100	
31	DPEC and DGC	Delta Energy Technology (Shanghai) Co., Ltd. (DET-SH)	Energy performance contracting, development of energy-saving technology, energy-saving equipment and energy management system as well as consulting service, installation, sales, etc.	-	100	100	Note 1 Note 21
32	DNH	Delta Networks, Inc. (DNI Cayman)	Equity investments	100	100	100	
33	DNI Cayman	Delta Networks (HK) Limited (DNHK)	"	100	100	100	
34	DHK and DNHK/DNHC	Delta Networks (Dongguan) Ltd. (DII)	Manufacturing and sales of other radio-broadcast receivers and the equipment in relation to broadband access networking system	100	100	100	Note 13
35	Cyntec	Fairview Assets Ltd. (Fairview)	Equity investments	100	100	100	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				June 30, 2022	December 31, 2021	June 30, 2021	
36	Fairview	Grandview Holding Ltd. (Grandview)	Equity investments	100	100	100	
37	Grandview	CYNTEC HOLDING (HK) LIMITED (CHK)	"	100	100	100	
38	"	Cyntec International Ltd. (CIL-Labuan)	Trading	100	100	100	
39	CHK	Cyntec Electronics (Suzhou) Co., Ltd. (CES)	Technical service, technical development, technical consultation, technical exchange, technical transfer, technical promotion; electronic components manufacturing, electronic components wholesale, electronic components retail, mold manufacturing, mold sales, forgings and powder metallurgy products sales	100	100	100	
40	DelBio	DelBio (Wujiang) Co., Ltd.	Manufacturing, wholesale and retail of medical equipment	100	100	100	Note 1 Note 2
41	DIH	ELTEK AS	Research, development and sales of power supplies and others	100	100	100	
42	"	Delta Controls Inc. (DCI)	Provide solutions to building management and control	100	100	100	
43	"	DELTA ELECTRONICS HOLDING (USA) INC.	Equity investments	100	100	100	Note 1 Note 2

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				June 30, 2022	December 31, 2021	June 30, 2021	
44	ELTEK AS	ELTEK PAKISTAN (PRIVATE) LIMITED	Sales of power supplies and others	100	100	100	Note 1 Note 2
45	"	Eltek Deutschland GmbH	Sales of power supplies and others and system installation	100	100	100	Note 1 Note 2
46	Delta Energy Systems (Singapore) PTE. LTD.	Delta Electronics (Australia) Pty Ltd	"	100	100	100	
47	ELTEK AS	Eltek Egypt for Power Supply S.A.E.	Sales of power supplies and others	95	95	95	Note 1 Note 2
48	"	Eltek SGS Pvt Ltd.	Sales of power supplies and others and system installation	100	100	100	Note 1 Note 2
49	ELTEK AS and Eltek SGS Pvt Ltd.	Eltek SGS Mechanics Pvt Ltd.	Sales of power supplies and others	51	51	51	Note 1 Note 2
50	Delta Electronics (Poland) Sp. z o. o.	Eltek Polska Sp. z o. o. (Eltek Polska)	Sales of power supplies and others and system installation	-	-	100	Note 3
51	ELTEK AS	ELTEK POWER FRANCE SAS	"	100	100	100	Note 1 Note 2
52	"	ELTEK LIMITED	Equity investments and trading	-	-	100	Note 1 Note 9
53	"	ELTEK MEA DMCC	Sales of power supplies and others	100	100	100	Note 1 Note 2
54	ELTEK MEA DMCC and ELTEK AS	ELTEK KENYA LIMITED	Sales of power supplies	-	100	100	Note 1 Note 15
55	"	ELTEK WEST AFRICA LIMITED	"	100	100	100	Note 1 Note 2
56	ELTEK AS	Eltek Italia S.r.l.	Sales of power supplies and others	100	100	100	Note 1 Note 2

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				June 30, 2022	December 31, 2021	June 30, 2021	
57	ELTEK AS	Delta Electronics (Sweden) AB	Sales of power supplies and others	100	100	100	Note 1 Note 2
58	"	DELTA ELECTRONICS (UK) LTD	"	100	100	100	Note 1 Note 2 Note 22
59	"	OOO Eltek	Sales of power supplies and others and system installation	100	100	100	Note 1 Note 2
60	Eltek Deutschland GmbH	Eltek Montage GmbH	Installation and maintenance of power supplies	100	100	100	Note 1 Note 2
61	DEIL-SG	ELTEK POWER INCORPORATED	Sales of power supplies and others	100	100	100	Note 1 Note 2
62	"	ELTEK POWER CO., LTD.	"	100	100	100	Note 1 Note 2 Note 4
63	"	ELTEK POWER (CAMBODIA) LTD.	"	100	100	100	Note 1 Note 2
64	"	ELTEK POWER (MALAYSIA) SDN. BHD.	"	100	100	100	Note 1 Note 2 Note 5
65	DHK	Eltek Energy Technology (Dongguan) Ltd.	Development, manufacturing and sales of intelligent power equipment and system for supporting access networking system, and manufacturing and sales of intelligent power equipment for supporting renewable energy	-	-	100	Note 1 Note 10
66	DELTA ELECTRONICS HOLDING (USA) INC.	DELTA ELECTRONICS (USA) INC.	Manufacturing and sales of power supplies	100	100	100	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				June 30, 2022	December 31, 2021	June 30, 2021	
67	DELTA ELECTRONICS (USA) INC. and DELTA ELECTRONICS HOLDING (USA) INC.	DELTA ELECTRONICS (ARGENTINA) S.R.L.	Sales of power supplies and others	100	100	100	Note 1 Note 2
68	DEN and DELTA ELECTRONICS (USA) INC.	ELTEK SISTEMAS DE ENERGIA INDUSTRIAL E COMERCIO LTDA.	Manufacturing and sales of power supplies	100	100	100	Note 1 Note 2 Note 16
69	DELTA ELECTRONICS (USA) INC. and DELTA ELECTRONICS HOLDING (USA) INC.	DELTA ELECTRONICS (PERU) INC. S.R.L.	Sales of power supplies and others	100	100	100	Note 1 Note 2
70	DELTA ELECTRONICS (USA) INC.	DELTA ELECTRONICS (COLOMBIA) S.A.S.	"	100	100	100	Note 1 Note 2
71	DELTA ELECTRONICS (USA) INC. and DELTA ELECTRONICS HOLDING (USA) INC.	Eltekenenergy Services, S.A. de C.V.	"	100	100	100	Note 1 Note 2
72	DHK and DIH/DELTA ELECTRONICS (USA) INC. and DELTA ELECTRONICS HOLDING (USA) INC.	Eltekenenergy International de México, S. de R.L. de C.V.	"	100	100	100	Note 1 Note 2 Note 11
73	DAL	Delta Electronics (Americas) Ltd.	Sales of electronic components	100	100	100	Note 2
74	"	Delta Solar Solutions LLC	Equity investments	-	100	100	Note 1 Note 17
75	Delta Solar Solutions LLC	DSS-USF LLC	Rental of solar power systems	-	100	100	Note 1 Note 17

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				June 30, 2022	December 31, 2021	June 30, 2021	
76	Cyntec	Power Forest Technology Corporation (Power Forest)	IC design of power management	100	100	100	Note 1 Note 2
77	DPEC and DGC / DET-SH	Delta Energy Technology Puhuan (Shanghai) Co., Ltd.	Energy technology, development and consulting of environmental technical skills, and design and sales of energy saving equipment	100	100	100	Note 1 Note 2 Note 21
78	DEIL-SG	Loy Tec electronics GmbH (Loy Tec)	Consulting service of building management and control solutions	100	100	100	Note 1 Note 2
79	DHK	Delta Electronics (Beijing) Co., Ltd.	Installation of mechanic, electronic, telecommunication and circuit equipment	100	100	100	Note 1 Note 2
80	"	Delta Electronics (Xi'an) Co., Ltd.	Sales of computers, peripherals and software	100	100	100	Note 1 Note 2
81	DIH	Delta Electronics (Switzerland) AG (DECH)	Equity investments, research, development and sales of electronic products	100	100	100	
82	DEN	Delta Greentech Electronics Industry LLC	Marketing and sales of electronic products	100	100	100	Note 1 Note 2
83	DEN and Delta Electronics (USA) INC.	DELTA GREENTECH (BRASIL) LTDA. (DGB)	Manufacturing and sales of electronic products	100	100	100	Note 1 Note 2 Note 18
84	DECH	Delta Electronics (Czech Republic), spol. s.r.o.	Sales of electronic products	100	100	100	
85	"	Delta Electronics (Italy) S.r.l.	"	100	100	100	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				June 30, 2022	December 31, 2021	June 30, 2021	
86	DECH	Delta Electronics (Poland) Sp. z o.o.	Sales of electronic products	100	100	100	
87	"	Delta Solutions (Finland) Oy	"	100	100	100	
88	"	Delta Electronics Solutions (Spain) SL	"	100	100	100	
89	Delta Electronics, Inc.	Vivotek Inc. (Vivotek)	Manufacturing and sales of video compression software and encoding, network video server, webcam and its related components	56.3	55.09	53.57	
90	Vivotek	Vivotek Holdings, Inc.	Holding company	100	100	100	
91	"	Realwin Investment Inc. (Realwin)	A venture capital company	100	100	100	
92	"	Vivotek Netherlands B.V.	Sales service	100	100	100	
93	"	Vivotek (Japan) Inc.	"	100	100	100	
94	Vivotek Holdings, Inc.	Vivotek USA, Inc.	Sales of webcams and related components	100	100	100	
95	Realwin	Wellstates Investment, LLC	Investment and commercial lease of real estate	100	100	100	
96	Vivotek	Otus Imaging, Inc.	Sales of webcams and related components	100	100	100	
97	Realwin	Aetek Inc.	"	56.21	56.21	56.21	
98	"	Vivotek Middle East FZCO	"	-	-	89.99	Note 7
99	"	Lidlight Inc.	Sales of lighting equipment	51	51	51	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				June 30, 2022	December 31, 2021	June 30, 2021	
100	DEN	DELTA ELECTRONICS BRASIL LTDA.	Manufacturing and sales of electronic products	100	100	100	Note 1 Note 2
101	Delta Electronics, Inc., DEIL-SG and DIH	Delta Electronics (Thailand) Public Company Limited (DET)	Manufacturing and exporting power supplies, other electronic parts and components	63.78	63.78	63.78	
102	DET	DET International Holding Limited	Equity investments	100	100	100	
103	"	Delta Energy Systems (Singapore) PTE. LTD.	Equity investments, trading, management and consultancy	100	100	100	
104	"	Delta Green Industrial (Thailand) Co., Ltd.	Integration, sales, trading, installation and providing services of uninterruptible power supply, photovoltaic inverter, electric cars charger and data center	100	100	100	
105	"	Delta Electronics (Vietnam) Company Limited	Sales of electronic products	100	100	100	
106	DET and Delta Energy Systems (Singapore) PTE. LTD.	DELTA ELECTRONICS INDIA MANUFACTURING PRIVATE LIMITED	Manufacturing and sales of electronic products	100	100	100	Note 6
107	DET International Holding Limited	DET Logistics (USA) Corporation	Providing logistics services in USA	100	100	100	
108	"	Delta Energy Systems (Germany) GmbH	Development, marketing and sales of electronic products	100	100	100	
109	"	Delta Energy Systems (India) Private Ltd.	Marketing and sales of electronic products	100	100	100	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				June 30, 2022	December 31, 2021	June 30, 2021	
110	DET International Holding Limited and Delta Energy Systems (Singapore) PTE. LTD.	Delta Electronics (Slovakia) s.r.o.	Manufacturing and sales of power supplies, power system and OEM power system	100	100	100	
111	DET International Holding Limited	Delta Energy Systems (Romania) S.R.L.	Research and development	100	100	100	
112	Delta Energy Systems (Germany) GmbH	Delta Energy Systems Property (Germany) GmbH	Property rights business	100	100	100	
113	Delta Energy Systems (Singapore) PTE. LTD.	Delta Electronics (Holdings) Australia Pty Ltd	Marketing and sales of renewable energy products	100	100	100	
114	"	Delta Electronics India Pvt. Ltd.	Manufacturing and marketing of non-telecom power system and uninterruptible power supply, and sales of uninterruptible power supply	100	100	100	
115	"	Delta Electronics (Myanmar) Co., Ltd.	Manufacturing of electronic products used in CMP manufacturing process and machinery	100	100	100	
116	"	Delta Energy Systems (UK) Ltd.	Research and development of electronic products	100	100	100	
117	"	Delta PBA Engineering Solutions Co., Ltd.	Providing solutions for industrial automation	-	-	51	Note 8
118	"	Delta Greentech (Netherlands) Cooperatie U.A.	Equity investments	-	100	100	Note 15

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				June 30, 2022	December 31, 2021	June 30, 2021	
119	Delta Energy Systems (Singapore) PTE. LTD. / Delta Greentech (Netherlands) Cooperatie U.A.	Delta Greentech (Netherlands) B.V.	Equity investments	100	100	100	Note 19
120	Delta Greentech (Netherlands) B.V.	Delta Energy Systems LLC	Marketing and sales of power systems	100	100	100	
121	"	Eltek s.r.o.	Manufacturing of telecom power system	100	100	100	
122	"	Delta Electronics (Automotive) Americas Inc.	Research and development of automotive power and traction inverter	100	100	100	
123	DEN	Amerlux, LLC (Amerlux)	Design and production of dedicated lighting system and facilities	100	100	100	Note 1 Note 2
124	Amerlux	Amerlux Lighting Asia, LLC	Equity investments	100	100	100	Note 1 Note 2
125	Amerlux Lighting Asia, LLC	Amerlux Lighting Hong Kong Limited	"	100	100	100	Note 1 Note 2
126	Amerlux Lighting Hong Kong Limited	Guangzhou Amerlux Lighting Co., Ltd.	Wholesale of lighting fixture and decorative objects	100	100	100	Note 1 Note 2
127	DIH	Digital Projection International Ltd. (DPI)	Equity investments	100	100	100	Note 1 Note 2
128	DPI	Digital Projection Holdings Ltd.	"	100	100	100	Note 1 Note 2
129	Digital Projection Holdings Ltd.	Digital Projection Ltd.	Research, development and sales of projector products	100	100	100	Note 1 Note 2
130	Digital Projection Ltd.	Digital Projection Inc.	Sales of projector products	100	100	100	Note 1 Note 2

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				June 30, 2022	December 31, 2021	June 30, 2021	
131	DEN	Trihedral Engineering Limited (Trihedral)	Graphic control software and related engineering services	100	100	100	Note 1 Note 2
132	Trihedral	Trihedral Inc.	"	100	100	100	Note 1 Note 2
133	"	Trihedral UK Limited	"	100	100	100	Note 1 Note 2
134	DIH	March Networks Holdings Ltd.	Equity investments	100	100	-	Note 2 Note 6 Note 12
135	March Networks Holdings Ltd.	March Networks Corporation	Security surveillance software and hardware and related engineering services	100	100	-	Note 2 Note 6
136	March Networks Corporation	March Networks, Inc.	"	100	100	-	Note 2 Note 6
137	"	March Networks de Mexico, S.A.de C.V.	"	100	100	-	Note 2 Note 6
138	"	March Networks (Australia) Pty Limited	"	100	100	-	Note 2 Note 6
139	"	March Networks Limited	"	100	100	-	Note 2 Note 6
140	"	March Networks (Singapore) Pte. Limited	"	100	100	-	Note 2 Note 6
141	"	March Networks B.V.	"	100	100	-	Note 2 Note 6
142	March Networks B.V.	March Networks S.r.l.	"	100	100	-	Note 2 Note 6
143	"	March Networks (France) SAS	"	100	100	-	Note 2 Note 6
144	DHK	Delta Electronics (Chongqing) Ltd.	Manufacturing electronic parts of new energy vehicles and parts for power of electronic equipment	100	-	-	Note 2 Note 14

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				June 30, 2022	December 31, 2021	June 30, 2021	
145	Delta Electronics, Inc.	Delmind Inc.	Provide vertical add-on value solution	70	-	-	Note 2 Note 14

Note 1: As the subsidiaries do not meet the definition of significant subsidiaries, their financial statements as at June 30, 2021 were not reviewed by independent auditors.

Note 2: As the subsidiaries do not meet the definition of significant subsidiaries, their financial statements as at June 30, 2022 were not reviewed by independent auditors.

Note 3: Eltek Polska Sp.z o.o. (Eltek Polska) merged with Delta Electronics (Poland) Sp.z o.o. in July 2021. After the merger, Delta Electronics (Poland) Sp.z o.o. was the surviving company while Eltek Polska was the dissolved company.

Note 4: 55% of shares are held through others due to local regulations.

Note 5: 71% of shares are held through others due to local regulations.

Note 6: The company was established or acquired through merger during 2021.

Note 7: This company had been liquidated in August 2021.

Note 8: This company had been liquidated in September 2021.

Note 9: This company had been liquidated in October 2021.

Note 10: This company had been liquidated in December 2021.

Note 11: In December 2021, DELTA ELECTRONICS (USA) INC. and DELTA ELECTRONICS HOLDINGS (USA) INC. sold Eltekenegy International de Mexico, S. de R.L. de C.V. to DHK and DIH. Eltekenegy International de Mexico, S. de R.L. de C.V. and DEIL-MX resolved to set the effective date of the merger on February 1, 2022. DEIL-MX was the surviving company. However, the procedures related to the merger were still in process as of June 30, 2022.

Note 12: Formerly named Infinova (Canada) Limited and was renamed as March Networks Holdings Ltd. in December 2021.

Note 13: In December 2021, Delta Electronics (H.K.) Ltd. acquired 51% equity interest in Delta Networks (Dongguan) Ltd. from Delta Networks (HK) Limited.

Note 14: The company was established or acquired through merger during 2022.

Note 15: This company had been liquidated in February 2022.

Note 16: Formerly named Eltek Sistemas de Energia Industria e Comercio S.A. and was renamed as ELTEK SISTEMAS DE ENERGIA INDUSTRIA E COMERCIO LTDA. in February 2022.

Note 17: This company had been liquidated in March 2022.

Note 18: Formerly named Delta Greentech (Brasil) S.A. and was renamed as DELTA

GREENTECH (BRASIL) LTDA. in February 2022.

Note 19: As the liquidation stated in Note 15, the investor was changed to Delta Energy Systems (Singapore) PTE. LTD.

Note 20: The Company merged with AMT in May 2022. After the merger, the Company was the surviving company with AMT as the dissolved company.

Note 21: The deregistration of DET-SH has been completed in June 2022. Delta Energy Technology Puhuan (Shanghai) Co., Ltd. was originally held by DET-SH but was changed to be jointly held by DPEC and DGC. DET-SH will be merged with Delta Energy Technology Puhuan (Shanghai) Co., Ltd. after its deregistration. As of June 30, 2022, the merger procedures were still in process.

Note 22: Formerly named Eltek Power (UK) Ltd. and was renamed as DELTA ELECTRONICS (UK) LTD in June 2022.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

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

As at June 30, 2022, December 31, 2021, and June 30, 2021, the non-controlling interest amounted to \$34,385,011, \$31,338,136 and \$31,274,640, respectively. The information on non-controlling interest and respective subsidiary is as follows:

Name of subsidiary	Principal place of business	Non-controlling interest			
		June 30, 2022		December 31, 2021	
		Amount	Ownership (%)	Amount	Ownership (%)
Vivotek Inc. (Vivotek)	Taiwan	\$ 3,336,865	43.70%	\$ 3,375,410	44.91%
Delta Electronics (Thailand) Public Company limited (DET)	Thailand	30,275,367	36.22%	27,727,893	36.22%

Name of subsidiary	Principal place of business	Non-controlling interest	
		June 30, 2021	
		Amount	Ownership (%)
Vivotek Inc. (Vivotek)	Taiwan	\$ 3,503,813	46.43%
Delta Electronics (Thailand) Public Company limited (DET)	Thailand	27,481,933	36.22%

Summarised financial information of the subsidiary:

Balance sheets

	DET		
	June 30, 2022	December 31, 2021	June 30, 2021
Current assets	\$ 46,180,667	\$ 40,474,496	\$ 40,082,179
Non-current assets	63,021,110	59,264,879	58,279,015
Current liabilities	(22,628,946)	(20,530,658)	(19,564,003)
Non-current liabilities	(2,785,230)	(2,654,621)	(2,644,270)
Total net assets	<u>\$ 83,787,601</u>	<u>\$ 76,554,096</u>	<u>\$ 76,152,921</u>

	Vivotek		
	June 30, 2022	December 31, 2021	June 30, 2021
Current assets	\$ 4,446,834	\$ 3,919,997	\$ 3,719,908
Non-current assets	5,844,198	5,987,406	6,071,957
Current liabilities	(2,381,756)	(2,050,183)	(1,880,219)
Non-current liabilities	(339,320)	(341,276)	(365,204)
Total net assets	<u>\$ 7,569,956</u>	<u>\$ 7,515,944</u>	<u>\$ 7,546,442</u>

Statements of comprehensive income

	DET	
	Three months ended June 30,	
	2022	2021
Revenue	\$ 23,875,538	\$ 18,354,961
Profit before income tax	3,296,160	1,149,740
Income tax expense	(41,210)	(38,632)
Profit for the period from continuing operations	3,254,950	1,111,108
Other comprehensive income, net of tax	444,863	339,745
Total comprehensive income for the period	<u>\$ 3,699,813</u>	<u>\$ 1,450,853</u>
Comprehensive income attributable to non-controlling interest	<u>\$ 1,335,387</u>	<u>\$ 525,501</u>
Dividends paid to non-controlling interest	<u>\$ 665,450</u>	<u>\$ 1,364,066</u>

	DET	
	Six months ended June 30,	
	2022	2021
Revenue	\$ 44,633,271	\$ 35,928,020
Profit before income tax	5,315,319	2,468,014
Income tax expense	(74,058)	(94,059)
Profit for the period from continuing operations	5,241,261	2,373,955
Other comprehensive income, net of tax	23,012	746,028
Total comprehensive income for the period	<u>\$ 5,264,273</u>	<u>\$ 3,119,983</u>
Comprehensive income attributable to non-controlling interest	<u>\$ 1,902,033</u>	<u>\$ 1,130,341</u>
Dividends paid to non-controlling interest	<u>\$ 665,450</u>	<u>\$ 1,364,066</u>

	Vivotek	
	Three months ended June 30,	
	2022	2021
Revenue	\$ 2,114,773	\$ 1,525,000
Profit before income tax	100,435	73,924
Income tax expense	(1,321)	(20,178)
Profit for the period from continuing operations	99,114	53,746
Other comprehensive income (loss), net of tax	13,170	(9,220)
Total comprehensive income for the period	<u>\$ 112,284</u>	<u>\$ 44,526</u>
Comprehensive income attributable to non-controlling interest	<u>\$ 53,468</u>	<u>\$ 26,990</u>
Dividends paid to non-controlling interest	<u>\$ 52,962</u>	<u>\$ 80,387</u>

	Vivotek	
	Six months ended June 30,	
	2022	2021
Revenue	\$ 3,984,550	\$ 2,806,272
Profit before income tax	181,611	94,266
Income tax expense	(21,964)	(38,552)
Profit for the period from continuing operations	159,647	55,714
Other comprehensive income (loss), net of tax	26,070	(10,577)
Total comprehensive income for the period	<u>\$ 185,717</u>	<u>\$ 45,137</u>
Comprehensive income attributable to non-controlling interest	<u>\$ 89,522</u>	<u>\$ 24,355</u>
Dividends paid to non-controlling interest	<u>\$ 52,962</u>	<u>\$ 80,387</u>

Statements of cash flows

	DET	
	Six months ended June 30,	
	2022	2021
Net cash provided by operating activities	\$ 6,530,797	\$ 971,927
Net cash used in investing activities	(2,349,464)	(2,860,753)
Net cash used in financing activities	(2,796,602)	(3,437,677)
Effect of exchange rates on cash and cash equivalents	67,812	(220,613)
Increase (decrease) in cash and cash equivalents	1,452,543	(5,547,116)
Cash and cash equivalents, beginning of period	5,454,401	13,043,385
Cash and cash equivalents, end of period	<u>\$ 6,906,944</u>	<u>\$ 7,496,269</u>

	Vivotek	
	Six months ended June 30,	
	2022	2021
Net cash used in operating activities	(\$ 332,249)	(\$ 94,687)
Net cash used in investing activities	(16,693)	(233,979)
Net cash provided by financing activities	91,051	120,430
Effect of exchange rates on cash and cash equivalents	23,178	(9,359)
Decrease in cash and cash equivalents	(234,713)	(217,595)
Cash and cash equivalents, beginning of period	994,898	1,425,014
Cash and cash equivalents, end of period	<u>\$ 760,185</u>	<u>\$ 1,207,419</u>

(4) Bonds payable

Ordinary corporate bonds issued by the Group are initially recognised at fair value less transaction costs. Any difference between the proceeds (net of transaction costs) and the redemption value is presented as an addition to or deduction from bonds payable, which is amortised to profit or loss over the period of bond circulation using the effective interest method as an adjustment to ‘finance costs’.

(5) Employee benefits

Pensions - defined benefit plan

Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

(6) Income tax

The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

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

There was no significant change in the reporting period. Refer to Note 5 in the consolidated financial statements for the year ended December 31, 2021.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
Cash on hand	\$ 4,470	\$ 4,840	\$ 6,439
Checking accounts and demand deposits	50,461,359	39,392,615	39,873,790
Time deposits	10,548,480	10,422,695	17,569,193
Cash equivalents	34,429	34,903	33,687
	<u>\$ 61,048,738</u>	<u>\$ 49,855,053</u>	<u>\$ 57,483,109</u>

A. The Group associates with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. Details of the Group's cash and cash equivalents pledged to others as collateral are provided in Note 8.

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

<u>Asset Items</u>	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Listed stocks	\$ 619,399	\$ 506,938	\$ 520,752
Emerging stocks	72,720	-	-
Derivatives	241,548	125,070	94,921
Hybrid instrument-Convertible bonds	40,405	28,015	17,880
	<u>974,072</u>	<u>660,023</u>	<u>633,553</u>
Valuation adjustment	475,842	425,706	408,544
	<u>\$ 1,449,914</u>	<u>\$ 1,085,729</u>	<u>\$ 1,042,097</u>
Non-current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Listed stocks	\$ 326,371	\$ 314,543	\$ 199,543
Emerging stocks	292,700	308,300	324,000
Unlisted stocks	1,280,013	1,568,229	1,513,273
Hybrid instrument-Convertible preferred stocks	197,148	197,148	197,148
Hybrid instrument-Convertible bonds	913,517	900,000	900,000
	<u>3,009,749</u>	<u>3,288,220</u>	<u>3,133,964</u>
Valuation adjustment	(298,149)	63,578	(24,135)
	<u>\$ 2,711,600</u>	<u>\$ 3,351,798</u>	<u>\$ 3,109,829</u>

Liability Items	June 30, 2022	December 31, 2021	June 30, 2021
Current items:			
Financial liabilities held for trading			
Derivatives	\$ 229,195	\$ 41,371	\$ 132,770

A. The Group has recognised the (loss) gain from financial assets and liabilities at fair value of (\$226,963), \$126,608, (\$158,848) and \$204,573 for the three months and six months ended June 30, 2022 and 2021, respectively.

B. Details of the transactions and contract information in respect of derivative financial assets and liabilities for which the Group did not adopt hedge accounting are as follows:

Financial instruments	June 30, 2022		
	Contract amount (nominal principal) (in thousands)	Contract period	
Forward exchange contracts:			
- Sell AUD / Buy USD	AUD 3,000	2022.02.07~2022.10.05	
- Sell BRL / Buy USD	BRL 35,084	2022.05.09~2022.08.04	
- Sell COP / Buy USD	COP 4,100,000	2022.05.18~2022.07.06	
- Sell EUR / Buy NOK	EUR 18,000	2022.04.04~2022.11.04	
- Sell EUR / Buy USD	EUR 67,000	2021.12.09~2022.12.06	
- Sell GBP / Buy NOK	GBP 2,300	2022.05.04~2022.09.06	
- Sell GBP / Buy USD	GBP 1,300	2022.06.08~2022.08.04	
- Sell HKD / Buy USD	HKD 46,000	2022.02.09~2022.08.03	
- Sell INR / Buy USD	INR 899,330	2022.05.05~2022.08.30	
- Sell JPY / Buy USD	JPY 270,550	2022.03.15~2022.08.23	
- Sell THB / Buy JPY	THB 45,282	2022.04.28~2022.09.27	
- Sell TRY / Buy USD	TRY 92,490	2022.03.18~2022.09.29	
- Sell TWD / Buy USD	TWD 3,408,259	2022.01.20~2022.12.23	
- Sell USD / Buy CAD	USD 1,927	2022.06.23~2022.10.27	
- Sell USD / Buy CHF	USD 4,500	2022.04.22~2022.10.05	
- Sell USD / Buy CZK	USD 300	2022.06.13~2022.07.21	
- Sell USD / Buy EUR	USD 2,110	2022.06.23~2022.09.06	
- Sell USD / Buy JPY	USD 400	2022.06.28~2022.07.25	
- Sell USD / Buy PEN	USD 1,500	2022.05.04~2022.07.06	
- Sell USD / Buy RMB	USD 236,500	2022.04.18~2022.09.08	
- Sell USD / Buy SGD	USD 13,505	2021.11.12~2022.08.03	
- Sell USD / Buy THB	USD 267,000	2022.03.23~2022.11.16	
- Sell USD / Buy TWD	USD 8,200	2022.06.08~2022.08.15	
Cross currency swap:			
- Sell EUR / Buy NOK	EUR 5,000	2022.06.29~2022.09.30	
- Sell PLN / Buy NOK	PLN 14,600	2022.06.28~2022.09.30	
- Sell SEK / Buy NOK	SEK 20,000	2022.06.28~2022.09.30	

December 31, 2021

Financial instruments	Contract amount (nominal principal) (in thousands)		Contract period
Forward exchange contracts:			
- Sell AUD / Buy USD	AUD	3,150	2021.08.25~2022.06.02
- Sell BRL / Buy USD	BRL	17,161	2021.12.02~2022.02.07
- Sell EUR / Buy CAD	EUR	1,716	2021.12.17~2022.06.21
- Sell EUR / Buy NOK	EUR	26,200	2021.08.16~2022.06.30
- Sell EUR / Buy USD	EUR	46,000	2021.07.28~2022.07.05
- Sell GBP / Buy EUR	GBP	852	2021.12.15~2022.03.07
- Sell GBP / Buy NOK	GBP	2,500	2021.10.22~2022.02.07
- Sell HKD / Buy USD	HKD	60,000	2021.07.28~2022.06.02
- Sell INR / Buy USD	INR	753,465	2021.11.09~2022.02.28
- Sell JPY / Buy USD	JPY	1,367,566	2021.08.17~2022.04.21
- Sell THB / Buy JPY	THB	26,446	2021.11.22~2022.02.25
- Sell TWD / Buy USD	TWD	3,310,410	2021.07.21~2022.06.21
- Sell USD / Buy CHF	USD	2,000	2021.11.15~2022.02.25
- Sell USD / Buy CZK	USD	400	2021.12.17~2022.01.20
- Sell USD / Buy JPY	USD	3,800	2021.11.17~2022.01.25
- Sell USD / Buy NOK	USD	3,000	2021.11.29~2022.02.28
- Sell USD / Buy PEN	USD	1,500	2021.12.08~2022.02.07
- Sell USD / Buy RMB	USD	294,278	2021.09.22~2022.04.08
- Sell USD / Buy SGD	USD	23,264	2021.08.04~2022.07.05
- Sell USD / Buy THB	USD	173,500	2021.09.16~2022.04.20
- Sell USD / Buy TWD	USD	5,100	2021.11.04~2022.01.17
Cross currency swap:			
- Sell EUR / Buy NOK	EUR	4,000	2021.12.17~2022.06.30
- Sell PLN / Buy NOK	PLN	14,600	2021.12.21~2022.06.30
- Sell SEK / Buy NOK	SEK	20,000	2021.12.21~2022.06.30

June 30, 2021

Financial instruments	Contract amount (nominal principal) (in thousands)		Contract period
Forward exchange contracts:			
- Sell AUD / Buy USD	AUD	9,400	2021.02.09~2021.11.05
- Sell BRL / Buy USD	BRL	12,873	2021.06.03~2021.08.09
- Sell EUR / Buy CAD	EUR	3,252	2021.01.19~2021.07.05
- Sell EUR / Buy NOK	EUR	19,700	2021.03.16~2021.12.17
- Sell EUR / Buy USD	EUR	39,500	2021.02.05~2021.10.05
- Sell GBP / Buy NOK	GBP	2,000	2021.05.05~2021.07.05
- Sell HKD / Buy USD	HKD	29,000	2021.02.25~2021.11.05
- Sell INR / Buy USD	INR	853,318	2021.05.17~2021.08.30
- Sell JPY / Buy USD	JPY	815,155	2021.02.26~2021.09.27
- Sell THB / Buy JPY	THB	28,617	2021.05.05~2021.07.27
- Sell TWD / Buy USD	TWD	3,280,101	2021.01.21~2021.12.24
- Sell USD / Buy CZK	USD	300	2021.06.17~2021.07.20
- Sell USD / Buy JPY	USD	8,100	2021.05.31~2021.08.25
- Sell USD / Buy RMB	USD	199,168	2021.03.25~2021.10.08
- Sell USD / Buy RUB	USD	1,000	2021.06.17~2021.08.09
- Sell USD / Buy SGD	USD	18,362	2021.02.05~2021.12.02
- Sell USD / Buy THB	USD	179,500	2021.03.23~2021.10.19
Cross currency swap:			
- Sell EUR / Buy NOK	EUR	9,500	2021.04.26~2021.12.17
- Sell PLN / Buy NOK	PLN	14,600	2021.06.29~2021.12.30
- Sell SEK / Buy NOK	SEK	30,000	2021.06.29~2021.12.30

The Group entered into forward exchange contracts and cross currency swap to manage exposures to foreign exchange rate fluctuations of import or export sales, loans between related parties and dividend distribution within the Group. However, the forward exchange transactions did not meet the criteria for hedge accounting. Therefore, the Group did not apply hedge accounting.

C. The Group has no financial assets at fair value through profit or loss pledged to others.

D. Information relating to credit risk is provided in Note 12(2).

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

Items	June 30, 2022	December 31, 2021	June 30, 2021
Non-current items:			
Equity instruments			
Listed stocks	\$ 1,608,699	\$ 1,608,699	\$ 1,608,699
Unlisted stocks	702,305	754,546	668,904
	2,311,004	2,363,245	2,277,603
Valuation adjustment	(672,273)	(775,402)	(484,411)
	<u>\$ 1,638,731</u>	<u>\$ 1,587,843</u>	<u>\$ 1,793,192</u>

- A. The Group has elected to classify investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to \$1,638,731, \$1,587,843 and \$1,793,192 as at June 30, 2022, December 31, 2021, and June 30, 2021, respectively.
- B. During the first half of 2022, the Group disposed certain investments that no longer have strategic purposes. Stocks totaling \$81,320 were sold at fair value, resulting to a cumulative gain on disposal of \$9,874. As there were no stocks disposed during the first half of 2021, no gain or loss on disposal was recognised.
- C. Amounts recognised in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	Three months ended June 30,	
	2022	2021
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	\$ 89,345	(\$ 163,932)
Cumulative gain reclassified to retained earnings due to derecognition	\$ 9,874	\$ -
	Six months ended June 30,	
	2022	2021
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	\$ 123,304	(\$ 130,567)
Cumulative gain reclassified to retained earnings due to derecognition	\$ 9,874	\$ -

- D. As at June 30, 2022, December 31, 2021, and June 30, 2021, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at fair value through other comprehensive income held by the Group was \$1,638,731, \$1,587,843 and \$1,793,192, respectively.
- E. The Group has no financial assets at fair value through other comprehensive income pledged to others as collateral.

(4) Hedging financial assets and liabilities

- A. As at June 30, 2022, December 31, 2021, and June 30, 2021, there were no financial assets and liabilities used for hedging.
- B. Information on cash flow hedges and hedges of net investments in foreign operations recognised in profit or loss and other comprehensive income:

	Six months ended June 30,	
	2022	2021
<u>Other equity</u>		
At January 1	\$ 129,917	\$ 130,616
Add: Loss on hedge effectiveness-amount recognised in other comprehensive income	-	(704)
At June 30	<u>\$ 129,917</u>	<u>\$ 129,912</u>

(a) The purpose of hedge accounting is that the hedged highly probable forecast transactions denominated in foreign currency are expected to occur during the next 12 months. Amounts accumulated in other comprehensive income as at June 30, 2022, December 31, 2021, and June 30, 2021 are recycled into profit or loss in the period or periods when the hedged item affects profit or loss.

(b) Hedges of net investments in foreign operations

In the first quarter of 2018, due to the reorganisation of the Group, the risk of USD exchange rate fluctuating by fair value initially designated as hedged items of hedges of net investments in foreign operations was no longer material. Consequently, the hedge relationship did not meet the conditions of hedge accounting. The effective portion of hedges of net investments in foreign operations was accumulated in other equity previously. Since the foreign operations was not disposed, it was not reclassified from equity to profit or loss.

(5) Notes and accounts receivable

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
Notes receivable	\$ 3,201,289	\$ 3,420,633	\$ 3,464,533
Accounts receivable	\$ 72,063,612	\$ 67,786,921	\$ 60,380,573
Less: Allowance for uncollectible accounts	(509,566)	(350,544)	(393,144)
	<u>\$ 71,554,046</u>	<u>\$ 67,436,377</u>	<u>\$ 59,987,429</u>
Overdue receivables (shown as other non-current assets)	\$ 325,997	\$ 313,298	\$ 304,008
Less: Allowance for uncollectible accounts	(325,997)	(313,298)	(304,008)
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

A. The aging analysis of accounts receivable is as follows:

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
Not past due	\$ 65,504,474	\$ 60,175,037	\$ 55,823,714
1 to 90 days	5,695,395	7,029,700	3,870,190
91 to 180 days	433,906	268,016	287,111
181 to 365 days	240,231	151,223	151,802
Over 366 days	189,606	162,945	247,756
	<u>\$ 72,063,612</u>	<u>\$ 67,786,921</u>	<u>\$ 60,380,573</u>

The above aging analysis was based on past due date.

B. As at June 30, 2022, December 31, 2021, and June 30, 2021, there was no notes receivable past due.

C. As at June 30, 2022, December 31, 2021, and June 30, 2021, accounts receivable and notes receivable were all from contracts with customers. As at January 1, 2021, the balance of receivables from contracts with customers amounted to \$62,911,028.

D. The Group has no notes receivable and accounts receivable pledged to others as collateral.

E. As at June 30, 2022, December 31, 2021, and June 30, 2021, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes receivable were \$3,201,289, \$3,420,633 and \$3,464,533, and accounts receivable were \$71,554,046, \$67,436,377 and \$59,987,429, respectively.

F. Information relating to credit risk is provided in Note 12(2).

(6) Transfer of financial assets

The Group entered into a factoring agreement with financial institutions to sell its accounts receivable. Under the agreement, the Group is not required to bear the default risk of the accounts receivable and the percentage of advance payments is zero, but is liable for the losses incurred on any business dispute. As at June 30, 2022, December 31, 2021, and June 30, 2021, the relevant information on unsettled accounts receivable that were sold is set forth below:

<u>June 30, 2022</u>						
<u>Purchaser of accounts receivable</u>	<u>Accounts receivable transferred</u>	<u>Amount derecognised</u>	<u>Facilities</u>	<u>Amount advanced</u>	<u>Amount available for advance</u>	<u>Interest rate of amount advanced</u>
Taishin International Bank	\$ 11,567	\$ 11,567	\$ 297,200	\$ -	\$ -	-
<u>December 31, 2021</u>						
<u>Purchaser of accounts receivable</u>	<u>Accounts receivable transferred</u>	<u>Amount derecognised</u>	<u>Facilities</u>	<u>Amount advanced</u>	<u>Amount available for advance</u>	<u>Interest rate of amount advanced</u>
Taishin International Bank	\$ 42,219	\$ 42,219	\$ 276,600	\$ -	\$ -	-

June 30, 2021

Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognised	Facilities	Amount advanced	Amount available for advance	Interest rate of amount advanced
Taishin International Bank	\$ 20,594	\$ -	\$ 278,600	\$ -	\$ -	-

(7) Inventories

	June 30, 2022		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 35,010,649	(\$ 5,713,018)	\$ 29,297,631
Work in process	7,466,606	(13,265)	7,453,341
Finished goods	38,220,743	(4,310,089)	33,910,654
Inventory in transit	682,492	-	682,492
	<u>\$ 81,380,490</u>	<u>(\$ 10,036,372)</u>	<u>\$ 71,344,118</u>
	December 31, 2021		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 31,146,737	(\$ 4,257,316)	\$ 26,889,421
Work in process	6,874,478	(10,754)	6,863,724
Finished goods	35,428,828	(3,864,244)	31,564,584
Inventory in transit	789,622	-	789,622
	<u>\$ 74,239,665</u>	<u>(\$ 8,132,314)</u>	<u>\$ 66,107,351</u>
	June 30, 2021		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 25,074,441	(\$ 2,831,290)	\$ 22,243,151
Work in process	5,704,868	(9,618)	5,695,250
Finished goods	30,447,203	(3,602,789)	26,844,414
Inventory in transit	1,367,751	-	1,367,751
	<u>\$ 62,594,263</u>	<u>(\$ 6,443,697)</u>	<u>\$ 56,150,566</u>

The cost of inventories recognised as expense or loss for the period:

	Three months ended June 30,	
	2022	2021
Cost of goods sold	\$ 61,456,654	\$ 53,948,754
Loss on market value decline and obsolete and slow-moving inventories	1,047,577	297,154
Others	(234,196)	(254,692)
	<u>\$ 62,270,035</u>	<u>\$ 53,991,216</u>

	Six months ended June 30,	
	2022	2021
Cost of goods sold	\$ 119,139,656	\$ 103,702,458
Loss on market value decline and obsolete and slow-moving inventories	2,407,016	424,313
Others	(432,086)	(443,541)
	<u>\$ 121,114,586</u>	<u>\$ 103,683,230</u>

(8) Investments accounted for under the equity method

A. Details of investments accounted for under the equity method are set forth below:

	June 30, 2022		December 31, 2021		June 30, 2021	
	Ownership %	Book value	Ownership %	Book value	Ownership %	Book value
Associates:						
Optovue, Inc.	-	\$ -	-	\$ -	29.50	\$ 720,196
Others		<u>73,869</u>		<u>63,731</u>		<u>65,206</u>
		73,869		63,731		785,402
Long-term equity investment classified as held for sale						
-Optovue, Inc. (Note)		<u>-</u>		<u>-</u>		(720,196)
		<u>\$ 73,869</u>		<u>\$ 63,731</u>		<u>\$ 65,206</u>

(Note) The Board of Directors of the Group resolved to dispose all its held shares in Optovue, Inc. in June 2021, and reclassified investment accounted for using equity method in the amount of \$720,196 (USD 25,851 thousand) to non-current assets classified as held for sale at the lower of its carrying amount or fair value less costs to sell.

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

As at June 30, 2022, December 31, 2021, and June 30, 2021, the carrying amount of the Group's individually immaterial associates amounted to \$73,869, \$63,731 and \$65,206, respectively.

	Three months ended June 30,	
	2022	2021
Profit for the period from continuing operations	\$ 9,884	\$ 16,261
Other comprehensive (loss) income, net of tax	(831)	187
Total comprehensive income	<u>\$ 9,053</u>	<u>\$ 16,448</u>
	Six months ended June 30,	
	2022	2021
Profit (loss) for the period from continuing operations	\$ 10,576	(\$ 2,133)
Other comprehensive (loss) income, net of tax	(767)	144
Total comprehensive income (loss)	<u>\$ 9,809</u>	<u>(\$ 1,989)</u>

C. The Group is the single largest shareholder of Optovue, Inc. by June 30, 2021, with a 29.5% equity interest. Given that other top ten shareholders (non-related parties) hold more shares than the Group and there is no agreement among shareholders to consult with each other or to make decisions collectively, which indicates that the Group has no ability to direct the relevant decision of Optovue, Inc., the Group has no control, but only has significant influence, over the investee.

(9) Property, plant and equipment

	<u>Land</u>	<u>Buildings and structures</u>	<u>Machinery and equipment</u>	<u>Testing equipment</u>	<u>Others</u>	<u>Unfinished construction and equipment under acceptance</u>	<u>Total</u>
<u>At January 1, 2022</u>							
Cost	\$ 15,139,283	\$ 51,485,311	\$ 52,261,356	\$ 19,872,926	\$ 21,356,997	\$ 8,264,905	\$ 168,380,778
Accumulated depreciation and impairment	(10,395)	(23,378,205)	(35,386,205)	(15,840,483)	(17,158,205)	-	(91,773,493)
	<u>\$ 15,128,888</u>	<u>\$ 28,107,106</u>	<u>\$ 16,875,151</u>	<u>\$ 4,032,443</u>	<u>\$ 4,198,792</u>	<u>\$ 8,264,905</u>	<u>\$ 76,607,285</u>
<u>2022</u>							
Opening net book amount	\$ 15,128,888	\$ 28,107,106	\$ 16,875,151	\$ 4,032,443	\$ 4,198,792	\$ 8,264,905	\$ 76,607,285
Additions	291,444	1,156,119	3,004,239	1,120,491	1,066,341	2,623,419	9,262,053
Disposals	-	(285)	(62,852)	(10,530)	(22,519)	-	(96,186)
Transfers (Note)	98,395	579,291	1,428,477	225,848	289,006	(2,300,466)	320,551
Depreciation charge	-	(1,063,477)	(3,436,518)	(1,195,735)	(1,252,189)	-	(6,947,919)
Net exchange differences	160,591	434,835	330,901	36,568	69,399	132,321	1,164,615
Closing net book amount	<u>\$ 15,679,318</u>	<u>\$ 29,213,589</u>	<u>\$ 18,139,398</u>	<u>\$ 4,209,085</u>	<u>\$ 4,348,830</u>	<u>\$ 8,720,179</u>	<u>\$ 80,310,399</u>
<u>At June 30, 2022</u>							
Cost	\$ 15,688,741	\$ 54,092,490	\$ 56,714,364	\$ 21,288,462	\$ 22,735,191	\$ 8,720,179	\$ 179,239,427
Accumulated depreciation and impairment	(9,423)	(24,878,901)	(38,574,966)	(17,079,377)	(18,386,361)	-	(98,929,028)
	<u>\$ 15,679,318</u>	<u>\$ 29,213,589</u>	<u>\$ 18,139,398</u>	<u>\$ 4,209,085</u>	<u>\$ 4,348,830</u>	<u>\$ 8,720,179</u>	<u>\$ 80,310,399</u>

Note: On October 1, 2021, the Board of Directors resolved to dispose a number of battery cell assembly equipment and transferred the equipment amounting to \$320,551 to non-current assets held for sale at the lower of carrying amount and fair value less costs to sell. However, the equipment was transferred back from assets held for sale as the Company and the buyer both agreed to terminate the contract for the disposal of the equipment on March 31, 2022.

	Land	Buildings and structures	Machinery and equipment	Testing equipment	Others	Unfinished construction and equipment under acceptance	Total
<u>At January 1, 2021</u>							
Cost	\$ 14,267,858	\$ 44,204,419	\$ 46,515,093	\$ 18,755,289	\$ 19,836,201	\$ 10,592,148	\$ 154,171,008
Accumulated depreciation and impairment	(11,704)	(21,744,675)	(33,043,800)	(14,919,634)	(16,009,220)	-	(85,729,033)
	<u>\$ 14,256,154</u>	<u>\$ 22,459,744</u>	<u>\$ 13,471,293</u>	<u>\$ 3,835,655</u>	<u>\$ 3,826,981</u>	<u>\$ 10,592,148</u>	<u>\$ 68,441,975</u>
<u>2021</u>							
Opening net book amount	\$ 14,256,154	\$ 22,459,744	\$ 13,471,293	\$ 3,835,655	\$ 3,826,981	\$ 10,592,148	\$ 68,441,975
Additions	527,071	395,655	3,936,919	924,507	888,036	5,144,206	11,816,394
Effect on decrease in business entities	-	-	-	(378)	(2,830)	-	(3,208)
Disposals	(205)	(4,746)	(157,075)	(26,616)	(28,515)	-	(217,157)
Transfers	-	185,926	1,094,158	258,618	133,403	(1,672,105)	-
Depreciation charge	-	(917,323)	(3,080,600)	(1,074,447)	(1,159,926)	-	(6,232,296)
Net exchange differences	(81,017)	(185,101)	(208,292)	(34,096)	(83,350)	(188,631)	(780,487)
Closing net book amount	<u>\$ 14,702,003</u>	<u>\$ 21,934,155</u>	<u>\$ 15,056,403</u>	<u>\$ 3,883,243</u>	<u>\$ 3,573,799</u>	<u>\$ 13,875,618</u>	<u>\$ 73,025,221</u>
<u>At June 30, 2021</u>							
Cost	\$ 14,712,890	\$ 44,398,794	\$ 49,113,012	\$ 19,234,217	\$ 20,108,561	\$ 13,875,618	\$ 161,443,092
Accumulated depreciation and impairment	(10,887)	(22,464,639)	(34,056,609)	(15,350,974)	(16,534,762)	-	(88,417,871)
	<u>\$ 14,702,003</u>	<u>\$ 21,934,155</u>	<u>\$ 15,056,403</u>	<u>\$ 3,883,243</u>	<u>\$ 3,573,799</u>	<u>\$ 13,875,618</u>	<u>\$ 73,025,221</u>

- A. The Group's property, plant and equipment are mainly owner-occupied.
- B. No interest expense was capitalised on property, plant and equipment.
- C. Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

(10) Leasing arrangements - lessee

- A. The Group leases various assets including land, buildings and transportation equipment. Rental contracts are typically made for periods of 1 to 21 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
- B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
	<u>Book value</u>	<u>Book value</u>	<u>Book value</u>
Land	\$ 2,776,789	\$ 1,635,431	\$ 1,569,736
Buildings and structures	1,379,858	1,256,400	1,255,539
Transportation equipment	84,741	90,036	87,987
Other equipment	20,258	25,093	26,049
	<u>\$ 4,261,646</u>	<u>\$ 3,006,960</u>	<u>\$ 2,939,311</u>

	<u>Three months ended June 30,</u>	
	<u>2022</u>	<u>2021</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 13,131	\$ 11,741
Buildings and structures	127,061	122,323
Transportation equipment	16,762	17,331
Other equipment	2,987	2,557
	<u>\$ 159,941</u>	<u>\$ 153,952</u>

	<u>Six months ended June 30,</u>	
	<u>2022</u>	<u>2021</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 25,692	\$ 23,525
Buildings and structures	243,015	247,664
Transportation equipment	33,158	33,950
Other equipment	5,949	4,368
	<u>\$ 307,814</u>	<u>\$ 309,507</u>

- C. For the six months ended June 30, 2022 and 2021, the additions to right-of-use assets (excluding those acquired through business combinations) were \$630,761 and \$173,048, respectively.
- D. Information on profit or loss in relation to lease contracts is as follows:

	<u>Three months ended June 30,</u>	
	<u>2022</u>	<u>2021</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	<u>\$ 4,177</u>	<u>\$ 4,409</u>
Expense on short-term lease contracts	<u>\$ 146,360</u>	<u>\$ 136,528</u>

	Six months ended June 30,	
	2022	2021
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 8,973	\$ 9,969
Expense on short-term lease contracts	\$ 303,143	\$ 250,289

E. For the six months ended June 30, 2022 and 2021, the Group's total cash outflow for leases were \$812,370 and \$499,160, respectively.

F. Extension options

- (a) Extension options are included in the Group's lease contracts pertaining to certain land. These terms and conditions are the lessor's general practice and for the Group to effectively utilise the assets.
- (b) In determining the lease term, the Group takes into consideration all facts and circumstances that create an economic incentive to exercise an extension option. The assessment of lease period is reviewed if a significant event occurs which affects the assessment.

(11) Intangible assets

	<u>Trademarks</u>	<u>Patents</u>	<u>Goodwill</u>	<u>Customer Relationship</u>	<u>Technical Skill</u>	<u>Others</u>	<u>Total</u>
<u>At January 1, 2022</u>							
Cost	\$ 4,072,330	\$ 1,590,408	\$ 54,420,933	\$ 18,089,972	\$ 11,152,791	\$ 5,241,533	\$ 94,567,967
Accumulated amortisation and impairment	(1,397,642)	(1,403,201)	(785,167)	(9,517,533)	(4,128,341)	(3,726,519)	(20,958,403)
	<u>\$ 2,674,688</u>	<u>\$ 187,207</u>	<u>\$ 53,635,766</u>	<u>\$ 8,572,439</u>	<u>\$ 7,024,450</u>	<u>\$ 1,515,014</u>	<u>\$ 73,609,564</u>
<u>2022</u>							
Opening net book amount	\$ 2,674,688	\$ 187,207	\$ 53,635,766	\$ 8,572,439	\$ 7,024,450	\$ 1,515,014	\$ 73,609,564
Additions - acquired separately	151	9,777	-	-	-	401,003	410,931
Additions - acquired through business combinations (Note 1)	-	-	-	(10,556)	-	-	(10,556)
Reclassifications (Note 1)	(171,804)	-	199,800	(376,636)	348,640	(355,222)	(355,222)
Amortisation	(122,085)	(49,927)	-	(676,243)	(605,760)	(444,156)	(1,898,171)
Net exchange differences	<u>102,684</u>	<u>(3,194)</u>	<u>3,352,796</u>	<u>523,350</u>	<u>519,274</u>	<u>57,233</u>	<u>4,552,143</u>
Closing net book amount	<u>\$ 2,483,634</u>	<u>\$ 143,863</u>	<u>\$ 57,188,362</u>	<u>\$ 8,032,354</u>	<u>\$ 7,286,604</u>	<u>\$ 1,173,872</u>	<u>\$ 76,308,689</u>
<u>At June 30, 2022</u>							
Cost	\$ 4,109,802	\$ 1,597,112	\$ 58,031,415	\$ 18,799,256	\$ 12,240,209	\$ 5,324,428	\$ 100,102,222
Accumulated amortisation and impairment	(1,626,168)	(1,453,249)	(843,053)	(10,766,902)	(4,953,605)	(4,150,556)	(23,793,533)
	<u>\$ 2,483,634</u>	<u>\$ 143,863</u>	<u>\$ 57,188,362</u>	<u>\$ 8,032,354</u>	<u>\$ 7,286,604</u>	<u>\$ 1,173,872</u>	<u>\$ 76,308,689</u>

	Trademarks	Patents	Goodwill	Customer Relationship	Technical Skill	Others	Total
<u>At January 1, 2021</u>							
Cost	\$ 3,943,732	\$ 1,979,798	\$ 54,297,182	\$ 17,495,795	\$ 11,376,981	\$ 4,227,079	\$ 93,320,567
Accumulated amortisation and impairment	(1,180,179)	(1,507,416)	(797,390)	(8,254,610)	(3,063,190)	(3,058,152)	(17,860,937)
	<u>\$ 2,763,553</u>	<u>\$ 472,382</u>	<u>\$ 53,499,792</u>	<u>\$ 9,241,185</u>	<u>\$ 8,313,791</u>	<u>\$ 1,168,927</u>	<u>\$ 75,459,630</u>
<u>2021</u>							
Opening net book amount	\$ 2,763,553	\$ 472,382	\$ 53,499,792	\$ 9,241,185	\$ 8,313,791	\$ 1,168,927	\$ 75,459,630
Additions - acquired separately	-	5,087	-	-	8,742	603,903	617,732
Additions - acquired through business combinations (Note 2)	-	-	9,015	-	-	-	9,015
Effect on decrease in business entities	-	-	-	-	21,015	(63,160)	(42,145)
Reclassifications (Note 2)	-	-	137,896	(25,631)	(112,265)	-	-
Amortisation	(119,087)	(80,654)	-	(684,193)	(544,451)	(405,593)	(1,833,978)
Net exchange differences	(13,424)	(5,230)	(407,387)	(67,935)	(63,911)	(10,929)	(568,816)
Closing net book amount	<u>\$ 2,631,042</u>	<u>\$ 391,585</u>	<u>\$ 53,239,316</u>	<u>\$ 8,463,426</u>	<u>\$ 7,622,921</u>	<u>\$ 1,293,148</u>	<u>\$ 73,641,438</u>
<u>At June 30, 2021</u>							
Cost	\$ 3,919,987	\$ 1,978,029	\$ 54,030,103	\$ 17,347,488	\$ 11,230,849	\$ 4,544,342	\$ 93,050,798
Accumulated amortisation and impairment	(1,288,945)	(1,586,444)	(790,787)	(8,884,062)	(3,607,928)	(3,251,194)	(19,409,360)
	<u>\$ 2,631,042</u>	<u>\$ 391,585</u>	<u>\$ 53,239,316</u>	<u>\$ 8,463,426</u>	<u>\$ 7,622,921</u>	<u>\$ 1,293,148</u>	<u>\$ 73,641,438</u>

(Note 1) The additions - acquired through business combinations and reclassifications resulted from the adjustment of the contingent proceeds and the reallocation of the purchase price relative to the acquisition of March. The allocation of acquisition price was completed in the second quarter of 2022 and the contingent consideration decreased by \$10,556 based on the adjustment to the estimated purchase price.

(Note 2) The additions - acquired through business combinations and reclassifications resulted from the adjustment of the contingent proceeds and the reallocation of the purchase price relative to the acquisition of Trihedral. The allocation of acquisition price was completed in the first quarter of 2021 and the acquisition price increased by \$9,015 based on the adjustment terms in the contract.

A. Details of amortisation on intangible assets are as follows:

	Three months ended June 30,	
	2022	2021
Operating costs	\$ 17,460	\$ 13,192
Selling expenses	378,178	404,167
Administrative expenses	55,754	38,946
Research and development expenses	493,076	469,034
	<u>\$ 944,468</u>	<u>\$ 925,339</u>

	Six months ended June 30,	
	2022	2021
Operating costs	\$ 33,766	\$ 26,129
Selling expenses	801,406	805,563
Administrative expenses	128,846	75,806
Research and development expenses	934,153	926,480
	<u>\$ 1,898,171</u>	<u>\$ 1,833,978</u>

B. The Group acquired registered or under-application trademark rights such as , , , , , , , , , ,  and . Trademarks are assessed to have finite useful lives. The remaining trademarks which have indefinite useful lives shall not be amortised but are tested for impairment annually.

C. Goodwill and trademarks with indefinite useful lives are allocated as follows to the Group's cash-generating units identified according to operating segment:

	June 30, 2022	December 31, 2021	June 30, 2021
Goodwill:			
DET	\$ 35,337,360	\$ 32,888,000	\$ 33,125,802
Cyntec	5,146,053	5,146,053	5,146,053
Eltek	5,120,663	4,765,731	4,800,191
Vivotek	3,232,954	3,232,954	3,232,954
DCI	2,465,713	2,294,806	2,311,398
DGC	1,708,394	1,589,980	1,601,476
Others	4,177,225	3,718,242	3,021,442
	<u>\$ 57,188,362</u>	<u>\$ 53,635,766</u>	<u>\$ 53,239,316</u>
Trademarks:			
Automation business	\$ 691,811	\$ 862,750	\$ 691,811
Infrastructure business	386,823	386,823	386,823
	<u>\$ 1,078,634</u>	<u>\$ 1,249,573</u>	<u>\$ 1,078,634</u>

Acquisition prices in business combination are calculated based on the price of acquisition and direct costs related to the acquisition. The amount of goodwill recognised is the difference

between the acquisition price and the net fair value of identifiable assets acquired. The amortisation duration of acquisition price shall not exceed one year after the acquisition.

(12) Other non-current assets

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
Prepayments for business facilities	\$ 1,428,073	\$ 1,240,243	\$ 1,155,403
Prepayments for long-term investments	376,772	27,953	100,212
Guarantee deposits paid	222,364	204,759	242,804
Financial assets at amortised cost	144,029	218,130	174,728
Cash surrender value of life insurance	27,902	35,934	39,106
Others	653,069	625,458	504,763
	<u>\$ 2,852,209</u>	<u>\$ 2,352,477</u>	<u>\$ 2,217,016</u>

(13) Short-term borrowings

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
Unsecured bank loans	\$ 2,335,181	\$ 4,397,362	\$ 1,562,853
Credit lines	\$ 71,385,474	\$ 69,465,481	\$ 60,939,298
Interest rate range	<u>0.40%~17.06%</u>	<u>0.40%~10.86%</u>	<u>0.48%~7.02%</u>

(14) Other payables

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
Salary and bonus payable	\$ 19,906,985	\$ 19,698,972	\$ 17,270,803
Dividends payable	14,339,450	-	14,366,875
Others	14,542,258	15,953,230	15,120,616
	<u>\$ 48,788,693</u>	<u>\$ 35,652,202</u>	<u>\$ 46,758,294</u>

(15) Bonds payable

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
Domestic unsecured corporate bonds	\$ 6,600,000	\$ -	\$ -

The Company issued the domestic unsecured ordinary corporate bonds for the six months ended June 30, 2022. The main conditions are as follows:

<u>Issuance</u>	<u>Type of bonds</u>	<u>Issuance period</u>	<u>Total issuance amount</u>	<u>Coupon rate</u>	<u>Repayment term</u>
First issuance in 2022	Tranche A	April 2022 - April 2027	\$ 5,900,000	0.85%	Principal is repayable at maturity and interest is repayable annually
First issuance in 2022	Tranche B	April 2022 - April 2029	700,000	0.90%	"

(16) Long-term borrowings

Type of borrowings	June 30, 2022	December 31, 2021	June 30, 2021
Credit loans	\$ 38,529,310	\$ 43,624,897	\$ 36,556,013
Collateral loans	327,475	334,015	343,697
	<u>38,856,785</u>	<u>43,958,912</u>	<u>36,899,710</u>
Less: Current portion (shown as other current liabilities)	(129,356)	(45,125)	(46,135)
	<u>\$ 38,727,429</u>	<u>\$ 43,913,787</u>	<u>\$ 36,853,575</u>
Credit lines	<u>\$ 87,671,971</u>	<u>\$ 83,302,210</u>	<u>\$ 83,881,721</u>
Interest rate range	<u>0.43%~6.23%</u>	<u>0.31%~6.23%</u>	<u>0.31%~6.23%</u>

- A. As at June 30, 2022, the revolving loans of \$31,994,000 can be drawn down during the period from July 1, 2021 to December 7, 2023 and are payable before the due date under the agreement.
- B. Information in relation to the assets pledged to others as collateral for bank borrowings is provided in Note 8.

(17) Pensions

A. Defined benefit plan

(a) The Group has a defined benefit pension plan as follows:

- i. The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor Standards Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contribute monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is not enough to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic subsidiaries will make contribution for the deficit by next March.
- ii. Certain subsidiaries located in Mainland China maintain defined benefit retirement (resignation) plans with relative contribution scheme. The employees and the subsidiaries contribute an amount relatively based on a certain percentage of the monthly basic salary

depending on the employee's position. When an employee retires or resigns, the total contribution from the employee is reimbursed based on the accumulated contribution (without interest) less withdrawals made by the employee in advance during the service period. The employee is also entitled to receive benefits calculated based on the accumulated contribution (without interest) from the related subsidiary multiplied by the approved benefit percentage for the employee's service years less withdrawals made by the employee in advance during the service period. The scheme mentioned above ceased on August 1, 2004. The amount contributed before was archived, and the payment scheme was not changed.

- iii. The subsidiaries in Thailand, Switzerland and Norway, etc. have an obligation to pay certain retirement benefits when employees retire based on labor regulations.
- (b) For the aforementioned pension plan, the Group recognised pension costs of \$35,437, \$31,684, \$72,871 and \$67,311 for the three months and six months ended June 30, 2022 and 2021, respectively.
- (c) Expected contributions to the defined benefit pension plans of the Group within one year from June 30, 2022 are \$156,870.

B. Defined contribution plan

- (a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act, covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.
- (b) Other overseas companies have defined contribution plans in accordance with the local regulations. Other than the periodic contribution, the overseas companies have no further obligations.

(18) Share capital

- A. In accordance with the Company's Articles of Incorporation, the total authorised common stock is 4 billion shares (including 100 million shares for stock warrants conversion). As at June 30, 2022, the total issued and outstanding common stock was 2,597,543 thousand shares with par value of \$10 (in dollars) per share.
- B. On December 20, 2004, the Board of Directors of the Company adopted a resolution that allowed certain stockholders to issue 16 million units of global depository receipts (GDRs), represented by 80 million shares of common stock (Deposited Shares), with one unit of GDR representing 5 shares of common stock. After obtaining approval from SFB, these GDRs were listed on the Securities Exchange of Luxembourg on March 29, 2005, with total proceeds of US\$134,666 thousand. The issuance of GDRs was represented by outstanding shares, therefore, there is no

dilutive effect on the common shares' equity. The main terms and conditions of the GDRs are as follows:

(a) Voting rights

GDR holders may, pursuant to the Depositary Agreement and the relevant laws and regulations of the R.O.C., exercise the voting rights pertaining to the underlying common shares represented by the GDRs.

(b) Redemption of GDRs

For sales and redemption of the underlying common shares represented by the GDRs when the holders of the GDRs request the Depositary to redeem the GDRs in accordance with the relevant R.O.C. regulations and the provisions in the Depositary Agreement, the Depositary may (i) deliver the underlying common shares represented by the GDRs to the GDR holders, or (ii) sell the underlying common shares represented by the GDRs in the R.O.C. stock market on behalf of the GDR holder. The payment of proceeds from such sale shall be made subject to the relevant R.O.C. laws and regulations and the provisions in the Depositary Agreement.

(c) Distribution of dividends, preemptive rights and other rights

Distribution of dividends, preemptive rights and other rights and interests of GDR units bear the same rights as common shares.

(d) After considering the stock dividend distribution year by year, as at June 30, 2022, there were 657 thousand units outstanding, representing 3,285 thousand common shares of the Company's common stock.

(19) Capital surplus

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

(20) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall be distributed in the following order:

(a) Payment of all taxes and dues.

(b) Offset against prior years' operating losses, if any.

(c) Set aside 10% of the remaining amount as legal reserve, unless the accumulated amount of the legal reserve has reached the total authorised capital of the Company.

(d) Setting aside or reversing a special reserve according to relevant regulations when necessary.

(e) The remainder along with beginning unappropriated earnings shall be stockholders' bonus.

The appropriation of earnings shall be proposed by the Board of Directors and resolved by the shareholders. As the Company is in the growth stage, and taking into consideration the shareholders' benefits, financial health and business development, the amount of bonus distributed to shareholders shall not be less than 60% of the distributable earnings for the current period. Cash dividends shall be at least 15% of the bonus distributed to shareholders.

- B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.
- C. (a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
- (b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Order No. Financial-Supervisory-Securities-Corporate-1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently. Such amounts are reversed upon disposal or reclassified if the assets are investment property of land, and reversed over the use period if the assets are investment property other than land.
- D. The appropriations of 2021 and 2020 earnings had been approved by the shareholders during their meeting on June 14, 2022 and July 19, 2021, respectively. Details are summarised below:

	Years ended December 31,			
	2021		2020	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve appropriated	\$ 2,688,553		\$ 2,355,218	
Special reserve appropriated	3,623,514		4,921,174	
Cash dividends	14,286,488	\$ 5.5	14,286,488	\$ 5.5

(Note) Information about the appropriations of earnings as resolved at the meeting of shareholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(21) Operating revenue

	Three months ended June 30,	
	2022	2021
Revenue from contracts with customers	\$ 89,996,793	\$ 78,769,884

	Six months ended June 30,	
	2022	2021
Revenue from contracts with customers	\$ 172,534,868	\$ 151,255,167

A. Disaggregation of revenue from contracts with customers

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

	Three months ended June 30, 2022				
	Power electronics	Automation	Infrastructure	Others	Total
Revenue from external customer contracts	\$ 52,948,115	\$ 13,185,752	\$ 23,676,500	\$ 186,426	\$ 89,996,793
Timing of revenue recognition					
At a point in time	52,941,301	12,684,679	23,051,770	33,411	88,711,161
Over time	6,814	501,073	624,730	153,015	1,285,632
	<u>\$ 52,948,115</u>	<u>\$ 13,185,752</u>	<u>\$ 23,676,500</u>	<u>\$ 186,426</u>	<u>\$ 89,996,793</u>
	Three months ended June 30, 2021				
	Power electronics	Automation	Infrastructure	Others	Total
Revenue from external customer contracts	\$ 46,833,452	\$ 12,314,955	\$ 19,555,053	\$ 66,424	\$ 78,769,884
Timing of revenue recognition					
At a point in time	46,833,452	12,008,510	18,759,326	65,237	77,666,525
Over time	-	306,445	795,727	1,187	1,103,359
	<u>\$ 46,833,452</u>	<u>\$ 12,314,955</u>	<u>\$ 19,555,053</u>	<u>\$ 66,424</u>	<u>\$ 78,769,884</u>
	Six months ended June 30, 2022				
	Power electronics	Automation	Infrastructure	Others	Total
Revenue from external customer contracts	\$ 102,190,785	\$ 24,912,615	\$ 45,045,568	\$ 385,900	\$ 172,534,868
Timing of revenue recognition					
At a point in time	102,162,120	24,039,264	43,664,546	91,073	169,957,003
Over time	28,665	873,351	1,381,022	294,827	2,577,865
	<u>\$ 102,190,785</u>	<u>\$ 24,912,615</u>	<u>\$ 45,045,568</u>	<u>\$ 385,900</u>	<u>\$ 172,534,868</u>
	Six months ended June 30, 2021				
	Power electronics	Automation	Infrastructure	Others	Total
Revenue from external customer contracts	\$ 90,360,480	\$ 22,932,992	\$ 37,826,848	\$ 134,847	\$ 151,255,167
Timing of revenue recognition					
At a point in time	90,360,480	22,207,539	36,174,155	108,162	148,850,336
Over time	-	725,453	1,652,693	26,685	2,404,831
	<u>\$ 90,360,480</u>	<u>\$ 22,932,992</u>	<u>\$ 37,826,848</u>	<u>\$ 134,847</u>	<u>\$ 151,255,167</u>

B. Contract assets and liabilities

The Group has recognised the revenue-related contract assets primarily from automation equipment contracts and resolution of communication equipment power resource system; contract liabilities primarily pertain to advance sales receipts, advance receipts for automation equipment contract and resolution of communication equipment power resource system, etc.

Revenue recognised that was included in the contract liability balance at the beginning of the period is as follows:

	Three months ended June 30,	
	2022	2021
Revenue recognised that was included in the contract liability balance at the beginning of the period		
Advance sales receipts, advance receipts for automation equipment contract and resolution of communication equipment power resource system, etc.	\$ 1,239,474	\$ 1,970,931
	\$ 1,239,474	\$ 1,970,931
	Six months ended June 30,	
	2022	2021
Revenue recognised that was included in the contract liability balance at the beginning of the period		
Advance sales receipts, advance receipts for automation equipment contract and resolution of communication equipment power resource system, etc.	\$ 4,682,274	\$ 5,012,589
	\$ 4,682,274	\$ 5,012,589

(22) Interest income

	Three months ended June 30,	
	2022	2021
Interest income from bank deposits	\$ 88,195	\$ 114,341
Other interest income	7,638	197
	\$ 95,833	\$ 114,538
	\$ 95,833	\$ 114,538
	Six months ended June 30,	
	2022	2021
Interest income from bank deposits	\$ 177,875	\$ 231,530
Other interest income	9,174	413
	\$ 187,049	\$ 231,943
	\$ 187,049	\$ 231,943

(23) Other income

	Three months ended June 30,	
	2022	2021
Government grant income	\$ 196,729	\$ 62,748
Sample sales income	82,673	99,540
Mold fee income	55,303	29,431
Dividend income	61,515	55,479
Testing fee income	35,847	28,590
Rental income	25,103	28,331
Others	357,025	472,516
	<u>\$ 814,195</u>	<u>\$ 776,635</u>

	Six months ended June 30,	
	2022	2021
Government grant income	\$ 297,725	\$ 122,187
Sample sales income	152,984	177,738
Mold fee income	88,864	71,876
Dividend income	82,923	113,365
Testing fee income	60,205	76,220
Rental income	50,280	58,124
Others	925,672	880,845
	<u>\$ 1,658,653</u>	<u>\$ 1,500,355</u>

(24) Other gains and losses

	Three months ended June 30,	
	2022	2021
(Loss) gain on disposal of property, plant and equipment	(\$ 35,220)	\$ 5,354
Gain on disposal of investments (Note)	-	90,109
Net currency exchange gain	617,965	304,068
(Loss) gain on financial assets/liabilities at fair value through profit or loss	(226,963)	126,608
Miscellaneous disbursements	5,633	(59,559)
	<u>\$ 361,415</u>	<u>\$ 466,580</u>

	Six months ended June 30,	
	2022	2021
Loss on disposal of property, plant and equipment	(\$ 54,897)	(\$ 12,236)
Gain on disposal of investments (Note)	-	90,109
Net currency exchange gain	823,064	839,170
(Loss) gain on financial assets/liabilities at fair value through profit or loss	(158,848)	204,573
Miscellaneous disbursements	(40,489)	(95,538)
	<u>\$ 568,830</u>	<u>\$ 1,026,078</u>

(Note) Information on the Group's gain on disposal of investments in the first half of 2021 is provided in Note 6(32).

(25) Finance costs

	Three months ended June 30,	
	2022	2021
Interest expense	\$ 105,033	\$ 73,477

	Six months ended June 30,	
	2022	2021
Interest expense	\$ 178,557	\$ 142,683

(26) Expenses by nature

	Three months ended June 30,	
	2022	2021
Employee benefit expense	\$ 18,287,843	\$ 17,030,347
Depreciation charges on property, plant and equipment	3,554,075	3,129,784
Depreciation charges on right-of-use assets	159,941	153,952
Amortisation charges on intangible assets	944,468	925,339
	<u>\$ 22,946,327</u>	<u>\$ 21,239,422</u>

	Six months ended June 30,	
	2022	2021
Employee benefit expense	\$ 35,130,731	\$ 33,174,886
Depreciation charges on property, plant and equipment	6,947,919	6,232,296
Depreciation charges on right-of-use assets	307,814	309,507
Amortisation charges on intangible assets	1,898,171	1,833,978
	<u>\$ 44,284,635</u>	<u>\$ 41,550,667</u>

(27) Employee benefit expense

	Three months ended June 30,	
	2022	2021
Post-employment benefits		
Defined contribution plans	\$ 269,229	\$ 239,875
Defined benefit plans	35,437	31,684
	304,666	271,559
Other employee benefits	17,983,177	16,758,788
	<u>\$ 18,287,843</u>	<u>\$ 17,030,347</u>

	Six months ended June 30,	
	2022	2021
Post-employment benefits		
Defined contribution plans	\$ 518,922	\$ 476,525
Defined benefit plans	72,871	67,311
	591,793	543,836
Other employee benefits	34,538,938	32,631,050
	<u>\$ 35,130,731</u>	<u>\$ 33,174,886</u>

- A. According to the Articles of Incorporation of the Company, a ratio of profit of the current year distributable, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 3% for employees' compensation and shall not be higher than 1% for directors' remuneration.
- B. For the three months and six months ended June 30, 2022 and 2021, employees' compensation was accrued at \$908,934, \$897,923, \$1,647,780 and \$1,683,049, respectively; while directors' remuneration was accrued at \$16,143, \$24,982, \$35,527 and \$35,582, respectively. The aforementioned amounts were recognised in salary expenses.

For the six months ended June 30, 2022, the employees' compensation and directors' remuneration were estimated and accrued based on profit of current year as of the end of reporting period distributable as prescribed by the Company's Articles of Incorporation.

The employees' compensation of \$2,545,649 and directors' remuneration of \$44,600 for 2021 were resolved by the Board of Directors on February 24, 2022. Employees' compensation as resolved by the Board of Directors was in agreement with the amount recognised in the 2021 financial statements. For directors' remuneration, the difference between the amounts resolved at the meeting of Board of Directors and the amounts recognised in the 2021 financial statements is accounted for as changes in estimates and recognised in profit or loss for 2022.

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

(28) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Three months ended June 30,	
	2022	2021
Current tax:		
Current tax on profits for the period	\$ 1,499,627	\$ 1,528,185
Prior year income tax overestimation	(512,566)	(44,230)
Tax on undistributed surplus earnings	172,579	-
Total current tax	1,159,640	1,483,955
Deferred tax:		
Origination and reversal of temporary differences	829,903	533,540
	<u>\$ 1,989,543</u>	<u>\$ 2,017,495</u>

	Six months ended June 30,	
	2022	2021
Current tax:		
Current tax on profits for the period	\$ 3,231,830	\$ 2,738,943
Prior year income tax overestimation	(518,946)	(44,230)
Tax on undistributed surplus earnings	172,579	-
Total current tax	2,885,463	2,694,713
Deferred tax:		
Origination and reversal of temporary differences	812,667	1,093,734
	<u>\$ 3,698,130</u>	<u>\$ 3,788,447</u>

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

	Three months ended June 30,	
	2022	2021
Currency translation differences	\$ 133,661	(\$ 196,871)
Gain or loss on hedging instruments	-	(74)
Unrealised gains from financial assets measured at fair value through other comprehensive income	1,382	-
	<u>\$ 135,043</u>	<u>(\$ 196,945)</u>

	Six months ended June 30,	
	2022	2021
Currency translation differences	\$ 549,513	(\$ 98,718)
Gain or loss on hedging instruments	-	(78)
Unrealised gains from financial assets measured at fair value through other comprehensive income	1,382	-
	<u>\$ 550,895</u>	<u>(\$ 98,796)</u>

B. The status of the Company and its domestic subsidiaries' assessed and approved income tax returns are as follows:

	Latest year assessed by Tax Authority
Cyntec, Power Forest Technology Corporation, Vivotek, DECC	2019
The Company, DelBio, AMT, Lidlight Inc., Realwin., Otus Imaging and Aetek Inc.	2020

(29) Earnings per share

	Three months ended June 30, 2022		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	<u>\$ 7,627,940</u>	<u>2,597,543</u>	<u>\$ 2.94</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent			
Assumed conversion of all dilutive potential ordinary shares:			
Employees' compensation	-	5,870	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 7,627,940</u>	<u>2,603,413</u>	<u>\$ 2.93</u>

Three months ended June 30, 2021

	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (shares in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 7,589,583	2,597,543	\$ 2.92
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 7,589,583	2,597,543	
Assumed conversion of all dilutive potential ordinary shares:			
Employees' compensation	-	4,443	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 7,589,583	2,601,986	\$ 2.92

Six months ended June 30, 2022

	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (shares in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 13,686,562	2,597,543	\$ 5.27
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 13,686,562	2,597,543	
Assumed conversion of all dilutive potential ordinary shares:			
Employees' compensation	-	8,857	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 13,686,562	2,606,400	\$ 5.25

Six months ended June 30, 2021

	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 14,169,883	2,597,543	\$ 5.46
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent			
Assumed conversion of all dilutive potential ordinary shares:			
Employees' compensation	-	6,871	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 14,169,883	2,604,414	\$ 5.44

(30) Share-based payment

A. For the six months ended June 30, 2022 and 2021, the Group's share-based payment arrangements were as follows:

<u>Type of arrangement</u>	<u>Grant date</u>	Quantity granted (shares in thousands)	<u>Contract period</u>	<u>Vesting conditions</u>
Vivotek - Plan of restricted stocks to employees	2019.08.19	800	2 years	1~2 years' performance
Power Forest - Employee stock options	2022.01.10	2,436	7 years	Vested immediately
Power Forest - Employee stock options	2022.04.01	174	7 years	Vested immediately

B. Details of the share-based payment arrangements are as follows:

(a) Employee share options

	2022		2021	
	No. of options (shares in thousands)	Weighted-average exercise price (in dollars)	No. of options (shares in thousands)	Weighted-average exercise price (in dollars)
Options outstanding opening balance at January 1	-		-	
Options granted	2,610		-	
Options expired	(411)		-	
Options outstanding at June 30	<u>2,199</u>	<u>\$ 22.50</u>	<u>-</u>	<u>\$ -</u>
Options exercisable at June 30	<u>2,199</u>	<u>\$ 22.50</u>	<u>-</u>	<u>\$ -</u>

(b) Restricted stocks to employees

	2022	2021
	No. of shares (shares in thousands)	No. of shares (shares in thousands)
January 1	-	374
Expired during the period	-	(37)
June 30	<u>-</u>	<u>337</u>

C. The fair value of stock options granted is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility	Expected option life (years)	Expected dividends	Risk-free interest rate	Fair value per unit (in dollars)
Vivotek - Plan of restricted stocks to employees	2019.08.19	102.50	-	Not applicable	1~2	Not applicable	Not applicable	102.50
Power Forest- Employee stock options	2022.01.10	44.17	22.50	55.89%	1.5	0%	0.42%	23.5559
Power Forest- Employee stock options	2022.04.01	44.17	22.50	55.89%	1.5	0%	0.42%	23.5559

Note: Expected price volatility rate was estimated by using the stock prices of the most recent period with length of this period approximate to the length of the stock options' expected

life, and the standard deviation of return on the stock during this year.

D. Expenses incurred on share-based payment transactions are shown below:

	Three months ended June 30,	
	2022	2021
Equity-settled	\$ 6,219	\$ -

	Six months ended June 30,	
	2022	2021
Equity-settled	\$ 61,481	\$ -

(31) Business combinations

A. Business combinations of the Group for the second quarter of 2022 and the first quarter of 2021 are as follows:

- (a) On December 1, 2021, the Group acquired 100% of the share capital of March Networks Holdings Ltd. (March) for \$3,472,680 and obtained control over March. As a result of the acquisition, the Group is expected to improve the security and building automation. The allocation of the acquisition price of March was completed in the second quarter of 2022, and the contingent consideration decreased by \$10,556 based on the adjustment to the estimated purchase price.
- (b) On November 3, 2020, the Group acquired 100% of the share capital of Trihedral, for \$885,725 and obtained control over Trihedral. As a result of the acquisition, the Group is expected to strengthen industrial automation and systems integration layout. The allocation of the acquisition price of Trihedral was completed in the first quarter of 2021, and the acquisition price increased by \$9,015 based on the adjustment terms in the contract.

B. The following table summarises the consideration paid for the abovementioned acquired subsidiaries and the fair values of the assets acquired, liabilities assumed and the non-controlling interest at the acquisition date:

	<u>March</u>	<u>Trihedral</u>
Purchase consideration		
Cash	\$ 3,376,535	\$ 885,725
Contingent consideration	85,589	134,759
	<u>3,462,124</u>	<u>1,020,484</u>
Fair value of the identifiable assets acquired and liabilities assumed		
Cash and cash equivalents	510,591	18,234
Other current assets	1,218,552	72,912
Property, plant and equipment	44,809	6,852
Intangible assets	821,850	236,302
Deferred tax assets	403,881	-
Other non-current assets	242,838	-
Other current liabilities	(475,624)	(9,666)
Deferred tax liabilities	-	(1,814)
Other non-current liabilities	(236,879)	-
Total identifiable net assets	<u>2,530,018</u>	<u>322,820</u>
Goodwill	<u>\$ 932,106</u>	<u>\$ 697,664</u>

C. The allocation of the acquisition price of Trihedral was completed in the first quarter of 2021 and the fair values of the acquired identifiable intangible assets and goodwill were \$236,302 and \$697,664, respectively.

D. The allocation of the acquisition price of March was completed in the second quarter of 2022 and the fair values of the acquired identifiable intangible assets and goodwill were \$821,850 and \$932,106, respectively.

(32) Supplemental cash flow information

A. Financing activities with no cash flow effects:

	<u>Six months ended June 30,</u>	
	<u>2022</u>	<u>2021</u>
Cash dividends declared but yet to be paid	\$ 14,286,488	\$ 14,286,488
Cash dividends declared but yet to be paid to non-controlling interest	<u>\$ 52,962</u>	<u>\$ 80,387</u>

B. The Group's subsidiary, Vivotek Inc., sold 54.41% of shares in the subsidiary – Vatics Inc. on June 30, 2021 and therefore lost control over the subsidiary. The details of the consideration received from the transaction and assets and liabilities relating to the subsidiary are as follows:

	<u>Vatics Inc.</u>
Purchase consideration	
Cash	\$ <u>25,373</u>
Carrying amount of the assets and liabilities of Vatics Inc.	
Cash and cash equivalents	23,939
Other current assets	160,695
Property, plant and equipment	3,208
Intangible assets	42,145
Deferred tax assets	56,894
Other non-current assets	7,018
Other current liabilities	(390,079)
Deferred tax liabilities	(24)
Other non-current liabilities	(2,027)
Total net assets	<u>(\$ 98,231)</u>

(33) Transactions with non-controlling interest - Acquisition of additional equity interest in a subsidiary

In the first half of 2022 and 2021, the Group acquired additional equity interests of 1.21% and 0.92% in Vivotek for total cash considerations of \$79,727 and \$61,183, respectively. The effect of changes in interest attributable to owners of the parent for the first half of 2022 and 2021 is shown below:

	<u>Six months ended June 30,</u>	
	<u>2022</u>	<u>2021</u>
	<u>Vivotek</u>	<u>Vivotek</u>
Carrying amount of non-controlling interest acquired	\$ 91,184	\$ 63,859
Consideration paid to non-controlling interest	(79,727)	(61,183)
	<u>\$ 11,457</u>	<u>\$ 2,676</u>
Difference between proceeds on actual acquisition of equity interest in a subsidiary and its carrying amount:		
Capital surplus	<u>\$ 11,457</u>	<u>\$ 2,676</u>

(34) Changes in liabilities from financing activities

	<u>Short-term borrowings</u>	<u>Bonds payable</u>	<u>Long-term borrowings (including current portion)</u>	<u>Liabilities from financing activities-gross</u>
At January 1, 2022	\$ 4,397,362	\$ -	\$ 43,958,912	\$ 48,356,274
Changes in cash flow from financing activities	(2,062,181)	6,600,000	(5,102,127)	(564,308)
At June 30, 2022	<u>\$ 2,335,181</u>	<u>\$ 6,600,000</u>	<u>\$ 38,856,785</u>	<u>\$ 47,791,966</u>

	Short-term borrowings	Bonds payable	Long-term borrowings (including current portion)	Liabilities from financing activities-gross
At January 1, 2021	\$ 2,001,532	\$ -	\$ 39,362,107	\$ 41,363,639
Changes in cash flow from financing activities	(438,679)	-	(2,462,397)	(2,901,076)
At June 30, 2021	<u>\$ 1,562,853</u>	<u>\$ -</u>	<u>\$ 36,899,710</u>	<u>\$ 38,462,563</u>

7. RELATED PARTY TRANSACTIONS

(1) Names and relationship of related parties

Names of related parties	Relationship with the Group
Compower AS	Associate
Fujian Kaixin Constructon Engineering Co., Ltd.	"
Delta Networks (Xiamen) Ltd.	"
Digital Projection Asia Pte Ltd.	"
Optovue, Inc.	" (Note 1)
Vatics Inc.	Substantive related party (Note 2)

Note 1: The Group disposed all its shares in Optovue, Inc. in July, 2021. Accordingly, Optovue, Inc. is no longer a related party.

Note 2: It was a subsidiary of the Group before June 30, 2021. However, the Group sold all its equity interest in the company; nevertheless, the board structure has not changed. Therefore, the company remained a substantive related party on June 30, 2021.

(2) Significant transactions and balances with related parties

A. Operating revenue

	Three months ended June 30,	
	2022	2021
Sales of goods:		
Associates	\$ 20,680	\$ 33,988
Sales of services:		
Associates	23	240
	<u>\$ 20,703</u>	<u>\$ 34,228</u>
	Six months ended June 30,	
	2022	2021
Sales of goods:		
Associates	\$ 27,833	\$ 77,912
Sales of services:		
Associates	26	973
	<u>\$ 27,859</u>	<u>\$ 78,885</u>

The Group sells commodities to related parties based on mutually agreed selling prices and terms as there is no similar transaction to be compared with. Sales of service to related parties arise

mainly from sales and services of construction system.

B. Purchases of goods

	<u>Three months ended June 30,</u>	
	<u>2022</u>	<u>2021</u>
Purchases of goods:		
Associates	\$ 24,336	\$ 15,804
	<u>Six months ended June 30,</u>	
	<u>2022</u>	<u>2021</u>
Purchases of goods:		
Associates	\$ 41,366	\$ 29,085

The purchase terms, including prices and payments, are based on mutual agreement and have no similar transaction to be compared with.

C. Period-end balances arising from sales of goods and services

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
Receivables from related parties:			
Associates	\$ 30,816	\$ 27,831	\$ 29,290
Substantial related party	-	-	125
	<u>\$ 30,816</u>	<u>\$ 27,831</u>	<u>\$ 29,415</u>

The receivables from related parties arise mainly from sales transactions. The receivables are due 75 days after the date of sale. The receivables are unsecured in nature and bear no interest.

D. Period-end balances arising from purchases of goods

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
Payables to related parties:			
Associates	\$ 6,291	\$ 15,023	\$ 12,974
Substantial related party	-	-	497
	<u>\$ 6,291</u>	<u>\$ 15,023</u>	<u>\$ 13,471</u>

The payables to related parties arise mainly from purchase transactions and are due 70 days after the date of purchase. The payables bear no interest.

E. Period-end balances arising from other transactions

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
Other receivables-related parties			
Associates	\$ 362	\$ 485	\$ -
Substantial related party	-	-	270,242
	<u>\$ 362</u>	<u>\$ 485</u>	<u>\$ 270,242</u>

The above pertain mainly to payments on behalf of others, loans to related parties and uncollected

interests. The terms of loans to substantive related party are repayable within 1 year and carry interest at 1.09% per annum for the six months ended June 30, 2021.

(3) Key management compensation

	Three months ended June 30,	
	2022	2021
Short-term employee benefits	\$ 66,233	\$ 85,079
Post-employment benefits	144	162
	<u>\$ 66,377</u>	<u>\$ 85,241</u>
	Six months ended June 30,	
	2022	2021
Short-term employee benefits	\$ 121,835	\$ 161,012
Post-employment benefits	273	319
	<u>\$ 122,108</u>	<u>\$ 161,331</u>

8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

Pledged assets	Book Value			Pledge purpose
	June 30, 2022	December 31, 2021	June 30, 2021	
Demand deposits and time deposits (shown as current financial assets at amortised cost)	\$ 316,331	\$ 319,238	\$ 445,887	Performance bonds, custom guarantee, court attachments and other guarantee deposits
Demand deposits and time deposits (shown as other non-current assets)	144,029	218,130	174,728	Performance bonds and custom guarantee
Property, plant and equipment	559,343	557,568	561,787	Long-term borrowings and credit line of long-term borrowings
	<u>\$ 1,019,703</u>	<u>\$ 1,094,936</u>	<u>\$ 1,182,402</u>	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

None.

(2) Commitments

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

	June 30, 2022	December 31, 2021	June 30, 2021
Property, plant and equipment	\$ 10,063,554	\$ 3,538,625	\$ 4,526,256
Costs of computer software	\$ 58,076	\$ 99,770	\$ 16,380

10. SIGNIFICANT CASUALTY LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

A. On December 17, 2021, the Company's subsidiary, Delta International Holding Limited B.V. (DIH), resolved to acquire all of the outstanding shares of UI Acquisition Holding Co. from its shareholders. The transaction was completed in July 2022 with transaction price of approximately USD 92.4 million.

B. On June 3, 2022, the Board of Directors of the Company's subsidiary, Delta Electronics (USA) Inc., resolved to acquire property for operational use. The property was acquired on July 6, 2022 for a cost of USD 35 million.

12. OTHERS

(1) Capital risk management

The Group's objectives when managing capital are to maintain an integrity credit rating and good capital structure to support operations and maximize stockholders' equity.

(2) Financial instruments

A. Financial instruments by category

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
<u>Financial assets</u>			
Financial assets at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	\$ 4,161,514	\$ 4,437,527	\$ 4,151,926
Financial assets at fair value through other comprehensive income			
Selected designated investments in equity instruments	\$ 1,638,731	\$ 1,587,843	\$ 1,793,192
Financial assets at amortised cost			
Cash and cash equivalents	\$ 61,048,738	\$ 49,855,053	\$ 57,483,109
Notes receivable	3,201,289	3,420,633	3,464,533
Accounts receivable	71,584,862	67,464,208	60,016,844
Other receivables	1,851,363	1,815,370	1,990,133
Guarantee deposits paid	222,364	204,759	242,804
Financial assets at amortised cost	460,360	545,368	628,615
	<u>\$ 138,368,976</u>	<u>\$ 123,305,391</u>	<u>\$ 123,826,038</u>

	<u>June 30, 2022</u>	<u>December 31, 2021</u>	<u>June 30, 2021</u>
<u>Financial liabilities</u>			
Financial liabilities at fair value through profit or loss			
Financial liabilities designated as at fair value through profit or loss	\$ 229,195	\$ 41,371	\$ 132,770
Financial liabilities at amortised cost			
Short-term borrowings	\$ 2,335,181	\$ 4,397,362	\$ 1,562,853
Notes payable	1,944	440	2,860
Accounts payable	56,410,373	54,569,485	52,471,378
Other payables	48,788,693	35,652,202	46,758,294
Bonds payable	6,600,000	-	-
Long-term borrowings (including current portion)	38,856,785	43,958,912	36,899,710
Guarantee deposits received	1,257,170	1,526,349	354,178
	<u>\$ 154,250,146</u>	<u>\$ 140,104,750</u>	<u>\$ 138,049,273</u>
Lease liabilities (including current portion)	<u>\$ 2,026,147</u>	<u>\$ 1,895,640</u>	<u>\$ 1,883,844</u>

B. Financial risk management policies

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial position and financial performance. The Group uses derivative financial instruments to hedge certain risk exposures (see Note 6(2)).

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD, RMB, EUR and THB. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.
- ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. To manage their foreign exchange risk arising from future commercial transactions and recognised assets and liabilities, entities in the Group use forward foreign exchange contracts, foreign exchange swap contracts and options, transacted with Group treasury.
- iii. The Group adopts the derivative financial instruments like forward exchange contracts / forward exchange transactions, etc. to hedge the fair value risk and cash flow risk due to foreign exchange rate fluctuations. The Group monitors at any time and pre-sets a "stop

loss” amount to limit its foreign exchange risk.

- iv. The Group’s businesses involve some non-functional currency operations (the Company’s and certain subsidiaries’ functional currency: NTD; other certain subsidiaries’ functional currency: USD, RMB and THB). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	June 30, 2022		
(Foreign currency: functional currency)	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 526,999	29.7200	\$ 15,662,420
USD:RMB (Note)	462,671	6.6951	13,750,581
USD:THB (Note)	408,842	35.0927	12,150,781
RMB:USD (Note)	983,779	0.1494	4,367,093
EUR:USD (Note)	113,446	1.0448	3,522,492
<u>Non-monetary items</u>			
USD:NTD	\$ 6,259,740	29.7200	\$ 186,039,480
THB:USD (Note)	59,359,772	0.0285	50,271,791
RMB:USD (Note)	10,435,030	0.1494	46,322,142
USD:THB (Note)	485,923	35.0927	14,441,634
NOK:USD (Note)	3,897,836	0.1010	11,700,213
THB:NTD	5,521,543	0.8469	4,676,195
EUR:USD (Note)	50,860	1.0448	1,579,218
CHF:USD (Note)	40,138	1.0469	1,248,893
CAD:USD (Note)	50,355	0.7746	1,159,170
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 598,568	29.7200	\$ 17,789,439
USD:RMB (Note)	481,205	6.6951	14,301,412
USD:THB (Note)	385,466	35.0927	11,456,042
RMB:USD (Note)	1,800,440	0.1494	7,992,333
EUR:USD (Note)	39,874	1.0448	1,238,078

Note: Certain consolidated entities’ functional currency is not NTD. Therefore, the Group shall consider these items when disclosing the above information.

December 31, 2021

	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 572,212	27.6600	\$ 15,827,372
USD:RMB (Note)	486,442	6.3720	13,454,978
USD:THB (Note)	326,474	33.3253	9,030,279
RMB:USD (Note)	878,872	0.1569	3,815,069
EUR:USD (Note)	97,120	1.1298	3,034,985
<u>Non-monetary items</u>			
USD:NTD	\$ 6,029,541	27.6600	\$ 166,777,109
THB:USD (Note)	55,524,751	0.0300	46,085,543
RMB:USD (Note)	9,969,549	0.1569	43,276,518
USD:THB (Note)	509,991	33.3253	14,106,364
NOK:USD (Note)	3,685,558	0.1134	11,556,213
THB:NTD	5,389,233	0.8300	4,473,063
EUR:USD (Note)	46,764	1.1298	1,461,366
CAD:USD (Note)	47,519	0.7802	1,025,452
<u>Financial liabilities</u>			
<u>Monetary items</u>			
RMB:USD (Note)	\$ 4,199,001	0.1569	\$ 18,227,317
USD:NTD	644,440	27.6600	17,825,220
USD:THB (Note)	418,056	33.3253	11,563,430
USD:RMB (Note)	304,686	6.3720	8,427,610
EUR:USD (Note)	52,354	1.1298	1,636,056

Note: Certain consolidated entities' functional currency is not NTD. Therefore, the Group shall consider these items when disclosing the above information.

	June 30, 2021		
(Foreign currency: functional currency)	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:RMB (Note)	\$ 611,878	6.4615	\$ 17,046,926
USD:NTD	492,568	27.8600	13,722,944
USD:THB (Note)	306,982	31.8618	8,552,524
RMB:USD (Note)	1,165,608	0.1548	5,025,706
EUR:USD (Note)	108,171	1.1899	3,585,858
<u>Non-monetary items</u>			
USD:NTD	\$ 5,888,662	27.8600	\$ 164,058,111
THB:USD (Note)	52,490,049	0.0314	45,897,299
RMB:USD (Note)	9,849,157	0.1548	42,466,215
USD:THB (Note)	533,303	31.8618	14,857,808
NOK:USD (Note)	3,674,336	0.1166	11,940,085
THB:NTD	5,058,693	0.8744	4,423,321
EUR:USD (Note)	46,649	1.1899	1,546,430
CAD:USD (Note)	46,219	0.8069	1,039,012
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 600,667	27.8600	\$ 16,734,583
USD:RMB (Note)	499,436	6.4615	13,914,284
USD:THB (Note)	389,244	31.8618	10,844,342
RMB:USD (Note)	1,963,863	0.1548	8,467,511
EUR:USD (Note)	55,747	1.1899	1,848,002
SGD:USD (Note)	49,522	0.7441	1,026,600

Note: Certain consolidated entities' functional currency is not NTD. Therefore, the Group shall consider these items when disclosing the above information.

- v. Total exchange gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the three months and six months ended June 30, 2022 and 2021 amounted to \$617,965, \$304,068, \$823,064 and \$839,170, respectively.

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

(Foreign currency: functional currency)	Six months ended June 30, 2022		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 156,624	\$ -
USD:RMB (Note)	1%	137,506	-
USD:THB (Note)	1%	121,508	-
RMB:USD (Note)	1%	43,671	-
EUR:USD (Note)	1%	35,225	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 177,894	\$ -
USD:RMB (Note)	1%	143,014	-
USD:THB (Note)	1%	114,560	-
RMB:USD (Note)	1%	79,923	-
EUR:USD (Note)	1%	12,381	-

Note: Certain consolidated entities' functional currency is not NTD. Therefore, the Group shall consider these items when disclosing the above information.

(Foreign currency: functional currency)	Six months ended June 30, 2021		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:RMB (Note)	1%	\$ 170,469	\$ -
USD:NTD	1%	137,229	-
USD:THB (Note)	1%	85,525	-
RMB:USD (Note)	1%	50,257	-
EUR:USD (Note)	1%	35,859	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 167,346	\$ -
USD:RMB (Note)	1%	139,143	-
USD:THB (Note)	1%	108,443	-
RMB:USD (Note)	1%	84,675	-
EUR:USD (Note)	1%	18,480	-
SGD:USD (Note)	1%	10,266	-

Note: Certain consolidated entities' functional currency is not NTD. Therefore, the Group shall consider these items when disclosing the above information.

Price risk

- i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.
- ii. The Group's investments in equity securities comprise shares issued by the domestic and foreign companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the six months ended June 30, 2022 and 2021 would have increased/decreased by \$19,435 and \$17,232, respectively, as a result of gain/loss on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by \$13,679 and \$13,897, respectively, as a result of other comprehensive income classified equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- i. The Group's main interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group's borrowings mainly bear variable interest rate. During the six months ended June 30, 2022 and 2021, the Group's borrowings at variable rate were denominated in NTD, USD and JPY.
- ii. As at June 30, 2022 and 2021, if the interest rate increases by 0.25%, with all other variables held constant, profit, net of tax for the six months ended June 30, 2022 and 2021 would have decreased by \$38,845 and \$36,888, respectively. The main factor is that changes in interest expense result from floating rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of financial instruments which were settled in accordance with trading conditions.
- ii. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors.

- iii. Individual risk limits are set based on internal or external ratings in accordance with limits set by the credit controller. The utilisation of credit limits is regularly monitored.
- iv. For banks and financial institutions, only well rated parties are accepted.
- v. The Group adopts the assumption under IFRS 9, that is, if the contract payments are past due over 180 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
- vi. The Group adopts the assumption under IFRS 9, that is, the default occurs when the contract payments are not expected to be recovered and are transferred to overdue receivables.
- vii. The Group classifies customer's accounts receivable and contract assets in accordance with customer types. The Group applies the simplified approach using the provision matrix based on the loss rate methodology to estimate expected credit loss.
- viii. The Group uses the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable and contract assets. There were no contract assets past due as at June 30, 2022 and 2021. On June 30, 2022, December 31, 2021, and June 30, 2021, the provision matrix of accounts receivable is as follows:

	<u>Not past due</u>	<u>1-90 days past due</u>	<u>91-180 days past due</u>
<u>At June 30, 2022</u>			
Expected loss rate	0.00%	2.08%	24.10%
Total book value	\$ 65,504,474	\$ 5,695,395	\$ 433,906
Loss allowance	\$ 700	\$ 118,499	\$ 104,578
	<u>181-365 days past due</u>	<u>Over 366 days past due</u>	<u>Total</u>
Expected loss rate	44.79%	93.98%	
Total book value	\$ 240,231	\$ 189,606	\$ 72,063,612
Loss allowance	\$ 107,601	\$ 178,188	\$ 509,566
	<u>Not past due</u>	<u>1-90 days past due</u>	<u>91-180 days past due</u>
<u>At December 31, 2021</u>			
Expected loss rate	0.00%	0.97%	20.85%
Total book value	\$ 60,175,037	\$ 7,029,700	\$ 268,016
Loss allowance	\$ 432	\$ 67,970	\$ 55,884
	<u>181-365 days past due</u>	<u>Over 366 days past due</u>	<u>Total</u>
Expected loss rate	47.87%	94.43%	
Total book value	\$ 151,223	\$ 162,945	\$ 67,786,921
Loss allowance	\$ 72,388	\$ 153,870	\$ 350,544

	<u>Not past due</u>	<u>1-90 days past due</u>	<u>91-180 days past due</u>
<u>At June 30, 2021</u>			
Expected loss rate	0.00%	1.11%	18.77%
Total book value	\$ 55,823,714	\$ 3,870,190	\$ 287,111
Loss allowance	\$ 1,274	\$ 42,771	\$ 53,892
	<u>181-365 days</u>	<u>Over 366 days</u>	
	<u>past due</u>	<u>past due</u>	<u>Total</u>
Expected loss rate	42.58%	93.06%	
Total book value	\$ 151,802	\$ 247,756	\$ 60,380,573
Loss allowance	\$ 64,639	\$ 230,568	\$ 393,144

- ix. Movements in relation to the Group applying the simplified approach to provide loss allowance for notes receivable, accounts receivable, contract assets and overdue receivables are as follows:

	<u>2022</u>				
	<u>Notes</u>	<u>Accounts</u>	<u>Contract</u>	<u>Overdue</u>	<u>Total</u>
	<u>receivable</u>	<u>receivable</u>	<u>assets</u>	<u>receivables</u>	
At January 1	\$ -	\$ 350,544	\$ -	\$ 313,298	\$ 663,842
Provision for impairment loss	-	146,580	-	13,029	159,609
Write-offs during the period	-	(97)	-	(10,172)	(10,269)
Effect of foreign exchange	-	12,539	-	9,842	22,381
At June 30	\$ -	\$ 509,566	\$ -	\$ 325,997	\$ 835,563
	<u>2021</u>				
	<u>Notes</u>	<u>Accounts</u>	<u>Contract</u>	<u>Overdue</u>	<u>Total</u>
	<u>receivable</u>	<u>receivable</u>	<u>assets</u>	<u>receivables</u>	
At January 1	\$ -	\$ 507,266	\$ -	\$ 354,282	\$ 861,548
Reversal of impairment loss	-	(106,738)	-	(40,404)	(147,142)
Effect on decrease of business entities	-	(320)	-	-	(320)
Write-offs during the period	-	(13)	-	(9,415)	(9,428)
Effect of foreign exchange	-	(7,051)	-	(455)	(7,506)
At June 30	\$ -	\$ 393,144	\$ -	\$ 304,008	\$ 697,152

For provisioned loss for the six months ended June 30, 2022 and 2021, the (provision for) reversal of impairment loss arising from customers' contracts amounted to (\$159,609) and \$147,142, respectively.

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.
- ii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the

remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities:

Non-derivative financial liabilities:

June 30, 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Short-term borrowings	\$ 2,335,181	\$ -	\$ -	\$ -
Notes and accounts payable (including related parties)	56,412,317	-	-	-
Other payables	48,788,693	-	-	-
Lease liabilities (including current portion)	519,393	363,480	578,307	564,967
Bonds payable	-	-	5,900,000	700,000
Long-term borrowings (including current portion)	129,356	32,036,255	6,359,439	331,735

Non-derivative financial liabilities:

December 31, 2021	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Short-term borrowings	\$ 4,397,362	\$ -	\$ -	\$ -
Notes and accounts payable (including related parties)	54,569,925	-	-	-
Other payables	35,652,202	-	-	-
Lease liabilities (including current portion)	529,239	374,463	446,160	545,778
Bonds payable	-	-	-	-
Long-term borrowings (including current portion)	45,125	37,495,523	6,060,631	357,633

Non-derivative financial liabilities:

June 30, 2021	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Short-term borrowings	\$ 1,562,853	\$ -	\$ -	\$ -
Notes and accounts payable (including related parties)	52,474,238	-	-	-
Other payables	46,758,294	-	-	-
Lease liabilities (including current portion)	521,533	372,573	466,336	523,402
Bonds payable	-	-	-	-
Long-term borrowings (including current portion)	46,135	36,354,172	113,119	386,284

Derivative financial liabilities:

As at June 30, 2022, December 31, 2021, and June 30, 2021, the Group's derivative financial liabilities are due within 1 year.

iii. The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis to be significantly earlier, nor expect the actual cash flow amount to be significantly different.

(3) Fair value information

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

B. The carrying amounts of financial instruments not measured at fair value including cash and cash equivalents, notes receivable, accounts receivable, other receivables, short-term borrowings, notes payable, accounts payable, other payables, bonds payable and long-term borrowings (including current portion) are approximate to their fair values.

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

<u>June 30, 2022</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity instruments	\$1,943,534	\$ -	\$ 841,759	\$2,785,293
Hybrid instruments	42,853	900,000	191,820	1,134,673
Derivative instruments	-	241,548	-	241,548
Financial assets at fair value through other comprehensive income				
Equity instruments	<u>1,173,958</u>	<u>-</u>	<u>464,773</u>	<u>1,638,731</u>
	<u>\$3,160,345</u>	<u>\$1,141,548</u>	<u>\$1,498,352</u>	<u>\$5,800,245</u>
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivative instruments	<u>\$ -</u>	<u>\$ 229,195</u>	<u>\$ -</u>	<u>\$ 229,195</u>

<u>December 31, 2021</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity instruments	\$2,059,827	\$ -	\$1,135,347	\$3,195,174
Hybrid instruments	20,135	900,000	197,148	1,117,283
Derivative instruments	-	125,070	-	125,070
Financial assets at fair value through other comprehensive income				
Equity instruments	<u>1,060,528</u>	<u>-</u>	<u>527,315</u>	<u>1,587,843</u>
	<u>\$3,140,490</u>	<u>\$1,025,070</u>	<u>\$1,859,810</u>	<u>\$6,025,370</u>
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivative instruments	<u>\$ -</u>	<u>\$ 41,371</u>	<u>\$ -</u>	<u>\$ 41,371</u>
<u>June 30, 2021</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity instruments	\$1,723,209	\$ -	\$1,224,731	\$2,947,940
Hybrid instruments	11,917	900,000	197,148	1,109,065
Derivative instruments	-	94,921	-	94,921
Financial assets at fair value through other comprehensive income				
Equity instruments	<u>1,124,287</u>	<u>-</u>	<u>668,905</u>	<u>1,793,192</u>
	<u>\$2,859,413</u>	<u>\$ 994,921</u>	<u>\$2,090,784</u>	<u>\$5,945,118</u>
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivative instruments	<u>\$ -</u>	<u>\$ 132,770</u>	<u>\$ -</u>	<u>\$ 132,770</u>

D. The methods and assumptions that the Group used to measure fair value are as follows:

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

	<u>Listed shares</u>	<u>Convertible (exchangeable)</u>
Market quoted price	<u>Closing price</u>	<u>Closing price</u>

- (b) Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques that are approved for financial management.
- (c) When assessing non-standard and low-complexity financial instruments, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
- (d) The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.
- (e) The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using the valuation model is adjusted accordingly with additional inputs. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.
- (f) The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty.
- E. For the six months ended June 30, 2022 and 2021, there was no transfer between Level 1 and Level 2.
- F. The following chart is the movement of Level 3 for the six months ended June 30, 2022 and 2021:

	2022		
	Hybrid instruments	Equity instruments	Total
At January 1	\$ 197,148	\$ 1,662,662	\$ 1,859,810
Gains and losses recognised in profit or loss	(5,328)	(10,223)	(15,551)
Gains recognised in other comprehensive income	-	9,874	9,874
Acquired during the period	-	45,532	45,532
Disposals during the period	-	(170,156)	(170,156)
Transfers out from Level 3	-	(234,985)	(234,985)
Others	-	(5,077)	(5,077)
Net exchange differences	-	8,905	8,905
At June 30	<u>\$ 191,820</u>	<u>\$ 1,306,532</u>	<u>\$ 1,498,352</u>

	2021		
	Hybrid instruments	Equity instruments	Total
At January 1	\$ 74,983	\$ 1,943,584	\$ 2,018,567
Losses recognised in profit or loss	(5,131)	(25,312)	(30,443)
Acquired during the period	197,148	46,253	243,401
Disposals during the period	(69,852)	(31,626)	(101,478)
Transfers out from Level 3	-	(34,400)	(34,400)
Net exchange differences	-	(4,863)	(4,863)
At June 30	<u>\$ 197,148</u>	<u>\$ 1,893,636</u>	<u>\$ 2,090,784</u>

- G. For the six months ended June 30, 2022 and 2021, the Group obtained sufficient observable market information for certain financial assets at fair value through profit or loss. These equity securities were transferred from Level 3 into Level 1 at the end of the month in which they were listed.
- H. Investment department is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions and periodical review.

The capital department establishes valuation policies, valuation processes and ensures compliance with the related requirements in IFRS. The related valuation results are reported to the management monthly. The management is responsible for managing and reviewing valuation processes.

I. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at June 30, 2022	Valuation technique	Significant unobservable input	Range (median)	Relationship of inputs to fair value
Non-derivative equity instruments:					
Unlisted shares	\$ 1,112,577	Most recent non-active market price	Not applicable	-	Not applicable
"	193,955	Market comparable companies	Price to book ratio multiple	0.95~2.00 (0.97)	The higher the multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value
			Price to asset ratio multiple	0.64~2.69 (2.20)	
			Discount for lack of marketability	20% (20%)	
Hybrid instrument:					
Convertible bonds	191,820	Equity value of complex capital structures	Discount for lack of marketability	8 (55)	The higher the discount for lack of marketability, the lower the fair value; the higher the stock price volatility, the higher the fair value
			Stock price volatility		

	Fair value at December 31, 2021	Valuation technique	Significant unobservable input	Range (median)	Relationship of inputs to fair value
Non-derivative equity instruments:					
Unlisted shares	\$ 1,397,262	Most recent non-active market price	Not applicable	-	Not applicable
"	265,400	Market comparable companies	Price to book ratio multiple	0.91~2.78 (1.21)	The higher the multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value
			Price to asset ratio multiple	1.43~14.77 (2.26)	
			Price to book ratio multiple	1.56~17.00 (2.35)	
			Discount for lack of marketability	20% (20%)	
Hybrid instruments:					
Convertible preferred stocks	197,148	Option pricing model of VC Method	Market value multiple	10.20~28.99 (28.17)	The higher the multiple, the higher the fair value

	Fair value at June 30, 2021	Valuation technique	Significant unobservable input	Range (Average)	Relationship of inputs to fair value
Non-derivative equity instruments:					
Unlisted shares	\$ 1,628,236	Most recent non-active market price	Not applicable	-	Not applicable
"	265,400	Market comparable companies	Price to book ratio multiple	0.91~2.78 (1.21)	The higher the multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value
			Price to asset ratio multiple	1.43~14.77 (2.13)	
			Price to earnings ratio multiple	11.30~92.60 (12.30)	
			Discount for lack of marketability	20% (20%)	
Hybrid instruments:					
Convertible preferred stocks	197,148	Option pricing model of VC Method	Market value multiple	39.0~49.8 (44.40)	The higher the multiple, the higher the fair value

- J. The Group's valuation techniques are based on the most recent non-active market price after carefully assessing the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect on profit or loss or on other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

		June 30, 2022					
				Recognised in profit or loss		Recognised in other comprehensive income (loss)	
	Input	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change	
Financial assets							
Equity instruments	Discount for lack of marketability	± 1%	\$ -	\$ -	\$ 2,876	(\$ 2,876)	
Financial assets							
Hybrid instrument	Discount for marketability	± 1%	\$ 2,083	(\$ 2,087)	\$ -	\$ -	

		December 31, 2021					
				Recognised in		Recognised in other	
				profit or loss		comprehensive income (loss)	
		Input	Change	Favorable	Unfavorable	Favorable	Unfavorable
				change	change	change	change
Financial assets							
Equity instruments	Discount for lack of marketability	± 1%	\$ -	\$ -	\$ 2,881	(\$ 2,881)	
Financial assets							
Hybrid instrument	Market value multiple	± 1%	\$ 1,920	(\$ 1,920)	\$ -	\$ -	
		June 30, 2021					
				Recognised in		Recognised in other	
				profit or loss		comprehensive income (loss)	
		Input	Change	Favorable	Unfavorable	Favorable	Unfavorable
				change	change	change	change
Financial assets							
Equity instruments	Discount for lack of marketability	± 1%	\$ -	\$ -	\$ 3,306	(\$ 3,306)	
Financial assets							
Hybrid instrument	Market value multiple	± 1%	\$ 1,097	(\$ 1,097)	\$ -	\$ -	

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

- A. Loans to others: Please refer to table 1.
- B. Provision of endorsements and guarantees to others: Please refer to table 2.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.
- D. Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital: Please refer to table 4.
- E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: Please refer to table 5.
- F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 6.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 7.

I. Trading in derivative instruments undertaken during the reporting periods: Please refer to Notes 6(2), 6(4) and 12(2).

J. Significant inter-company transactions during the reporting periods: Please refer to table 8.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 9.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 10.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland China: Please refer to tables 6, 7 and 8 for significant transactions of purchases, sales, receivables and payables of investee companies in the Mainland China, and transactions between the Company indirectly through investees in a third area, Delta Electronics Int'l (Singapore) Pte. Ltd. (DEIL-SG), with investee companies in the Mainland China, for the six months ended June 30, 2022.

(4) Major shareholders information

Please refer to table 11.

14. OPERATING SEGMENT INFORMATION

(1) General information

The Group's management has determined the reportable segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Group considers the business from a product perspective. The Group's business is segregated into power electronics business, automation business and infrastructure business. Breakdown of the revenue from all sources is as follows:

A. Power electronics: Component, Embedded Power, Fans and Thermal Management, Automotive Electronics and Merchant & Mobile Power.

B. Automation: Industrial Automation and Building Automation.

C. Infrastructure: ICT Infrastructure and Energy Infrastructure.

Because of the change in product classification, the Group's internal business segments were restructured. Accordingly, the prior period information was restated for comparative purposes.

(2) Measurement of segment information

The Group's segment profit (loss) is measured with the operating profit (loss) before tax, which is used as a basis for the Group in assessing the performance of the operating segments. The accounting policies of the operating segments are in agreement with the significant accounting policies summarized in Note 4.

(3) Segment information

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

	Six months ended June 30, 2022			
	Power electronics business	Automation business	Infrastructure business	Total
Revenue from external customers	<u>\$ 102,190,785</u>	<u>\$ 24,912,615</u>	<u>\$ 45,045,568</u>	<u>\$ 172,148,968</u>
Segment income (Note 1)	<u>\$ 12,634,694</u>	<u>\$ 1,631,018</u>	<u>\$ 2,858,179</u>	<u>\$ 17,123,891</u>
Segment total assets (Note 2)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

	Six months ended June 30, 2021			
	Power electronics business	Automation business	Infrastructure business	Total
Revenue from external customers	<u>\$ 90,360,480</u>	<u>\$ 22,932,992</u>	<u>\$ 37,826,848</u>	<u>\$ 151,120,320</u>
Segment income (Note 1)	<u>\$ 10,553,405</u>	<u>\$ 3,031,624</u>	<u>\$ 2,696,630</u>	<u>\$ 16,281,659</u>
Segment total assets (Note 2)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Note 1) Segment income represents income after eliminating inter-segment transactions.

(Note 2) In accordance with the 99-151 'Questions on the disclosure of operating segments' issued by the Accounting Research and Development Foundation on June 28, 2010, entities shall disclose the measured amount of assets of reportable segment according to the Statements of Financial Accounting Standards No. 41, 'Operating Segments'. As the measured amount of the Company's assets was not provided to the operating decision maker, there was no measured amount of the disclosed assets.

(4) Reconciliation information for segment income (loss)

- A. The revenue from external customers reported to the chief operating decision-maker is measured in a manner consistent with that of the statement of comprehensive income.
- B. A reconciliation of reportable segments income or loss to income (loss) before tax from continuing operations for the six months ended June 30, 2022 and 2021 is provided as follows:

	Six months ended June 30,	
	2022	2021
Reportable segments income	<u>\$ 17,123,891</u>	<u>\$ 16,281,659</u>
Non-operating income and expenses	<u>2,246,551</u>	<u>2,613,560</u>
Income before tax from continuing operations	<u>\$ 19,370,442</u>	<u>\$ 18,895,219</u>

Delta Electronics, Inc. and Subsidiaries

Loans to others

Six months ended June 30, 2022

Expressed in thousands of New Taiwan dollars, except as otherwise indicated

Table 1

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the six months ended June 30, 2022 (Note 2)	Balance at June 30, 2022	Actual amount drawn down	Interest rate	Nature of loan (Note 6)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
1	Fairview Assets Ltd.	Delta Controls Inc.	Other receivables - related parties	Yes	\$ 2,763,960	\$2,763,960	\$ 1,783,200	0.50%	2	\$ -	Additional operating capital	\$ -	None	\$ -	\$ 29,327,746	\$ 29,327,746	Note 5
1	Fairview Assets Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Other receivables - related parties	Yes	18,173,780	18,173,780	18,173,780	0.5%- 0.7%	2	-	Additional operating capital	-	None	-	29,327,746	29,327,746	Note 5
2	Delta International Holding Limited B.V.	Delta Electronics (Netherlands) B.V.	Other receivables - related parties	Yes	16,256,840	16,256,840	16,256,840	0.70%	2	-	Additional operating capital	-	None	-	73,176,943	73,176,943	Note 5
2	Delta International Holding Limited B.V.	Drake Investment (HK) Limited	Other receivables - related parties	Yes	743,000	743,000	743,000	0.70%	2	-	Additional operating capital	-	None	-	73,176,943	73,176,943	Note 5
2	Delta International Holding Limited B.V.	Delta Electronics (H.K.) Ltd.	Other receivables - related parties	Yes	13,076,800	13,076,800	13,076,800	0.70%	2	-	Additional operating capital	-	None	-	73,176,943	73,176,943	Note 5
2	Delta International Holding Limited B.V.	Delta Controls Inc.	Other receivables - related parties	Yes	416,080	416,080	416,080	0.70%	2	-	Additional operating capital	-	None	-	73,176,943	73,176,943	Note 5
2	Delta International Holding Limited B.V.	Digital Projection Inc.	Other receivables - related parties	Yes	68,356	68,356	68,356	0.70%	2	-	Additional operating capital	-	None	-	73,176,943	73,176,943	Note 5
2	Delta International Holding Limited B.V.	Amerlux, LLC	Other receivables - related parties	Yes	980,760	980,760	980,760	2.50%	2	-	Additional operating capital	-	None	-	73,176,943	73,176,943	Note 5
3	Eltek AS	Eltek Italia S.r.l.	Other receivables - related parties	Yes	31,050	-	-	1.90%	2	-	Additional operating capital	-	None	-	3,116,840	3,116,840	Note 5
3	Eltek AS	Delta Electronics (Sweden) AB	Other receivables - related parties	Yes	58,200	58,200	58,200	0.60%	2	-	Additional operating capital	-	None	-	3,116,840	3,116,840	Note 5
3	Eltek AS	Delta Electronics (Poland) Sp. z. o.o.	Other receivables - related parties	Yes	97,421	97,421	97,421	0.60%	2	-	Additional operating capital	-	None	-	3,116,840	3,116,840	Note 5
3	Eltek AS	Eltek s.r.o.	Other receivables - related parties	Yes	301,185	301,185	301,185	0.60%	2	-	Additional operating capital	-	None	-	3,116,840	3,116,840	Note 5
4	Delta Electronics (Wuhu) Co., Ltd.	Delta Electronics (Jiangsu) Ltd.	Other receivables - related parties	Yes	1,553,685	1,553,685	1,553,685	4.65%	2	-	Additional operating capital	-	None	-	4,345,552	4,345,552	Note 5
5	Delta Energy Systems (Germany) GmbH	Delta Energy Systems Property (Germany) GmbH	Other receivables - related parties	Yes	357,075	350,865	350,865	0.40%	2	-	Additional operating capital	-	None	-	766,181	766,181	Note 5

Table 1-1

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the six months ended June 30, 2022 (Note 2)	Balance at June 30, 2022	Actual amount drawn down	Interest rate	Nature of loan (Note 6)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
6	DET International Holding Limited	Delta Electronics India Pvt. Ltd.	Other receivables - related parties	Yes	\$ 2,318,160	\$2,318,160	\$ 2,318,160	1.7%-4%	2	\$ -	Additional operating capital	\$ -	None	\$ -	\$ 6,791,763	\$ 6,791,763	Note 5
7	Delta Greentech (Netherlands) B.V.	Eltek s.r.o.	Other receivables - related parties	Yes	217,350	217,350	186,300	0.40%	2	-	Additional operating capital	-	None	-	1,110,305	1,110,305	Note 5
8	Delta Greentech (China) Co., Ltd.	Cyntec Electronics (WuHu) Co., Ltd.	Other receivables - related parties	Yes	1,646,906	-	-	3.85%	2	-	Additional operating capital	-	None	-	2,943,641	2,943,641	Note 4
9	Delta Electronics (Shanghai) Co., Ltd.	Cyntec Electronics (WuHu) Co., Ltd.	Other receivables - related parties	Yes	2,017,127	2,017,127	2,017,127	3.7%-3.85%	2	-	Additional operating capital	-	None	-	9,173,973	9,173,973	Note 5
9	Delta Electronics (Shanghai) Co., Ltd.	Delta Electronics (Chongqing) Ltd.	Other receivables - related parties	Yes	1,953,204	1,953,204	621,474	4.45%	2	-	Additional operating capital	-	None	-	9,173,973	9,173,973	Note 5

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

(1) The Company is '0'.

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

Note 2: Maximum outstanding balance during the current period was translated into New Taiwan dollars using the exchange rate at June 30, 2022, which the Company reported to the Securities and Futures Bureau.

Note 3: Limit on loans granted by the Company to a single party is 20% of the Company's net assets based on the latest audited or reviewed financial statements, and limit on total loans is 40% of the Company's net assets based on the latest audited or reviewed financial statements.

Note 4: Limit on loans granted by subsidiaries to a single party is 40% of the subsidiaries' net assets based on the latest audited or reviewed financial statements, and limit on total loans is 40% of the subsidiaries' net assets based on the latest audited or reviewed financial statements.

Note 5: Limit on loans for financing granted by and to subsidiaries of which the ultimate parent directly or indirectly holds 100% of its voting shares is the lender's net assets based on the latest audited or reviewed financial statements, and limit on total loans is the lender's net assets based on the latest audited or reviewed financial statements.

Note 6: Nature of loans:

(1) Business transaction: 1.

(2) Short-term financing: 2.

Delta Electronics, Inc. and Subsidiaries
Provision of endorsements and guarantees to others
Six months ended June 30, 2022

Table 2

Expressed in thousands of New Taiwan dollars, except as otherwise indicated

Number (Note 1)	Endorser / guarantor	Party being endorsed/guaranteed		Limit on endorsements / guarantees provided for a single party	Maximum outstanding endorsement / guarantee amount as at June 30, 2022	Outstanding endorsement / guarantee amount at June 30, 2022	Actual amount drawn down	Amount of endorsements / guarantees secured with collateral	Ratio of accumulated endorsement / guarantee amount to net asset value of the endorser / guarantor company	Ceiling on total amount of endorsements / guarantees provided	Provision of endorsements / guarantees by parent company to subsidiary	Provision of endorsements / guarantees by subsidiary to parent company	Provision of endorsements / guarantees to the party in Mainland China	Footnote
		Company name	Relationship with the endorser / guarantor (Note 5)											
1	ELTEK AS	Delta Electronics (Australia) Pty Ltd	4	\$ 935,052	\$ 133,740	\$ 133,740	\$133,740	\$ -	0.08%	\$ 935,052	N	N	N	Note 2
2	March Networks Holdings Ltd.	March Networks, Inc.	2	121,951	14,266	14,266	14,266	-	0.01%	243,902	N	N	N	Note 3

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

- (1) The Company is '0'.
- (2) The subsidiaries are numbered in order starting from '1'.

Note 2: In accordance with Eltek AS's "Procedures for Provision of Endorsements and Guarantees," limit on total endorsements is 30% of Eltek AS's net assets based on the latest audited or reviewed financial statements, and limit on endorsements to a single party is 30% of Eltek AS's net assets based on the latest audited or reviewed financial statements.

Note 3: In accordance with March Networks Holdings Ltd.'s "Procedures for Provision of Endorsements and Guarantees," limit on total endorsements is 10% of March Networks Holdings Ltd.'s net assets based on the latest audited or reviewed financial statements, and limit on endorsements to a single party is 5% of March Networks Holdings Ltd.'s net assets based on the latest audited or reviewed financial statements.

Note 4: The Company's net assets based on the latest audited or reviewed financial statements were \$162,649,544 thousand (2022/6/30).

Note 5: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories:

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

Delta Electronics, Inc. and Subsidiaries
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)
June 30, 2022

Table 3

Expressed in thousands of New Taiwan dollars, except as otherwise indicated

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As at June 30, 2022				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
Delta Electronics, Inc.	United Renewable Energy Co., Ltd. common stock	None	Financial assets at fair value through other comprehensive income - non-current	31,294,379	\$ 707,253	1.92%	\$ 707,253	
Delta Electronics, Inc.	Lanner Electronics Inc. common stock	None	Financial assets at fair value through other comprehensive income - non-current	6,763,845	466,705	5.73%	466,705	
Delta Electronics, Inc.	Lanner Electronics Inc. convertible bonds	None	Financial assets at fair value through profit or loss - non-current	-	900,000	-	900,000	
Delta Electronics, Inc.	WK Technology Fund. common stock, etc.	None	Financial assets at fair value through other comprehensive income and Financial assets at fair value through profit or loss	-	117,232	-	117,232	
Delta Electronics Capital Company	Allied Supreme Corp. common stock	None	Financial assets at fair value through profit or loss - current	806,000	201,903	1.03%	201,903	
Delta Electronics Capital Company	Tong Hsing Electronic Industries, Ltd. common stock	None	Financial assets at fair value through profit or loss - current	839,750	168,790	0.47%	168,790	
Delta Electronics Capital Company	Fusheng Precision Co., Ltd. common stock	None	Financial assets at fair value through profit or loss - current	996,000	190,236	0.76%	190,236	
Delta Electronics Capital Company	Nien Made Enterprise Co., Ltd. common stock	None	Financial assets at fair value through profit or loss - current	423,043	123,952	0.14%	123,952	
Delta Electronics Capital Company	Reallusion Inc. common stock	None	Financial assets at fair value through profit or loss - current	2,028,679	107,256	8.98%	107,256	
Delta Electronics Capital Company	Ampak Technology Inc. common stock	None	Financial assets at fair value through profit or loss	1,720,000	200,380	2.6%	200,380	
Delta Electronics Capital Company	Evergreen Aviation Technologies Corporation common stock	None	Financial assets at fair value through profit or loss - non-current	3,000,000	214,050	0.85%	214,050	
Delta Electronics Capital Company	Acer E-Enabling Service Business Inc. common stock	None	Financial assets at fair value through profit or loss - non-current	800,000	154,000	2.19%	154,000	

Table 3-1

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As at June 30, 2022				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
Delta Electronics Capital Company	TaskEasy, Inc. common stock	None	Financial assets at fair value through profit or loss - non-current	2,633,872	\$ 141,008	7.5%	\$ 141,008	
Delta Electronics Capital Company	Hz0, Inc. common stock, etc.	None	Financial assets at fair value through profit or loss	-	1,284,450	-	1,284,450	
Delta Electronics (Netherlands) B.V.	Grace Connection Microelectronics Limited common stock	None	Financial assets at fair value through other comprehensive income - non-current	141,065	118,880	19.9%	118,880	
Delta Electronics (Netherlands) B.V.	Noda RF Technologies Co., Ltd. common stock, etc.	None	Financial assets at fair value through other comprehensive income - non-current	-	42,558	-	42,558	
Cyntec Co., Ltd.	SUSUMU Co., Ltd. common stock	None	Financial assets at fair value through other comprehensive income - non-current	200,000	104,081	11.53%	104,081	
Cyntec Co., Ltd.	GaN Systems Inc. preferred stock, etc.	None	Financial assets at fair value through other comprehensive income - non-current	-	89,874	-	89,874	
Delta Electronics (Japan), Inc.	Macy Inc. common stock	None	Financial assets at fair value through other comprehensive income - non-current	74,000,000	27,096	19.79%	27,096	
Delta America, Ltd.	VPT Inc. common stock	None	Financial assets at fair value through other comprehensive income - non-current	860,000	5,201	17.52%	5,201	
Delta Electronics (Pingtan) Co., Ltd.	Pingtan Hi Tech Investment Development Shares Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	-	6,659	15%	6,659	
Vivotek Inc.	Kneron Holding Corporation preferred stock	None	Financial assets at fair value through profit or loss - non-current	1,310,003	191,820	2.04%	191,820	

Table 3-2

Delta Electronics, Inc. and Subsidiaries
Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital
Six months ended June 30, 2022

Table 4

Expressed in thousands of New Taiwan dollars, except as otherwise indicated

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investee	Balance as at January 1, 2022		Addition		Disposal			Balance as at June 30, 2022		Footnote	
					Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares		Amount
Delta Electronics (H.K.) Ltd.	Delta Electronics (Chongqing) Ltd.	Investments accounted for under equity method	Delta Electronics (Chongqing) Ltd.	Affiliated enterprise	-	\$ -	-	\$ 968,144 (Note 1)	-	\$ -	\$ -	\$ -	-	\$ 968,144	
Delta Electronics, Inc.	Ancora Semiconductors Inc. (provisional office)	Prepayment for long-term investments	Ancora Semiconductors Inc. (provisional office)	Affiliated enterprise	-	-	32,000,000	320,000	-	-	-	-	32,000,000	320,000	

Note 1: Delta Electronics (H.K.) Ltd. increased its investment in Delta Electronics (Chongqing) Ltd. in the amount of \$1,001,875 in 2022, which included investment income or loss recognised during the period and adjustments in changes of net value.

Delta Electronics, Inc. and Subsidiaries
Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more
Six months ended June 30, 2022

Table 5 Expressed in thousands of New Taiwan dollars, except as otherwise indicated

Real estate acquired by	Real estate acquired	Date of the event	Transaction amount	Status of payment	Counterparty	Relationship with the counterparty	If the counterparty is a related party, information as to the last transaction of the real estate is disclosed below:				Basis or reference used in setting the price	Reason for acquisition of real estate and status of the real estate	Other commitments
							Original owner who sold the real estate to the counterparty	Relationship between the original owner and the acquirer	Date of the original transaction	Amount			
Amerlux, LLC	Land and buildings in New Jersey, U.S.A	April 20, 2022	\$ 1,105,313	In accordance with the contract terms	Unicorn Real Estate Investment, LLC.	None	-	-	-	\$ -	By reference to the price quoted by the professional appraisal agency and market value	For future business development	None

Delta Electronics, Inc. and Subsidiaries
Purchases or sales of goods from or to related parties reaching \$100 million or 20% of the Company's paid-in capital or more
Six months ended June 30, 2022

Table 6

Expressed in thousands of New Taiwan dollars, except as otherwise indicated

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Delta Electronics, Inc.	Delta Electronics (Jiangsu) Ltd.	Subsidiary	Operating revenue	\$ 326,024	0.93	70 days after issuing invoice			\$ 335,580	2.59	
Delta Electronics, Inc.	Delta Electronics (Shanghai) Co., Ltd.	Subsidiary	Operating revenue	187,281	0.54	70 days after issuing invoice			190,691	1.47	
Delta Electronics, Inc.	Cyntec Electronics (Suzhou) Co., Ltd.	Subsidiary	Operating revenue	103,515	0.30	70 days			-	-	
Delta Electronics, Inc.	Cyntec Electronics (WuHu) Co., Ltd.	Subsidiary	Operating revenue	374,606	1.09	70 days			-	-	
Delta Electronics, Inc.	Delta Electronics (Netherlands) B.V.	Subsidiary	Operating revenue	220,195	0.62	70 days			103,918	0.80	
Delta Electronics, Inc.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Subsidiary	Operating revenue	9,399,513	27.08	70 days			2,843,559	18.97	
Delta Electronics, Inc.	Delta Electronics (Thailand) Public Company Limited	Subsidiary	Operating revenue	1,464,268	4.21	70 days			542,338	4.19	
Delta Electronics, Inc.	DEI Logistics (USA) Corp.	Subsidiary	Operating revenue	4,588,388	13.20	90 days after delivery			2,449,040	18.91	
Delta Electronics, Inc.	Delta Electronics (Americas) Ltd.	Subsidiary	Operating revenue	2,022,491	5.85	70 days			1,207,255	9.33	
Delta Electronics (Dongguan) Co., Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	Operating revenue	2,744,623	14.08	70 days			1,628,370	24.45	
Delta Electronics (Dongguan) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	16,529,489	84.79	70 days			4,866,652	73.08	
Delta Electronics (Jiangsu) Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	Operating revenue	9,596,888	24.28	70 days			2,559,869	27.76	
Delta Electronics (Jiangsu) Ltd.	Delta Electronics (Wuhu) Co., Ltd.	Affiliated enterprise	Operating revenue	341,780	0.86	70 days			183,319	1.99	
Delta Electronics (Jiangsu) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	29,424,673	74.47	70 days			6,361,300	68.97	

Table 6-1

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Delta Electronics (Shanghai) Co., Ltd.	Delta Electronics (Jiangsu) Ltd.	Affiliated enterprise	Operating revenue	\$ 232,901	1.42	70 days			\$ 136,636	1.70	
Delta Electronics (Shanghai) Co., Ltd.	Delta Greentech (China) Co., Ltd.	Affiliated enterprise	Operating revenue	8,293,976	50.78	70 days			3,215,523	40.08	
Delta Electronics (Shanghai) Co., Ltd.	Delta Electronics (Pingtan) Co., Ltd.	Affiliated enterprise	Operating revenue	1,201,876	7.36	70 days			653,822	8.15	
Delta Electronics (Shanghai) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	461,886	2.82	70 days			80,731	1.01	
Delta Networks (Dongguan) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	3,519,634	98.95	70 days			1,604,971	98.14	
Delta Electronics (Wuhu) Co., Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	Operating revenue	132,186	3.54	70 days			42,091	2.66	
Delta Electronics (Wuhu) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	3,600,670	96.46	70 days			1,531,932	96.83	
Delta Electronics (Chenzhou) Co., Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	Operating revenue	373,754	12.70	70 days			172,177	12.37	
Delta Electronics (Chenzhou) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	2,564,267	87.29	70 days			1,219,338	87.62	
Chenzhou Delta Technology Co., Ltd.	Delta Electronics (Dongguan) Co., Ltd.	Affiliated enterprise	Operating revenue	887,943	53.86	70 days			167,870	33.08	
Chenzhou Delta Technology Co., Ltd.	Delta Electronics (Chenzhou) Co., Ltd.	Affiliated enterprise	Operating revenue	255,248	15.42	70 days			130,112	25.64	
Chenzhou Delta Technology Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	492,233	29.81	70 days			200,431	39.49	
Cyntec Co., Ltd.	Delta Electronics, Inc.	Ultimate parent company	Operating revenue	1,102,645	27.39	70 days			554,820	35.63	
Cyntec Electronics (Suzhou) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	6,566,319	100.00	70 days			2,838,880	100.00	
Cyntec Electronics (WuHu) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	1,851,023	100.00	70 days			337,426	100.00	

Table 6-2

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Delta Energy Systems (Germany) GmbH	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	Operating revenue	\$ 1,033,141	81.99	70 days			\$ 35,923	33.19	
Delta Electronics India Private Limited	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	136,976	4.53	70 days			94,219	8.07	
Delta Electronics (Japan), Inc.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	491,419	23.42	70 days			145,063	25.23	
Delta Electronics (Netherlands) B.V.	Delta Electronics (Italy) S.r.l.	Affiliated enterprise	Operating revenue	327,351	9.08	70 days			138,960	9.68	
Delta Electronics (Netherlands) B.V.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	290,536	8.05	70 days			3,588	0.25	
Delta Electronics (Netherlands) B.V.	Delta Greentech Electronics Industry LLC	Affiliated enterprise	Operating revenue	291,960	8.13	180 days			323,113	22.50	
ELTEK AS	Eltek Deutschland GmbH	Affiliated enterprise	Operating revenue	318,386	13.10	70 days			110,324	10.65	
ELTEK AS	ELTEK POWER FRANCE SAS	Affiliated enterprise	Operating revenue	351,885	14.43	70 days			161,486	15.59	
ELTEK AS	DELTA ELECTRONICS (UK) LTD	Affiliated enterprise	Operating revenue	261,850	10.75	70 days			129,870	12.54	
ELTEK AS	Delta Electronics (Sweden) AB	Affiliated enterprise	Operating revenue	159,933	6.54	70 days			47,002	4.54	
ELTEK AS	Eltek s.r.o.	Affiliated enterprise	Operating revenue	280,642	11.59	70 days			150,242	14.51	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Australia) Pty Ltd	Affiliated enterprise	Operating revenue	160,924	0.14	70 days			78,641	0.14	
Delta Electronics Int'l (Singapore) Pte. Ltd.	DELTA ELECTRONICS BRASIL LTDA	Affiliated enterprise	Operating revenue	110,842	0.10	90 days after delivery			213,653	0.37	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Switzerland) AG	Affiliated enterprise	Operating revenue	952,969	0.82	70 days			690,500	1.19	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Dongguan) Co., Ltd.	Affiliated enterprise	Operating revenue	11,507,310	10.07	70 days			6,383,634	10.96	

Table 6-3

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Jiangsu) Ltd.	Affiliated enterprise	Operating revenue	\$ 13,131,196	11.53	70 days			\$ 2,669,888	4.58	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Networks (Dongguan) Ltd.	Affiliated enterprise	Operating revenue	3,143,091	2.74	70 days			1,123,118	1.92	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Wuhu) Co., Ltd.	Affiliated enterprise	Operating revenue	2,767,408	2.40	70 days			945,308	1.62	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Chenzhou) Co., Ltd.	Affiliated enterprise	Operating revenue	1,855,506	1.60	70 days			1,128,026	1.94	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Chenzhou Delta Technology Co., Ltd.	Affiliated enterprise	Operating revenue	133,610	0.12	70 days			172,538	0.29	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Cyntec Co., Ltd.	Affiliated enterprise	Operating revenue	1,025,240	0.91	70 days			510,565	0.88	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Cyntec Electronics (Suzhou) Co., Ltd.	Affiliated enterprise	Operating revenue	296,772	0.26	70 days			117,813	0.20	
Delta Electronics Int'l (Singapore) Pte. Ltd.	DELTA ELECTRONICS SOLUTIONS (SPAIN) SL	Affiliated enterprise	Operating revenue	109,441	0.07	150 days			93,108	0.16	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Solutions (Finland) Oy	Affiliated enterprise	Operating revenue	100,315	0.08	70 days			43,780	0.08	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Digital Projection Ltd.	Affiliated enterprise	Operating revenue	100,129	0.09	75 days after delivery			152,234	0.26	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics India Private Limited	Affiliated enterprise	Operating revenue	824,083	0.72	90 days after delivery			531,340	0.91	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Japan) Inc.	Affiliated enterprise	Operating revenue	1,055,216	0.93	70 days			424,919	0.73	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Korea), Inc.	Affiliated enterprise	Operating revenue	152,156	0.14	70 days			77,209	0.13	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Netherlands) B.V.	Affiliated enterprise	Operating revenue	1,850,580	1.62	70 days			831,096	1.43	
Delta Electronics Int'l (Singapore) Pte. Ltd.	ELTEK AS	Affiliated enterprise	Operating revenue	530,733	0.47	70 days			287,279	0.49	

Table 6-4

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Slovakia) s.r.o.	Affiliated enterprise	Operating revenue	\$ 279,853	0.25	70 days			\$ 67,915	0.12	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	Operating revenue	998,152	0.88	70 days			487,184	0.83	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics, Inc.	Ultimate parent company	Operating revenue	8,848,606	7.78	70 days			6,665,725	11.44	
Delta Electronics Int'l (Singapore) Pte. Ltd.	DEI Logistics (USA) Corp.	Affiliated enterprise	Operating revenue	6,347,120	5.54	90 days after delivery			5,047,831	8.67	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Americas) Ltd.	Affiliated enterprise	Operating revenue	1,508,394	1.32	70 days			847,154	1.45	
Delta Electronics Int'l (Singapore) Pte. Ltd.	DELTA ELECTRONICS (USA) INC.	Affiliated enterprise	Operating revenue	3,712,360	3.24	70 days			2,052,186	3.52	
Delta Electronics (Slovakia) s.r.o.	Delta Electronics (Netherlands) B.V.	Affiliated enterprise	Operating revenue	563,887	23.84	70 days			339,119	36.67	
Delta Electronics (Slovakia) s.r.o.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	1,110,390	46.92	70 days			213,495	23.08	
Delta Electronics (Slovakia) s.r.o.	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	Operating revenue	553,521	23.35	70 days			290,992	31.47	
Eltek s.r.o.	ELTEK AS	Affiliated enterprise	Operating revenue	1,125,025	87.71	70 days			188,937	61.46	
Eltek s.r.o.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	109,566	8.53	70 days			85,472	27.81	
Delta Electronics (Thailand) Public Company Limited	Delta Electronics (Japan), Inc.	Affiliated enterprise	Operating revenue	112,843	0.29	70 days			65,947	0.34	
Delta Electronics (Thailand) Public Company Limited	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	398,289	1.05	70 days			199,149	1.00	
Delta Electronics (Thailand) Public Company Limited	Delta Electronics (Slovakia) s.r.o.	Affiliated enterprise	Operating revenue	133,745	0.34	70 days			38,434	0.20	
Delta Electronics (Thailand) Public Company Limited	DET Logistics (USA) Corporation	Affiliated enterprise	Operating revenue	11,816,181	31.02	90 days after delivery			8,343,594	41.93	

Table 6-5

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Delta Electronics (Thailand) Public Company Limited	Delta Electronics (Americas) Ltd.	Affiliated enterprise	Operating revenue	\$ 1,133,391	2.98	70 days			\$ 606,395	3.05	
Delta Electronics (Thailand) Public Company Limited	DELTA ELECTRONICS (USA) INC.	Affiliated enterprise	Operating revenue	189,346	0.51	70 days			69,899	0.35	
Delta Electronics (Americas) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	283,009	4.18	70 days			11,035	0.50	
Delta Electronics (Americas) Ltd.	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	Operating revenue	207,135	3.08	70 days			44,549	2.00	
March Networks Corporation	March Networks, Inc.	Affiliated enterprise	Operating revenue	652,428	82.86	30 days	Note 1	Note 1	363,431	73.93	
Vivotek Inc.	Vivotek USA, Inc.	Affiliated enterprise	Operating revenue	341,261	10.00	90 days	Note 2	Note 2	201,211	19.00	

Note 1: March Networks Corporation determined the prices and terms of goods sold to March Networks, Inc. based on the economic conditions and market competitiveness of the sales area, and there is no comparable prices and terms available for the goods sold to third parties.

Note 2: Vivotek Inc. determined the prices and terms of goods sold to Vivotek USA, Inc. based on the economic conditions and market competitiveness of the sales area, and there is no comparable prices and terms available for the goods sold to third parties.

Delta Electronics, Inc. and Subsidiaries
Receivables from related parties reaching \$100 million or 20% of the Company's paid-in capital or more
June 30, 2022

Table 7

Expressed in thousands of New Taiwan dollars, except as otherwise indicated

Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2022 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance date (Note 2)	Allowance for doubtful accounts
					Amount	Action taken		
Delta Electronics, Inc.	Delta Electronics (Jiangsu) Ltd.	Subsidiary	\$ 335,580	1.21	\$ -		\$ -	
Delta Electronics, Inc.	Delta Electronics (Shanghai) Co., Ltd.	Subsidiary	190,691	1.36	-		-	
Delta Electronics, Inc.	Delta Electronics (Netherlands) B.V.	Subsidiary	103,918	3.73	175		31,305	
Delta Electronics, Inc.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Subsidiary	2,843,559	0.33	116,166		2,272,012	
Delta Electronics, Inc.	Delta Electronics (Thailand) Public Company Limited	Subsidiary	542,338	5.87	33,566		24,878	
Delta Electronics, Inc.	DEI Logistics (USA) Corp.	Subsidiary	2,449,040	3.28	112,741		14,354	
Delta Electronics, Inc.	Delta Electronics (Americas) Ltd.	Subsidiary	1,207,255	5.43	3,132		257,879	
Delta Electronics (Dongguan) Co., Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	1,628,370	3.53	-		552,446	
Delta Electronics (Dongguan) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	4,866,652	6.74	-		3,245,307	
Delta Electronics (Jiangsu) Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	2,559,869	4.43	-		1,420,644	
Delta Electronics (Jiangsu) Ltd.	Delta Electronics (Wuhu) Co., Ltd.	Affiliated enterprise	183,319	3.92	-		32	
Delta Electronics (Jiangsu) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	6,361,300	9.10	70,633		-	
Delta Electronics (Shanghai) Co., Ltd.	Delta Electronics (Jiangsu) Ltd.	Affiliated enterprise	136,636	3.73	-		20,399	
Delta Electronics (Shanghai) Co., Ltd.	Delta Greentech (China) Co., Ltd.	Affiliated enterprise	3,215,523	4.30	-		1,642,467	
Delta Electronics (Shanghai) Co., Ltd.	Delta Electronics (Pingtan) Co., Ltd.	Affiliated enterprise	653,822	3.08	-		195,359	
Delta Networks (Dongguan) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	1,604,971	4.52	-		-	
Delta Electronics (Wuhu) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	1,531,932	4.85	-		490,380	
Delta Electronics (Chenzhou) Co., Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	172,177	3.83	-		50,549	
Delta Electronics (Chenzhou) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	1,219,338	4.50	-		499,267	
Chenzhou Delta Technology Co., Ltd.	Delta Electronics (Dongguan) Co., Ltd.	Affiliated enterprise	167,870	9.48	-		167,870	

Table 7-1

Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2022 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance date (Note 2)	Allowance for doubtful accounts
					Amount	Action taken		
Chenzhou Delta Technology Co., Ltd.	Delta Electronics (Chenzhou) Co., Ltd.	Affiliated enterprise	\$ 130,112	4.34	\$ -		\$ 57	
Chenzhou Delta Technology Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	200,431	4.99	-		59,733	
Cyntec Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	148,951	10.96	-		148,951	
Cyntec Co., Ltd.	Delta Electronics, Inc.	Ultimate parent company	554,820	3.98	-		190,425	
Cyntec Electronics (Suzhou) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	2,838,880	5.11	-		1,786,028	
Cyntec Electronics (Wuhu) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	337,426	6.34	-		326,920	
Delta Electronics (Japan), Inc.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	145,063	5.49	287		102,627	
Delta Electronics (Netherlands) B.V.	Delta Electronics (Italy) S.r.l.	Affiliated enterprise	138,960	6.28	-		28,563	
Delta Electronics (Netherlands) B.V.	Delta Greentech Electronics Industry LLC	Affiliated enterprise	323,113	1.28	24,844		-	
ELTEK AS	Eltek Deutschland GmbH	Affiliated enterprise	110,324	5.71	-		-	
ELTEK AS	ELTEK POWER FRANCE SAS	Affiliated enterprise	161,486	4.93	18,899		50,593	
ELTEK AS	DELTA ELECTRONICS (UK) LTD	Affiliated enterprise	129,870	4.81	10,885		-	
ELTEK AS	Eltek s.r.o.	Affiliated enterprise	452,336	4.31	-		49,059	
Delta Electronics Int'l (Singapore) Pte. Ltd.	DELTA ELETRONICS BRASIL LTDA	Affiliated enterprise	213,653	1.17	150,857		21,310	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Switzerland) AG	Affiliated enterprise	690,500	2.79	-		262,469	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Dongguan) Co., Ltd.	Affiliated enterprise	6,383,634	3.95	1,880,241		1,190,546	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Jiangsu) Ltd.	Affiliated enterprise	2,669,888	8.49	-		38,455	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Networks (Dongguan) Ltd.	Affiliated enterprise	1,123,118	6.03	189,200		298,703	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Wuhu) Co., Ltd.	Affiliated enterprise	945,308	5.99	2,911		437,158	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Chenzhou) Co., Ltd.	Affiliated enterprise	1,128,026	3.41	566,574		59,440	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Chenzhou Delta Technology Co., Ltd.	Affiliated enterprise	172,538	2.39	103,678		-	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Cyntec Co., Ltd.	Affiliated enterprise	510,565	3.94	394		-	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Cyntec Electronics (Suzhou) Co., Ltd.	Affiliated enterprise	117,813	3.85	-		-	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Digital Projection Ltd.	Affiliated enterprise	152,234	1.44	71,311		4,188	

Table 7-2

Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2022 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance date (Note 2)	Allowance for doubtful accounts
					Amount	Action taken		
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics India Pvt. Ltd.	Affiliated enterprise	\$ 531,340	3.08	\$ 12,085		\$ -	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Japan), Inc.	Affiliated enterprise	424,919	4.00	-		34,333	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Netherlands) B.V.	Affiliated enterprise	831,096	4.22	-		115,240	
Delta Electronics Int'l (Singapore) Pte. Ltd.	ELTEK AS	Affiliated enterprise	287,279	3.88	-		72,345	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	487,184	3.67	439		138,372	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics, Inc.	Ultimate parent company	6,780,665	2.66	31,442		120,071	
Delta Electronics Int'l (Singapore) Pte. Ltd.	DEI Logistics (USA) Corp.	Affiliated enterprise	5,047,831	2.52	351,595		32,861	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Americas) Ltd.	Affiliated enterprise	847,154	3.92	8,130		139,255	
Delta Electronics Int'l (Singapore) Pte. Ltd.	DELTA ELECTRONICS (USA) INC.	Affiliated enterprise	2,052,186	4.33	845		-	
Delta Electronics (Slovakia) s.r.o.	Delta Electronics (Netherlands) B.V.	Affiliated enterprise	339,119	4.27	-		95,704	
Delta Electronics (Slovakia) s.r.o.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	213,495	5.74	1		5,517	
Delta Electronics (Slovakia) s.r.o.	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	290,992	4.12	-		81,054	
Eltek s.r.o.	ELTEK AS	Affiliated enterprise	188,937	14.24	2,140		187,580	
Delta Electronics (Thailand) Public Company Limited	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	199,149	4.77	1,222		46,940	
Delta Electronics (Thailand) Public Company Limited	DET Logistics (USA) Corporation	Affiliated enterprise	8,343,594	2.86	187,314		234,675	
Delta Electronics (Thailand) Public Company Limited	Delta Electronics (Americas) Ltd.	Affiliated enterprise	606,395	4.34	17,557		213,758	
March Networks Corporation	March Networks, Inc.	Affiliated enterprise	363,431	3.57	-		120,106	
Delta International Holding Limited B.V.	Delta Controls Inc.	Affiliated enterprise	416,323	-	-		-	
Delta International Holding Limited B.V.	Delta Electronics (H.K.) Ltd.	Affiliated enterprise	13,099,939	-	-		-	
Delta International Holding Limited B.V.	Drake Investment (HK) Limited	Affiliated enterprise	744,315	-	-		-	
Delta International Holding Limited B.V.	Delta Electronics (Netherlands) B.V.	Affiliated enterprise	16,285,606	-	-		-	
Delta International Holding Limited B.V.	Amerlux, LLC	Affiliated enterprise	980,760	-	-		-	

Table 7-3

Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2022 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance date (Note 2)	Allowance for doubtful accounts
					Amount	Action taken		
DET International Holding Limited	Delta Electronics India Pvt. Ltd.	Affiliated enterprise	\$ 2,318,160	-	\$ -		\$ -	
Delta Electronics (Shanghai) Co., Ltd.	Delta Electronics (Chongqing) Ltd.	Affiliated enterprise	624,470	-	-		-	
Delta Electronics (Shanghai) Co., Ltd.	Cyntec Electronics (WuHu) Co., Ltd.	Affiliated enterprise	2,041,643	-	-		-	
Delta Electronics (Wuhu) Co., Ltd.	Delta Electronics (Jiangsu) Ltd.	Affiliated enterprise	1,558,100	-	-		-	
Fairview Assets Ltd.	Delta Controls Inc.	Affiliated enterprise	1,783,943	-	-		-	
Fairview Assets Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	18,201,858	-	-		-	
Delta Energy Systems (Germany) GmbH	Delta Energy Systems Property (Germany) GmbH	Affiliated enterprise	350,865	-	-		-	
Delta Energy Systems (Germany) GmbH	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	166,242	-	-		166,123	
Delta Greentech (Netherlands) B.V.	Eltek s.r.o.	Affiliated enterprise	186,675	-	-		-	
Vivotek Inc.	Vivotek USA, Inc.	Affiliated enterprise	201,260	3.55	-		-	

Note 1: Including other receivables in excess of \$100,000.

Note 2: The amount represents collections subsequent to June 30, 2022 up to July 28, 2022.

Delta Electronics, Inc. and Subsidiaries
Significant inter-company transactions during the reporting period
Six months ended June 30, 2022

Table 8

Expressed in thousands of New Taiwan dollars, except as otherwise indicated

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount (Note 7)	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Delta Electronics, Inc.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Subsidiary	Operating revenue	\$ 9,399,513	(Note 4)	5.45
0	Delta Electronics, Inc.	DEI Logistics (USA) Corp.	Subsidiary	Operating revenue	4,588,388	(Note 5)	2.66
0	Delta Electronics, Inc.	Delta Electronics (Americas) Ltd.	Subsidiary	Operating revenue	2,022,491	(Note 4)	1.17
1	Delta Electronics (Dongguan) Co., Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	Operating revenue	2,744,623	(Note 4)	1.59
1	Delta Electronics (Dongguan) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	16,529,489	(Note 4)	9.58
2	Delta Electronics (Jiangsu) Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	Operating revenue	9,596,888	(Note 4)	5.56
2	Delta Electronics (Jiangsu) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	29,424,673	(Note 4)	17.05
3	Delta Electronics (Shanghai) Co., Ltd.	Delta Greentech (China) Co., Ltd.	Affiliated enterprise	Operating revenue	8,293,976	(Note 4)	4.81
4	Delta Networks (Dongguan) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	3,519,634	(Note 4)	2.04
5	Delta Electronics (Wuhu) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	3,600,670	(Note 4)	2.09
6	Delta Electronics (Chenzhou) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	2,564,267	(Note 4)	1.49
7	Cyntec Electronics (Suzhou) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	6,566,319	(Note 4)	3.81
8	Cyntec Electronics (Wuhu) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	1,851,023	(Note 4)	1.07
9	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Dongguan) Co., Ltd.	Affiliated enterprise	Operating revenue	11,507,310	(Note 4)	6.67
9	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Jiangsu) Ltd.	Affiliated enterprise	Operating revenue	13,131,196	(Note 4)	7.61

Table 8-1

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount (Note 7)	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
9	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Networks (Dongguan) Ltd.	Affiliated enterprise	Operating revenue	\$ 3,143,091	(Note 4)	1.82
9	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Wuhu) Co., Ltd.	Affiliated enterprise	Operating revenue	2,767,408	(Note 4)	1.60
9	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Chenzhou) Co., Ltd.	Affiliated enterprise	Operating revenue	1,855,506	(Note 4)	1.08
9	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Netherlands) B.V.	Affiliated enterprise	Operating revenue	1,850,580	(Note 4)	1.07
9	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics, Inc.	Ultimate parent company	Operating revenue	8,848,606	(Note 4)	5.13
9	Delta Electronics Int'l (Singapore) Pte. Ltd.	DEI Logistics (USA) Corp.	Affiliated enterprise	Operating revenue	6,347,120	(Note 5)	3.68
9	Delta Electronics Int'l (Singapore) Pte. Ltd.	DELTA ELECTRONICS (USA) INC.	Affiliated enterprise	Operating revenue	3,712,360	(Note 4)	2.15
10	Delta Electronics (Thailand) Public Company Limited	DET Logistics (USA) Corporation	Affiliated enterprise	Operating revenue	11,816,181	(Note 5)	6.85
1	Delta Electronics (Dongguan) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Accounts receivable	4,866,652	(Note 4)	1.24
2	Delta Electronics (Jiangsu) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Accounts receivable	6,361,300	(Note 4)	1.61
9	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Dongguan) Co., Ltd.	Affiliated enterprise	Accounts receivable	6,383,634	(Note 4)	1.62
9	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics, Inc.	Ultimate parent company	Accounts receivable	6,780,665	(Note 4)	1.69
9	Delta Electronics Int'l (Singapore) Pte. Ltd.	DEI Logistics (USA) Corp.	Affiliated enterprise	Accounts receivable	5,047,831	(Note 5)	1.28
10	Delta Electronics (Thailand) Public Company Limited	DET Logistics (USA) Corporation	Affiliated enterprise	Accounts receivable	8,343,594	(Note 5)	2.12
11	Delta International Holding Limited B.V.	Delta Electronics (H.K.) Ltd.	Affiliated enterprise	Other receivables - related parties	13,099,939	(Note 6)	3.33
11	Delta International Holding Limited B.V.	Delta Electronics (Netherlands) B.V.	Affiliated enterprise	Other receivables - related parties	16,285,606	(Note 6)	4.13

Table 8-2

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount (Note 7)	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
12	Fairview Assets Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Other receivables - related parties	\$ 18,201,858	(Note 6)	4.62

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

(1) Parent company is '0'.

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

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

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

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

Note 4: There is no similar transaction to compare with. It will follow the agreed price and transaction terms and all the credit terms are 70 days.

Note 5: It will follow the agreed price and transaction terms, and all the credit terms are 90 days after delivery.

Note 6: Lending of capital.

Note 7: The disclosure requirement for the above disclosed amounts is 1% of the consolidated total assets for balance sheet accounts and 1% of the consolidated total revenue for income statement accounts.

Delta Electronics, Inc. and Subsidiaries
Information on investees
Six months ended June 30, 2022

Table 9

Expressed in thousands of New Taiwan dollars, except as otherwise indicated

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at June 30, 2022			Net profit (loss) of the investee for the six months ended June 30, 2022	Investment income (loss) recognised by the Company for the six months ended June 30, 2022	Footnote
				Balance as at June 30, 2022	Balance as at December 31, 2021	Number of shares	Ownership (%)	Book value			
Delta Electronics, Inc.	Delta International Holding Limited B.V.	Netherlands	Equity investments	\$ 8,922,118	\$ 8,922,118	67,680,000	100.00	\$ 73,435,189	\$ 1,065,189	\$ 1,027,484	(Note 6)
Delta Electronics, Inc.	Delta Networks Holding Limited	Cayman Islands	Equity investments	29,582	29,582	83,800,000	100.00	2,061,465	(9,247)	(3,994)	(Note 6)
Delta Electronics, Inc.	Delta Electronics (Netherlands) B.V.	Netherlands	Sales of power products, display solution products, electronic components, industrial automation products and materials	4,529,355	4,529,355	128,492,272	100.00	26,099,074	3,269,028	2,861,985	(Note 6)
Delta Electronics, Inc.	Delta Electronics (Thailand) Public Company Limited	Thailand	Manufacturing and exporting power supplies, other electronic parts and components	4,780,487	4,780,487	69,128,140	5.54	4,676,195	5,986,684	268,228	(Notes 6 and 13)
Delta Electronics, Inc.	Cyntec Co., Ltd.	Taiwan	Research, development, manufacturing and sales of film optic-electronic devices	12,067,931	12,067,931	2,341,204,333	100.00	34,854,883	572,854	623,340	(Note 6)
Delta Electronics, Inc.	DelBio Inc.	Taiwan	Manufacturing, wholesale and retail of medical equipment	900,000	900,000	21,761,836	100.00	186,698	(26,193)	(26,097)	(Note 6)
Delta Electronics, Inc.	Delta Electronics Capital Company	Taiwan	Equity investments	3,253,241	3,253,241	391,967,176	100.00	3,785,108	(239,455)	(239,455)	(Note 6)
Delta Electronics, Inc.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Singapore	Research, development and sales of electronic products	34,498	34,498	45,234,240	100.00	53,828,410	7,067,138	7,220,448	(Note 6)
Delta Electronics, Inc.	Allied Material Technology Corp.	Taiwan	Lease services, etc.	-	2,113,978	-	-	-	(25,550)	(25,542)	(Notes 6 and 20)
Delta Electronics, Inc.	Delta America Ltd.	U.S.A.	Equity investments	103,065	103,065	2,100,000	10.26	215,585	374,171	45,349	(Notes 6 and 9)
Delta Electronics, Inc.	Vivotek Inc.	Taiwan	Manufacturing and sales of video compression software and encoding, network video server, webcam and its related components	4,441,079	4,361,352	48,734,058	56.30	4,297,922	237,226	81,642	(Note 6)
Delta Electronics, Inc.	Chunghwa SEA Holdings	Taiwan	Equity investments	8,800	8,800	880,000	44.00	8,489	(181)	(80)	(Note 6)
Delta Electronics, Inc.	Delmind Inc.	Taiwan	Provide vertical add-on value solution	210,000	-	21,000,000	70.00	208,030	(2,815)	(1,970)	(Note 6)
Delta International Holding Limited B.V.	Delta Electronics (Thailand) Public Company Limited	Thailand	Manufacturing and exporting power supplies, other electronic parts and components	12,802,699	12,802,699	191,984,450	15.39	12,939,291	5,986,684	808,635	(Note 13)
Delta International Holding Limited B.V.	DEI Logistics (USA) Corp.	U.S.A.	Warehousing and logistics services	85,326	85,326	1,000,000	100.00	242,023	4,480	4,480	(Note 1)
Delta International Holding Limited B.V.	Delta Electronics (Japan), Inc.	Japan	Sales of power products, display solution products, electronic components, industrial automation products and materials	84,968	84,968	5,600	100.00	712,414	52,313	52,313	(Note 1)
Delta International Holding Limited B.V.	Digital Projection International Ltd.	Britain	Equity investments	419,838	419,838	46,949,667	100.00	143,940	(24,148)	(29,426)	(Note 1)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at June 30, 2022			Net profit (loss) of the investee for the six months ended June 30, 2022	Investment income (loss) recognised by the Company for the six months ended June 30, 2022	Footnote
				Balance as at June 30, 2022	Balance as at December 31, 2021	Number of shares	Ownership (%)	Book value			
Delta International Holding Limited B.V.	Delta Electronics (Switzerland) AG	Switzerland	Equity investments, research, development and sales of electronic products	\$ 604,636	\$ 604,636	10,000	100.00	\$ 1,248,893	\$ 193,469	\$ 190,510	(Note 1)
Delta International Holding Limited B.V.	DELTA ELECTRONICS HOLDING (USA) INC.	U.S.A.	Equity investments	2,029,576	2,029,576	1,060,624	100.00	2,952,283	397,623	396,531	(Note 1)
Delta International Holding Limited B.V.	Eltek AS	Norway	Research, development and sales of power supplies and others	14,775,818	14,775,818	93,531,101	100.00	11,700,213	(33,084)	(376,955)	(Note 1)
Delta International Holding Limited B.V.	Delta Controls Inc.	Canada	Provide solutions to building management and control	2,229,000	2,229,000	75,000,000	100.00	2,768,737	35,242	35,242	(Note 1)
Delta International Holding Limited B.V.	Delta Electronics Europe Ltd.	Britain	Repair centre and providing support services	108,775	108,775	500,000	100.00	-	217	217	(Note 1)
Delta International Holding Limited B.V.	March Networks Holdings Ltd.	Canada	Equity investments	3,712,519	3,712,519	10,000	100.00	3,581,711	(55,915)	(113,043)	(Note 1)
Delta Electronics (H.K.) Ltd.	Delta Electronics International Mexico S. A. DE C. V.	Mexico	Sales of power management system of industrial automation product and telecommunications equipment	179,806	179,806	2,733,483	100.00	218,985	10,887	10,887	(Note 2)
Delta Electronics (H.K.) Ltd.	Eltekenegy Internacional de Mexico, S. de R.L. de C.V.	Mexico	Sales of power supplies and others	111,355	111,355	20,944,514	100.00	-	175	175	(Notes 2 and 18)
Delta Electronics (Netherlands) B.V.	Delta Electronics (H.K.) Ltd.	Hong Kong	Equity investments, operations management and engineering services	9,759,961	9,759,961	2,549,297,600	100.00	27,148,734	2,601,411	2,601,411	(Note 8)
Delta Electronics (Netherlands) B.V.	Boom Treasure Limited	Hong Kong	Equity investments	2,589,233	2,589,233	1	100.00	2,007,356	83,894	24,848	(Note 8)
Delta Electronics (Netherlands) B.V.	Drake Investment (HK) Limited	Hong Kong	Equity investments	5,115,298	5,115,298	304,504,306	100.00	5,445,572	209,582	207,403	(Note 8)
Delta Electronics (Netherlands) B.V.	Delta America Ltd.	U.S.A.	Equity investments	1,534,487	1,534,487	18,374,182	89.74	3,180,804	374,171	335,360	(Notes 8 and 9)
Delta Electronics (Netherlands) B.V.	Delta Greentech Electronics Industry LLC	Turkey	Marketing and sales of electronic products	464,226	167,026	7,670,494	100.00	270,453	29,879	27,813	(Note 8)
Delta Electronics (Netherlands) B.V.	DELTA GREENTECH (BRASIL) LTDA.	Brazil	Manufacturing and sales of electronic products	211,309	211,309	4,315,657	100.00	197,911	(2,439)	(2,439)	(Note 8)
Delta Electronics (Netherlands) B.V.	DELTA ELECTRONICS BRASIL LTDA.	Brazil	Manufacturing and sales of electronic products	602,826	602,826	87,000,000	100.00	537,645	66,813	66,813	(Note 8)
Delta Electronics (Netherlands) B.V.	Amerlux, LLC	U.S.A.	Design and production of dedicated lighting system and facilities	2,904,209	2,904,209	-	100.00	2,920,118	76,252	35,900	(Note 8)
Delta Electronics (Netherlands) B.V.	Delta Greentech SGP Pte. Ltd.	Singapore	Equity investments	830,099	830,099	12,175,470	100.00	667,935	29,125	11,259	(Note 8)

Table 9-2

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at June 30, 2022			Net profit (loss) of the investee for the six months ended June 30, 2022	Investment income (loss) recognised by the Company for the six months ended June 30, 2022	Footnote
				Balance as at June 30, 2022	Balance as at December 31, 2021	Number of shares	Ownership (%)	Book value			
Delta Electronics (Netherlands) B.V.	Trihedral Engineering Limited	Canada	Graphic control software and related engineering services	\$ 1,060,248	\$ 1,060,248	51,495	100.00	\$ 1,159,170	\$ 72,876	\$ 58,565	(Note 8)
Delta America Ltd.	Delta Electronics (Americas) Ltd.	U.S.A.	Sales of electronic components	224,513	224,513	250,000	100.00	1,926,886	315,988	315,988	(Note 15)
Delta America Ltd.	Delta Solar Solutions LLC	U.S.A.	Equity investments	-	67,464	-	-	-	(3,290)	(3,290)	(Notes 15 and 19)
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Thailand) Public Company Limited	Thailand	Manufacturing and exporting power supplies, other electronic parts and components	35,558,548	35,558,548	534,479,306	42.85	37,286,899	5,986,684	2,251,463	(Note 13)
Delta Electronics Int'l (Singapore) Pte. Ltd.	ELTEK POWER INCORPORATED	Philippines	Sales of power supplies and others	22,388	22,388	11,400,000	100.00	34,225	5,365	5,365	(Note 7)
Delta Electronics Int'l (Singapore) Pte. Ltd.	ELTEK POWER CO., LTD.	Thailand	Sales of power supplies and others	-	-	40,000	100.00	45,601	566	566	(Note 7)
Delta Electronics Int'l (Singapore) Pte. Ltd.	ELTEK POWER (CAMBODIA) LTD.	Cambodia	Sales of power supplies and others	-	-	1,000	100.00	(18,618)	-	-	(Note 7)
Delta Electronics Int'l (Singapore) Pte. Ltd.	ELTEK POWER (MALAYSIA) SDN. BHD.	Malaysia	Sales of power supplies and others	61,382	61,382	300,000	100.00	(51,169)	(4,823)	(4,823)	(Note 7)
Delta Electronics Int'l (Singapore) Pte. Ltd.	Loy Tec Electronics GmbH	Austria	Provide solutions to building management and control	2,412,059	2,412,059	-	100.00	1,579,218	75,581	48,672	(Note 7)
Delta Networks Holding Limited	Delta Networks, Inc.	Cayman Islands	Equity investments	5,285,969	5,285,969	1,196,886,000	100.00	2,005,336	(8,844)	(9,095)	(Note 3)
Delta Networks, Inc.	Delta Networks (HK) Limited	Hong Kong	Equity investments	1,040,200	1,040,200	35,000,000	100.00	1,983,716	(8,297)	(8,297)	(Note 4)
Digital Projection International Ltd.	Digital Projection Holdings Ltd.	Britain	Equity investments	155,170	155,170	40,526,221	100.00	(287,167)	(24,148)	(24,148)	(Note 17)
Cyntec Co., Ltd.	Fairview Assets Ltd.	Cayman Islands	Equity investments	1,116,521	1,116,521	32,740,062	100.00	29,838,232	324,329	324,329	(Note 5)
Cyntec Co., Ltd.	Power Forest Technology Corporation	Taiwan	IC design of power management	347,387	347,387	24,134,934	100.00	150,174	(110,039)	(113,538)	(Note 5)
Delta Electronics (Thailand) Public Company Limited	DET International Holding Limited	Cayman Islands	Equity investments	8,002,951	8,002,951	264,357,330	100.00	6,258,172	202,486	201,296	(Note 16)
Delta Electronics (Thailand) Public Company Limited	Delta Green Industrial (Thailand) Co., Ltd.	Thailand	Integration, sales, trading, installation and providing services of uninterruptible power supply, photovoltaic inverter, electric cars charger and data center	174,461	174,461	20,600,000	100.00	65,707	(18,358)	(18,358)	(Note 16)
Delta Electronics (Thailand) Public Company Limited	Delta Energy Systems (Singapore) PTE. LTD.	Singapore	Equity investments, trading, management and consultancy	4,720,518	4,720,518	146,586,590	100.00	8,183,462	(176,393)	(177,740)	(Note 16)
Delta Electronics (Thailand) Public Company Limited	Delta Electronics (Vietnam) Company Limited	Vietnam	Sales of electronic products	2,567	2,567	-	100.00	533	(10,181)	(10,181)	(Note 16)
Delta Electronics (Thailand) Public Company Limited	DELTA ELECTRONICS INDIA MANUFACTURING PRIVATE LIMITED	India	Manufacturing and marketing of electronic products	143,874	389	110,999	100.00	142,483	(948)	(948)	(Note 16)

Table 9-3

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at June 30, 2022			Net profit (loss) of the investee for the six months ended June 30, 2022	Investment income (loss) recognised by the Company for the six months ended June 30, 2022	Footnote
				Balance as at June 30, 2022	Balance as at December 31, 2021	Number of shares	Ownership (%)	Book value			
Vivotek Inc.	Vivotek Holdings, Inc.	U.S.A.	Holding company	\$ 31,555	\$ 31,555	1,050	100.00	\$ 313,956	\$ 14,903	\$ 16,484	(Note 11)
Vivotek Inc.	Realwin Investment Inc.	Taiwan	A venture capital company	173,696	173,696	17,369,635	100.00	162,599	18,504	19,058	(Note 11)
Vivotek Inc.	Vivotek Netherlands B.V.	Netherlands	Sales service	11,418	11,418	3,000	100.00	12,703	668	668	(Note 11)
Vivotek Inc.	Otus Imaging, Inc.	Taiwan	Sales of webcams and related components	44,294	44,294	6,000,000	100.00	49,225	2,116	2,116	(Note 11)
Vivotek Inc.	Vivotek (Japan) Inc.	Japan	Sales service	17,939	17,939	6,600	100.00	20,712	298	298	(Note 11)
Vivotek Holdings, Inc.	Vivotek USA, Inc.	U.S.A.	Sales of webcams and related components	28,480	28,480	10,000,000	100.00	360,237	14,937	14,937	(Note 10)
Realwin Investment Inc.	Skywatch INC.	Taiwan	Wholesale of electronic equipment	755	755	50,070	0.88	-	-	-	(Note 14)
Realwin Investment Inc.	Wellstates Investment, LLC	U.S.A.	Investment and commercial lease of real estate	34,859	34,859	-	100.00	55,749	1,976	1,976	(Note 12)
Realwin Investment Inc.	Aetek Inc.	Taiwan	Sales of webcams and related components	34,045	34,045	3,372,500	56.21	64,785	27,507	15,461	(Note 12)
Realwin Investment Inc.	Lidlight Inc.	Taiwan	Sales of lighting equipment	10,200	10,200	1,020,000	51.00	3,287	377	192	(Note 12)

Note 1: The Company's second-tier subsidiary or subsidiary's investee accounted for under equity method, which was recognised as investment gains/losses through Delta International Holding Limited B.V.

Note 2: The Company's third-tier subsidiary, which was recognised as investment gains/losses through Delta Electronics (H.K.) Ltd.

Note 3: The Company's second-tier subsidiary, which was recognised as investment gains/losses through Delta Networks Holding Limited.

Note 4: The Company's third-tier subsidiary, which was recognised as investment gains/losses through Delta Networks, Inc.

Note 5: The Company's second-tier subsidiary, which was recognised as investment gains/losses through Cyntec Co., Ltd.

Note 6: The investment income /loss is net of the elimination of intercompany transactions.

Note 7: The Company's second-tier subsidiary, which was recognised as investment gains/losses through Delta Electronics Int'l (Singapore) Pte. Ltd.

Note 8: The Company's second-tier subsidiary, which was recognised as investment gains/losses through Delta Electronics (Netherlands) B.V.

Note 9: The Company indirectly acquired 89.74% equity shares of Delta America Ltd. through Delta Electronics (Netherlands) B.V. considering the 10.26% equity shares held by the Company, the total ownership was 100%.

Note 10: The Company's third-tier subsidiary, which was recognised as investment gains/losses through Vivotek Holdings, Inc.

Note 11: The Company's second-tier subsidiary, which was recognised as investment gains/losses through Vivotek Inc.

Note 12: The Company's third-tier subsidiary, which was recognised as investment gains/losses through Realwin Investment Inc.

Note 13: The Company indirectly acquired 15.39% and 42.85% equity shares of Delta Electronics (Thailand) Public Company Limited through Delta International Holding Limited B.V. and Delta Electronics Int'l (Singapore) Pte. Ltd., respectively, considering 5.54% equity shares held by the Company, the total ownership was 63.78%.

Note 14: The Company's associate was recognised as investment gains/losses due to significant influence by the Company's second-tier subsidiary Realwin Investment Inc., which owns one board member in the Company.

Note 15: The Company's second-tier subsidiary, which was recognised as investment gains/losses through Delta America Ltd.

Note 16: The Company's third-tier subsidiary, which was recognised as investment gains/losses through Delta Electronics (Thailand) Public Company Limited.

Note 17: The Company's third-tier subsidiary, which was recognised as investment gains/losses through Digital Projection International Ltd.

Note 18: This company merged with Delta Electronics International Mexico SA de CV at the effective date in February 2022. However, the related procedures have not been completed as of June 30, 2022.

Note 19: This company had been liquidated in March 2022.

Note 20: The Company merged with Allied Material Technology Corp. (AMT) in May 2022. After the merger, the Company was the surviving company while AMT was the dissolved company.

Delta Electronics, Inc. and Subsidiaries
Information on investments in Mainland China
Six months ended June 30, 2022

Table 10

Expressed in thousands of New Taiwan dollars, except as otherwise indicated

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as at January 1, 2022	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the six months ended June 30, 2022		Accumulated amount of remittance from Taiwan to Mainland China as at June 30, 2022	Net income (loss) of investee for the six months ended June 30, 2022	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six months ended June 30, 2022	Book value of investments in Mainland China as at June 30, 2022	Accumulated amount of investment income remitted back to Taiwan as at June 30, 2022	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Delta Electronics (Dongguan) Co., Ltd.	Manufacturing and sales of transformer and thermal products	\$ 4,158,125	Invested by DHK	\$ 4,956,563	\$ -	\$ -	\$ 4,956,563	\$ 359,986	100.00	\$ 371,635	\$ 6,813,531	\$ 287,096	(Notes 3 and 13)
Delta Electronics (Shanghai) Co., Ltd.	Product design, management consulting service and distribution of electronic products	3,520,961	Invested by DHK	464,923	-	-	464,923	1,231,435	100.00	1,231,436	9,191,487	-	(Notes 6 and 13)
Delta Electronics (Wuhu) Co., Ltd.	Manufacturing and sales of LED light source, power supplies and others	3,982,480	Invested by DHK	508,546	-	-	508,546	96,260	100.00	96,260	4,351,480	-	(Notes 7 and 13)
Delta Electronics (Chenzhou) Co., Ltd.	Manufacturing and sales of transformers	1,872,360	Invested by DHK	127,049	-	-	127,049	100,628	100.00	101,538	2,184,918	-	(Notes 8 and 13)
Delta Electronics (Jiangsu) Ltd.	Manufacturing and sales of power supplies and transformers	5,551,993	Invested by DHK	12,120,704	-	-	12,120,704	895,071	100.00	888,624	11,801,074	-	(Note 13)
Delta Green (Tianjin) Industries Co., Ltd.	Manufacturing and sales of transformers	134,632	Invested by DHK	983,291	-	-	983,291	(6,613)	100.00	(6,613)	(79,500)	-	(Notes 9 and 13)
Delta Electronics (Pingtan) Co., Ltd.	Wholesale and retail of electronic products and energy-saving equipment	133,173	Invested by DHK	154,386	-	-	154,386	23,744	100.00	23,744	259,449	-	(Note 13)
Delta Electronics (Beijing) Co., Ltd.	Installation of mechanic, electronic, telecommunication and circuit equipment	221,955	Invested by DHK	13,593	-	-	13,593	2,788	100.00	2,788	173,098	-	(Notes 10 and 13)
Delta Electronics (Xi'an) Co., Ltd.	Sales of computer, peripheral equipment and software	244,151	Invested by DHK	251,386	-	-	251,386	351	100.00	351	198,369	-	(Note 13)
Cyntec Electronics (Suzhou) Co., Ltd.	Technical service, technical development, technical consultation, technical exchange, technical transfer, technical promotion; electronic components manufacturing, electronic components wholesale, electronic components retail, mold manufacturing, mold sales, forgings and powder metallurgy products sales	6,003,440	Invested by CHK	5,898,302	-	-	5,898,302	304,913	100.00	304,913	9,198,451	274,910	(Notes 15 and 20)
Delta Networks (Dongguan) Ltd.	Manufacturing and sales of other radio-broadcast receivers and the equipment in relation to broadband access networking system	1,352,260	Invested by DNHK	1,328,672	-	-	1,328,672	53,624	100.00	53,624	1,841,260	653,840	(Notes 5 and 22)

Table 10-1

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as at January 1, 2022	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the six months ended June 30, 2022		Accumulated amount of remittance from Taiwan to Mainland China as at June 30, 2022	Net income (loss) of investee for the six months ended June 30, 2022	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six months ended June 30, 2022	Book value of investments in Mainland China as at June 30, 2022	Accumulated amount of investment income remitted back to Taiwan as at June 30, 2022	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Delta Networks (Xiamen) Ltd.	Operation of radio transmission apparatus, and automatic data processing, reception, conversion and transmission or regeneration of voice, images or other data of the machine, including switches and routers, with a special program to control a computer or word processor with memory business	\$ 65,469	Invested by DNHK	\$ 20,804	\$ -	\$ -	\$ 20,804	\$ 37,242	30.00	\$ 11,172	\$ 27,677	\$ -	(Note 14)
DelBio (Wujiang) Co., Ltd.	Manufacturing, wholesale and retail of medical equipment	118,880	Invested by DelBio	118,880	-	-	118,880	(1,641)	100.00	(1,641)	184,320	-	(Note 16)
Chenzhou Delta Technology Co., Ltd.	Manufacturing and sales of transformers	113,197	Invested by DCZ	-	-	-	-	35,361	100.00	34,677	281,888	-	(Note 11)
Delta Energy Technology (Shanghai) Co., Ltd.	Energy performance contracting, development of energy-saving technology, energy-saving equipment and energy management system as well as consulting service, installation, sales, etc.	44,391	Invested by DPEC and DGC	-	-	-	-	(3,415)	-	(3,415)	30,753	-	(Note 11 and 19)
Delta Energy Technology Puhuan (Shanghai) Co., Ltd.	Energy technology, development and consulting of environmental technical skills, and design and sales of energy saving equipment	444	Invested by DET-SH	-	-	-	-	(121)	96.32	(121)	1,810	-	(Note 11 and 19)
Guangzhou Amerlux Lighting Co., Ltd.	Wholesale of lighting fixture and decorative objects	14,117	Invested by Amerlux Lighting Hong Kong Limited	178,988	-	-	178,988	64,747	100.00	64,747	84,673	-	(Note 17)
Delta Greentech (China) Co., Ltd.	Sales of uninterruptible power systems	2,521,409	Invested by Drake-HK, Boom and DGSG	9,088,752	-	-	9,088,752	373,364	95.91	358,097	6,975,510	-	(Notes 4 and 12)
Cyntec Electronics (WuHu) Co., Ltd.	Technology services, development, consultation, exchange, transfer and promotion; manufacturing, wholesale and retail of electronic components; manufacturing and sales of molds; manufacturing and sales of forgings and powder metallurgy products and import and export of goods or technique	1,456,280	Invested by DHK	891,600	-	-	891,600	59,249	100.00	59,249	1,071,985	-	(Notes 13 and 21)
Fujian Kaixin Construction Engineering Co., Ltd.	Constructions of buildings and structures, steel structures, building decoration, earth work, municipal public works and landscape as well as design and construction of hydraulic and hydroelectric engineering and structural reinforcement and reconditioning	110,978	Invested by DPT	-	-	-	-	(1,292)	40.00	(517)	12,613	-	(Note 11)
Delta Electronics (Chongqing) Ltd.	Manufacturing electronic parts of new energy vehicles and parts for power of electronic equipment	1,040,200	Invested by DHK	-	-	-	-	(21,648)	100.00	(21,282)	968,144	-	(Note 13)

Table 10-2

- Note 1: The capital was translated based on the capital certified report of the investee companies into New Taiwan Dollars at the average exchange rate of RMB 6.69505 to US\$1 and NTD 4.43910 to RMB\$1.
- Note 2: The accumulated remittance as at January 1, 2022, remitted or collected this period, accumulated remittance as at June 30, 2022 and investment income remitted back as at June 30, 2022 was translated into New Taiwan Dollars at the average exchange rate of NTD 29.72 to US\$1 at the balance sheet date.
- Note 3: Except for the facility of US\$166,775 thousand permitted by Investment Commission, the capitalisation of earnings of US\$27,081 thousand permitted by Investment Commission is excluded from the Company's amount of investment in Mainland China.
- Note 4: Except for the facility of US\$305,813 thousand permitted by Investment Commission, the capitalisation of earnings of US\$980 thousand permitted by Investment Commission is excluded from the Company's amount of investment in Mainland China.
- Note 5: Except for the facility of US\$44,706 thousand permitted by Investment Commission, the capitalisation of earnings of US\$21,812 thousand permitted by Investment Commission is excluded from the Company's amount of investment in Mainland China.
- Note 6: Except for the facility of US\$15,643 thousand permitted by Investment Commission, the capitalisation of earnings of US\$110,401 thousand permitted by Investment Commission is excluded from the Company's amount of investment in Mainland China.
- Note 7: Except for the facility of US\$17,111 thousand permitted by Investment Commission, the capitalisation of earnings of US\$120,320 thousand permitted by Investment Commission is excluded from the Company's amount of investment in Mainland China.
- Note 8: Except for the facility of US\$4,275 thousand permitted by Investment Commission, the capitalisation of earnings of US\$59,220 thousand permitted by Investment Commission is excluded from the Company's amount of investment in Mainland China.
- Note 9: Except for the facility of US\$33,085 thousand permitted by Investment Commission, the capitalisation of earnings of US\$265 thousand permitted by Investment Commission is excluded from the Company's amount of investment in Mainland China.
- Note 10: Except for the facility of US\$457 thousand permitted by Investment Commission, the capitalisation of earnings of US\$7,268 thousand permitted by Investment Commission is excluded from the Company's amount of investment in Mainland China.
- Note 11: According to the regulations of the Investment Commission, the reinvestment of the investee companies in Mainland China is not required to obtain the approval of the Investment Commission; thus the investment amounts are excluded from the calculation of investment the Company's ceiling of amount in Mainland China.
- Note 12: Jointly invested through Drake Investment (HK) Limited, DELTA GREENTECH SGP Pte. Ltd. and Boom Treasure Limited.
- Note 13: Invest through Delta Electronics (H.K.) Ltd.
- Note 14: Invest through Delta Networks (HK) Limited.
- Note 15: Invest through CYNTEC HOLDING (HK) LIMITED.
- Note 16: Invest through DelBio Inc.
- Note 17: Invest through Amerlux Lighting Hong Kong Limited.
- Note 18: Except for Delta Green (Tianjin) Industries Co., Ltd., Delta Electronics (Pingtan) Co., Ltd., Delta Energy Technology (Shanghai) Co., Ltd., DelBio (Wujiang) Co., Ltd., Delta Energy Technology Puhuan (shanghai) Co., Ltd., Delta Electronics (Beijing) Co., Ltd., Delta Electronics (Xi'an) Co., Ltd., Guangzhou Amerlux Lighting Co., Ltd., Delta Electronics (Chongqing) Ltd., Delta Networks (Xiamen) Ltd. and Fujian Kaixin Construction Engineering Co., Ltd. whose investment income (loss) was recognised based on recognised or on loss gain investment based on financial statement prepared by each company, others were recognised.
- Note 19: Delta Energy Technology Puhuan (Shanghai) Co., Ltd. merged with Delta Energy Technology (Shanghai) Co., Ltd. in August 2021. After the merger, Delta Energy Technology Puhuan (Shanghai) Co., Ltd. would be the surviving company while Delta Energy Technology (Shanghai) Co., Ltd. would be the dissolved company. As of June 30, 2022, the procedure was still in process.
- Note 20: Except for the facility of US\$198,462 thousand permitted by Investment Commission, the capitalisation of earnings of US\$4,000 thousand permitted by Investment Commission is excluded from Cyntec Co., Ltd.'s amount of investment in Mainland China.
- Note 21: Except for the facility of US\$30,000 thousand permitted by Investment Commission, the capitalisation of earnings of US\$19,000 thousand permitted by Investment Commission is excluded from the Company's amount of investment in Mainland China.
- Note 22: Jointly invested through Delta Electronics (H.K.) Ltd. and Delta Networks (HK) Limited.

Company name	Accumulated amount remitted from Taiwan to Mainland China as at June 30, 2022	Investment amount approved by the Investment Commission of Ministry of Economic Affairs (MOEA)	Ceiling of investments in Mainland China imposed by the Investment Commission of MOEA
Delta Electronics, Inc. (Notes 2 and 3)	\$ 29,711,252	\$ 29,711,252	\$ -
Cyntec Co., Ltd. (Note 5)	5,623,392	5,623,392	17,305,561
DelBio Inc. (Note 4)	118,880	118,800	112,206

Note 1: The accumulated amount remitted out of Taiwan to Mainland China and investment amount approved by the investment commission was translated into New Taiwan Dollars at the average exchange rate of NTD29.72 to US\$1 at the balance sheet date.

Note 2: The investment income of US\$22,000 thousand, US\$18,000 thousand, US\$10,509 thousand and US\$14,351 thousand were remitted back on March 11, 2011, June 27, 2012, August 14, 2012, June 24, 2009 and December 29, 2005, respectively, from the investee companies in Mainland China and was permitted by Investment Commission on August 3, 2012, August 28, 2012, July 17, 2009 and January 6, 2006, respectively, which are deductible from the Company's accumulated amount remitted out of Taiwan to Mainland China.

Note 3: According to "Regulation Governing the Approval of Investment or Technical Cooperation in Mainland China", the Company obtained the approval of operation headquarters from Industrial Development Bureau of Ministry of Economic Affairs. There is no ceiling of investment amount.

Note 4: The ceiling is calculated based on DelBio Inc.'s 60% of net assets as at June 30, 2022.

Note 5: Cyntec Co., Ltd. remitted back the investment income of US\$9,250 thousand on June 22, 2021 from the investee company in Mainland China, Cyntec Electronics (Suzhou) Co., Ltd., and was permitted by Investment Commission on August 4, 2021, which are deductible from Cyntec Co., Ltd.'s accumulated amount remitted out of Taiwan to Mainland China.

Delta Electronics, Inc. and Subsidiaries
Major shareholders information
June 30, 2022

Table 11

Name of major shareholders	Shares	No. of shares held	Ownership (%)
DEICO INTERNATIONAL LTD.		267,556,280	10.30%
DELTRON HOLDING LTD.		218,211,168	8.40%