

English Translation of Financial Statements Originally Issued in Chinese
KING YUAN ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(Amounts in thousands of New Taiwan Dollars)

Assets	2022/9/30	2021/12/31	2021/9/30
Current assets			
Cash and cash equivalents	12,659,362	8,649,932	8,525,555
Contract assets-current	95,071	178,880	172,957
Notes receivable, net	4,631	7,706	4,638
Accounts receivable, net	5,701,196	5,765,273	4,935,973
Accounts receivable from related parties, net	2,036,232	2,151,913	2,642,245
Other receivables	722,265	326,299	464,545
Other receivables from related parties	3,075	4,825	8,575
Current tax assets	0	315	315
Inventories, net	1,460,938	1,371,473	1,333,056
Prepayments	354,627	325,437	331,787
Other current assets	155,578	67,160	205,652
Other financial assets-current	4	3	3
Total current assets	23,192,979	18,849,216	18,625,301
Non-current assets			
Financial assets at fair value through other comprehensive income-non-curre	4,439,189	6,546,477	5,940,648
Investments accounted for using the equity method	85,118	79,126	75,138
Property, plant and equipment	46,342,619	45,576,661	44,115,831
Right-of-use assets	662,663	677,896	1,240,832
Intangible assets	48,658	73,599	68,671
Deferred tax assets	286,146	261,675	300,515
Other financial assets-non-current	146,406	105,972	105,916
Other non-current assets	33,219	49,561	13,887
Total non-current assets	52,044,018	53,370,967	51,861,438
Total assets	75,236,997	72,220,183	70,486,739

English Translation of Financial Statements Originally Issued in Chinese
KING YUAN ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (Continued)

(Amounts in thousands of New Taiwan Dollars)

Liabilities and shareholders' Equity	2022/9/30	2021/12/31	2021/9/30
Liabilities			
Current liabilities			
Short-term loans	1,535,512	566,856	329,906
Contract liabilities-current	160,254	157,024	110,933
Notes payable	22,129	10,066	10,947
Accounts payable	970,176	1,119,144	1,127,880
Accounts payable to related parties	16,962	21,414	29,071
Other payables	3,970,278	3,731,749	3,506,505
Other payables to related parties	127,582	98,930	90,177
Payables on equipment	702,375	1,778,300	992,214
Current tax liabilities	898,753	666,596	298,084
Lease liabilities-current	28,845	92,050	259,751
Current portion of long-term liabilities	1,384,961	2,017,322	2,243,723
Other current liabilities	1,370,109	884,648	878,572
Total current liabilities	11,187,936	11,144,099	9,877,763
Non-current liabilities			
Long-term loans	26,289,843	23,517,245	25,547,735
Deferred tax liabilities	1,362,739	1,527,445	1,309,572
Lease liabilities-non-current	473,233	492,615	494,312
Long-term deferred income	46,507	16,538	0
Net defined benefit liabilities	610,222	610,222	566,456
Guarantee deposits	33,094	33,851	6,762
Total non-current liabilities	28,815,638	26,197,916	27,924,837
Total liabilities	40,003,574	37,342,015	37,802,600
Equity			
Equity attributable to owners of the parent company			
Share capital			
Common stock	12,227,451	12,227,451	12,227,451
Capital surplus	4,910,058	4,885,134	4,876,984
Retained earnings			
Legal reserve	3,499,434	3,019,879	3,019,879
Special reserve	201,416	201,416	201,416
Undistributed earnings	11,765,482	10,580,312	8,992,126
Total retained earnings	15,466,332	13,801,607	12,213,421
Other equity	1,797,101	3,270,083	2,720,714
Equity attributable to owners of the parent company	34,400,942	34,184,275	32,038,570
Non-controlling interests	832,481	693,893	645,569
Total equity	35,233,423	34,878,168	32,684,139
Total liabilities and equities	75,236,997	72,220,183	70,486,739

English Translation of Financial Statements Originally Issued in Chinese
KING YUAN ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in thousands of New Taiwan Dollars, except for earnings per share)

	For the three months ended September 30		For the nine months ended September 30,	
	2022	2021	2022	2021
Net sales	9,020,335	8,997,022	27,932,433	24,225,238
Operating Costs	5,909,993	6,019,750	17,890,708	16,992,296
Gross Profit	3,110,342	2,977,272	10,041,725	7,232,942
Operating expenses				
Selling expenses	96,678	90,725	278,364	265,786
Administrative expenses	570,982	539,137	1,677,869	1,619,496
Research and development expenses	305,948	299,946	944,501	870,956
Expected credit losses	516	1,139	3,486	657
Total operating expenses	974,124	930,947	2,904,220	2,756,895
Operating Income	2,136,218	2,046,325	7,137,505	4,476,047
Non-operating income and expenses				
Interest income	11,034	4,784	25,475	18,008
Other income	22,539	15,847	188,292	136,013
Other gains and losses	(43,238)	9,851	(43,269)	232,252
Finance costs	(153,609)	(90,576)	(345,143)	(255,444)
Shares of profit of associates accounted for using the equity method	6,856	7,986	18,982	18,272
Total non-operating income and expenses	(156,418)	(52,108)	(155,663)	149,101
Net income before income tax	1,979,800	1,994,217	6,981,842	4,625,148
Income tax expense	450,561	454,198	1,533,572	1,073,576
Net income	1,529,239	1,540,019	5,448,270	3,551,572
Other comprehensive income				
Item that will not be reclassified subsequently to profit or loss:				
Unrealized gains or losses from equity instruments investments measured at fair value through other comprehensive income	(451,941)	630,311	(2,107,288)	1,495,450
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	90,388	(126,063)	421,301	(298,817)
Item that will be reclassified subsequently to profit or loss:				
Exchange differences resulting from translating the financial statements of foreign operations	104,924	(40,776)	287,501	(128,679)
Income tax related to components of other comprehensive income that will be reclassified to profit or loss	(19,431)	7,157	(53,251)	24,624
Total other comprehensive income, net of tax	(276,060)	470,629	(1,451,737)	1,092,578
Total comprehensive income	1,253,179	2,010,648	3,996,533	4,644,150
Net income attributable to:				
Owners of the parent company	1,497,084	1,522,087	5,332,960	3,533,492
Non-controlling interests	32,155	17,932	115,310	18,080
	1,529,239	1,540,019	5,448,270	3,551,572
Total comprehensive income attributable to:				
Owners of the parent company	1,213,258	1,997,707	3,859,978	4,631,628
Non-controlling interests	39,921	12,941	136,555	12,522
	1,253,179	2,010,648	3,996,533	4,644,150
Basic earnings per share	1.22	1.24	4.36	2.89
Diluted earnings per share	1.21	1.24	4.29	2.86

English Translation of Financial Statements Originally Issued in Chinese
KING YUAN ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Amounts in thousands of New Taiwan Dollars)

	Common stock	Capital surplus	Legal reserve	Special reserve	Undistributed earnings	Exchange differences resulting from translating the financial statements of foreign operations	Unrealized gains from equity instruments measured at fair value through other comprehensive income	Equity attributable to owners of the parent company	Non-controlling interests	Total equity
Balance as of January 1, 2021	12,227,451	4,588,172	2,656,958	402,406	8,147,631	(357,036)	1,653,489	29,319,071	7,005	29,326,076
Appropriation and distribution of 2020 earnings:										
Legal reserve			362,921		(362,921)			0		0
Cash dividends		(244,549)			(2,200,941)			(2,445,490)		(2,445,490)
Special reserve				(200,990)	200,990			0		0
Profit for the nine months ended September 30, 2021					3,533,492			3,533,492	18,080	3,551,572
Other comprehensive income for the nine months ended September 30, 2021						(98,497)	1,196,633	1,098,136	(5,558)	1,092,578
Total comprehensive income	0	0	0	0	3,533,492	(98,497)	1,196,633	4,631,628	12,522	4,644,150
Changes in ownership interests in subsidiaries		533,361						533,361	626,042	1,159,403
Disposal of equity instruments measured at fair value through other comprehensive income					(326,125)		326,125	0		0
Balance as of September 30, 2021	12,227,451	4,876,984	3,019,879	201,416	8,992,126	(455,533)	3,176,247	32,038,570	645,569	32,684,139
Balance as of January 1, 2022	12,227,451	4,885,134	3,019,879	201,416	10,580,312	(390,828)	3,660,911	34,184,275	693,893	34,878,168
Appropriation and distribution of 2021 earnings:										
Legal reserve			479,555		(479,555)			0		0
Cash dividends					(3,668,235)			(3,668,235)		(3,668,235)
Profit for the nine months ended September 30, 2022					5,332,960			5,332,960	115,310	5,448,270
Other comprehensive income for the nine months ended September 30, 2022						213,005	(1,685,987)	(1,472,982)	21,245	(1,451,737)
Total comprehensive income	0	0	0	0	5,332,960	213,005	(1,685,987)	3,859,978	136,555	3,996,533
Changes in ownership interests in subsidiaries		24,924						24,924	2,033	26,957
Balance as of September 30, 2022	12,227,451	4,910,058	3,499,434	201,416	11,765,482	(177,823)	1,974,924	34,400,942	832,481	35,233,423

English Translation of Financial Statements Originally Issued in Chinese
KING YUAN ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in thousands of New Taiwan Dollars)

	For the nine months ended September 30,	
	2022	2021
Cash flows from operating activities		
Profit before income tax from continuing operations	6,981,842	4,625,148
Adjustments for :		
Depreciation	6,907,639	6,667,812
Amortization	33,656	38,125
Expected credit loss	3,486	657
Interest expense	345,143	255,444
Interest income	(25,475)	(18,008)
Dividend income	(96,288)	(85,016)
Share-based payment expenses	26,920	11,650
Investment gain accounted for using the equity method	(18,982)	(18,272)
Gain on disposal of property, plant and equipment	(95,270)	(161,591)
Unrealized foreign exchange gain (loss)	1,193,541	(136,116)
Changes in operating assets and liabilities		
Contract assets	83,809	30,015
Notes receivable	3,075	(1,589)
Accounts receivable	60,781	(771,642)
Accounts receivable due from related parties	115,681	(917,294)
Other receivable	(366,277)	(305,521)
Other receivable due from related parties	1,811	18,311
Inventories	(89,465)	(352,087)
Prepayments	(29,121)	98,959
Other current assets	(88,418)	(153,809)
Contract liabilities	3,230	(118,670)
Notes payable	12,063	6,512
Accounts payable	(148,968)	9,925
Accounts payable to related parties	(4,452)	9,584
Other payable	220,556	594,787
Other payable to related parties	22,686	23,610
Other current liabilities	485,461	297,716
Other operating liabilities	29,969	0
Cash generated from operating activities	<u>15,568,633</u>	<u>9,648,640</u>
Interest received	14,043	18,561
Income taxes paid	<u>(1,122,227)</u>	<u>(889,276)</u>
Net cash provided by operating activities	<u>14,460,449</u>	<u>8,777,925</u>
Cash flows from investing activities		
Proceeds from disposal of financial assets at fair value through other comprehensive income	0	1,365
Acquisition of property, plant and equipment	(8,522,181)	(11,351,177)
Proceeds from disposal of property, plant and equipment	270,995	287,647
Decrease in refundable deposits	16,404	67,786
Acquisition of intangible assets	(8,603)	(20,444)
Acquisition of right-of-use assets	(76,557)	0
Increase in other financial assets	(40,435)	0
Decrease in other financial assets	0	9,754
Dividend received	109,278	98,006
Net cash used in investing activities	<u>(8,251,099)</u>	<u>(10,907,063)</u>
Cash flows from financing activities		
Increase in short-term loans	1,424,717	364,072
Decrease in short-term loans	(491,258)	(131,812)
Borrowing in long-term loans	14,675,876	14,250,931
Repayments of long-term loans	(13,705,055)	(10,152,956)
Increase in guarantee deposits	0	4,007
Decrease in guarantee deposits	(757)	0
Cash payment for the principal portion of the lease liabilities	(84,878)	(135,155)
Cash dividends	(3,668,235)	(2,445,490)
Interest paid	(314,873)	(244,869)
Change in non-controlling interests	0	1,147,768
Net cash (used in) provided by financing activities	<u>(2,164,463)</u>	<u>2,656,496</u>
Effect of change in exchange rate on cash and cash equivalents	<u>(35,457)</u>	<u>(10,333)</u>
Net increase in cash and cash equivalents	4,009,430	517,025
Cash and cash equivalents at the beginning of the period	<u>8,649,932</u>	<u>8,008,530</u>
Cash and cash equivalents at the end of the period	<u>12,659,362</u>	<u>8,525,555</u>