

Financial Statement – Balance Sheet

Provided by: LELON ELECTRONICS CORP.

Financial year: Yearly

Unit: NT\$ thousand

| Accounting Title | 2021/3/31 | 2020/12/31 | 2020/3/31 |
|---|-------------------|-------------------|-------------------|
| Balance Sheet | | | |
| Current assets | | | |
| Cash and cash equivalents | 2,223,953 | 2,670,354 | 2,398,293 |
| Current financial assets at fair value through profit or loss | 117,800 | 43,249 | 40,345 |
| Notes receivable, net | 167,609 | 144,575 | 141,653 |
| Accounts receivable, net | 2,385,363 | 2,342,711 | 1,886,357 |
| Other receivables | 10,765 | 21,546 | 7,709 |
| Current tax assets | 7,345 | 7,345 | 7,345 |
| Current inventories | 1,318,880 | 1,192,657 | 1,230,561 |
| Prepayments | 240,098 | 258,503 | 343,168 |
| Other current assets | 3,920 | 1,387 | 1,560 |
| Total current assets | 6,475,733 | 6,682,327 | 6,056,991 |
| Non-current assets | | | |
| Non-current financial assets at fair value through other comprehensive income | 23,579 | 28,511 | 28,270 |
| Property, plant and equipment | 4,426,970 | 4,301,814 | 3,720,583 |
| Right-of-use assets | 211,378 | 212,321 | 214,022 |
| Investment property, net | 26,910 | 27,005 | 27,292 |
| Intangible assets | 30,592 | 30,932 | 29,970 |
| Deferred tax assets | 103,159 | 107,928 | 98,560 |
| Other non-current assets | 271,902 | 174,377 | 181,083 |
| Total non-current assets | 5,094,490 | 4,882,888 | 4,299,780 |
| Total assets | 11,570,223 | 11,565,215 | 10,356,771 |
| Current liabilities | | | |
| Current borrowings | 993,034 | 1,314,809 | 2,017,957 |
| Short-term notes and bills payable | 189,947 | 219,881 | 309,857 |
| Current financial liabilities at fair value through profit or loss | 0 | 0 | 4,020 |
| Current contract liabilities | 90,520 | 83,015 | 32,510 |
| Notes payable | 42,065 | 37,396 | 32,834 |
| Accounts payable | 610,469 | 527,020 | 393,271 |
| Other payables | 394,694 | 433,308 | 330,719 |
| Current tax liabilities | 123,235 | 128,560 | 40,670 |
| Current lease liabilities | 2,470 | 2,425 | 2,014 |
| Other current liabilities | 176,180 | 217,088 | 154,948 |
| Total current liabilities | 2,622,614 | 2,963,502 | 3,318,800 |
| Non-current liabilities | | | |
| Bonds payable | 304,786 | 684,729 | 777,478 |
| Non-current portion of non-current borrowings | 335,310 | 338,050 | 418,720 |
| Deferred tax liabilities | 53,712 | 50,237 | 48,793 |
| Non-current lease liabilities | 35,983 | 36,415 | 36,546 |
| Other non-current liabilities | 88,676 | 88,642 | 84,614 |
| Total non-current liabilities | 818,467 | 1,198,073 | 1,366,151 |
| Total liabilities | 3,441,081 | 4,161,575 | 4,684,951 |
| Equity attributable to owners of parent | | | |
| Share capital | | | |
| Ordinary share | 1,532,635 | 1,450,867 | 1,292,198 |
| Certificate of entitlement to new shares from convertible bond | 61,566 | 81,768 | 0 |
| Total Share Capital | 1,594,201 | 1,532,635 | 1,292,198 |
| Capital surplus | | | |
| Total capital surplus | 1,832,355 | 1,612,221 | 719,263 |
| Retained earnings | | | |

| Accounting Title | 2021/3/31 | 2020/12/31 | 2020/3/31 |
|---|------------|------------|------------|
| Legal reserve | 374,574 | 374,574 | 331,275 |
| Special reserve | 353,305 | 353,305 | 224,867 |
| Unappropriated retained earnings (accumulated deficit) | 1,664,294 | 1,464,987 | 1,275,213 |
| Total retained earnings | 2,392,173 | 2,192,866 | 1,831,355 |
| Other equity interest | | | |
| Exchange differences on translation of foreign financial statements | -286,117 | -310,151 | -362,477 |
| Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income | -30,643 | -26,112 | -25,939 |
| Total other equity interest | -316,760 | -336,263 | -388,416 |
| Treasury shares | -343 | -343 | 0 |
| Total equity attributable to owners of parent | 5,501,626 | 5,001,116 | 3,454,400 |
| Non-controlling interests | 2,627,516 | 2,402,524 | 2,217,420 |
| Total equity | 8,129,142 | 7,403,640 | 5,671,820 |
| Total liabilities and equity | 11,570,223 | 11,565,215 | 10,356,771 |
| Number of share capital awaiting retirement | 0 | 0 | 0 |
| Equivalent issue shares of advance receipts for ordinary share | 0 | 0 | 0 |
| Number of shares in entity held by entity and by its subsidiaries | 10,000 | 10,000 | 0 |

Financial Statement – Income Statement

Provided by: LELON ELECTRONICS CORP.

Financial year: Yearly

Unit: NT\$ thousand

| Accounting Title | 2021/01/01T o2021/03/31 | 2020/01/01T o2020/03/31 |
|--|----------------------------|----------------------------|
| Income Statement | | |
| Net sales revenue | 2,125,178 | 1,567,647 |
| Total operating revenue | 2,125,178 | 1,567,647 |
| Total cost of sales | 1,518,491 | 1,166,480 |
| Total operating costs | 1,518,491 | 1,166,480 |
| Gross profit (loss) from operations | 606,687 | 401,167 |
| Gross profit (loss) from operations | 606,687 | 401,167 |
| Operating expenses | | |
| Selling expenses | 72,387 | 62,413 |
| Administrative expenses | 143,164 | 108,427 |
| Research and development expenses | 44,267 | 42,739 |
| Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9 | -2,357 | -7,891 |
| Total operating expenses | 257,461 | 205,688 |
| Net operating income (loss) | 349,226 | 195,479 |
| Non-operating income and expenses | | |
| Total interest income | 6,917 | 11,215 |
| Total other income | 14,087 | 27,332 |
| Other gains and losses, net | 27,550 | -7,661 |
| Finance costs, net | 12,477 | 17,744 |
| Total non-operating income and expenses | 36,077 | 13,142 |
| Profit (loss) from continuing operations before tax | 385,303 | 208,621 |
| Total tax expense (income) | 72,269 | 40,226 |
| Profit (loss) from continuing operations | 313,034 | 168,395 |
| Profit (loss) | 313,034 | 168,395 |
| Other comprehensive income | | |
| Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income | -5,080 | 3,082 |
| Income tax related to components of other comprehensive income that will not be reclassified to profit or loss | 0 | 0 |
| Components of other comprehensive income that will not be reclassified to profit or loss | -5,080 | 3,082 |
| Exchange differences on translation | 35,983 | -63,777 |
| Income tax related to components of other comprehensive income that will be reclassified to profit or loss | 0 | -1,446 |
| Components of other comprehensive income that will be reclassified to profit or loss | 35,983 | -62,331 |
| Other comprehensive income, net | 30,903 | -59,249 |
| Total comprehensive income | 343,937 | 109,146 |
| Profit (loss), attributable to: | | |
| Profit (loss), attributable to owners of parent | 199,307 | 118,967 |
| Profit (loss), attributable to non-controlling interests | 113,727 | 49,428 |

| Accounting Title | 2021/01/01T o2021/03/31 | 2020/01/01T o2020/03/31 |
|---|----------------------------|----------------------------|
| Comprehensive income, attributable to owners of parent | 218,810 | 83,856 |
| Comprehensive income, attributable to non-controlling interests | 125,127 | 25,290 |
| Basic earnings per share | | |
| Total basic earnings per share | 1.27 | 0.92 |
| Diluted earnings per share | | |
| Total diluted earnings per share | 1.26 | 0.91 |

Financial Statement — Statements of Cash Flows

Provided by: LELON ELECTRONICS CORP.

Financial year: Yearly

Unit: NT\$ thousand

| Accounting Title | 2021/01/01 To 2021/03/31 | 2020/01/01 To 2020/03/31 |
|--|-----------------------------|-----------------------------|
| Statements of Cash Flows | | |
| Cash flows from (used in) operating activities, indirect method | | |
| Profit (loss) from continuing operations before tax | 385,303 | 208,621 |
| Profit (loss) before tax | 385,303 | 208,621 |
| Depreciation expense | 91,475 | 84,174 |
| Amortization expense | 1,816 | 1,681 |
| Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense | -2,357 | -7,891 |
| Net loss (gain) on financial assets or liabilities at fair value through profit or loss | -3,600 | 15,063 |
| Interest expense | 12,477 | 17,744 |
| Interest income | -6,917 | -7,994 |
| Loss (gain) on disposal of property, plan and equipment | -39 | 0 |
| Property, plan and equipment transferred to expenses | 243 | 464 |
| Loss (gain) on disposal of investments | 0 | -1,978 |
| Other adjustments to reconcile profit (loss) | 8,899 | 2,681 |
| Total adjustments to reconcile profit (loss) | 101,997 | 103,944 |
| Decrease (increase) in financial assets at fair value through profit or loss, mandatorily measured at fair value | -70,821 | 891,501 |
| Decrease (increase) in notes receivable | -23,034 | -68,538 |
| Decrease (increase) in accounts receivable | -42,203 | 255,829 |
| Decrease (increase) in other receivable | 10,781 | 4,592 |
| Decrease (increase) in inventories | -129,370 | -134,864 |
| Decrease (increase) in prepayments | -13,952 | -6,397 |
| Decrease (increase) in other current assets | -2,533 | 2,208 |
| Decrease (increase) in other operating assets | -3,347 | 36,080 |
| Total changes in operating assets | -274,479 | 980,411 |
| Increase (decrease) in contract liabilities | 7,505 | -1,641 |
| Increase (decrease) in notes payable | 4,669 | -17,474 |
| Increase (decrease) in accounts payable | 83,449 | -73,431 |
| Increase (decrease) in other payable | -33,766 | -54,772 |
| Increase (decrease) in other current liabilities | -8,913 | 10,979 |
| Increase (decrease) in net defined benefit liability | -272 | -167 |
| Total changes in operating liabilities | 52,672 | -136,506 |
| Total changes in operating assets and liabilities | -221,807 | 843,905 |
| Total adjustments | -119,810 | 947,849 |
| Cash inflow (outflow) generated from operations | 265,493 | 1,156,470 |
| Interest received | 6,917 | 7,994 |
| Interest paid | -11,051 | -14,991 |
| Income taxes refund (paid) | -69,350 | -58,419 |
| Net cash flows from (used in) operating activities | 192,009 | 1,091,054 |
| Cash flows from (used in) investing activities | | |
| Acquisition of property, plant and equipment | -155,262 | -37,683 |
| Proceeds from disposal of property, plant and equipment | 134 | 0 |
| Acquisition of intangible assets | -858 | 0 |
| Acquisition of investment properties | 0 | 0 |
| Increase in prepayments for business facilities | -102,277 | -52,533 |
| Net cash flows from (used in) investing activities | -258,263 | -90,216 |
| Cash flows from (used in) financing activities | | |
| Increase in short-term loans | 938,388 | 3,662,393 |
| Decrease in short-term loans | -1,260,163 | -3,753,607 |

| Accounting Title | 2021/01/01 To 2021/03/31 | 2020/01/01 To 2020/03/31 |
|---|-----------------------------|-----------------------------|
| Increase in short-term notes and bills payable | 410,316 | 460,055 |
| Decrease in short-term notes and bills payable | -440,250 | -250,137 |
| Repayments of long-term debt | -36,955 | -4,375 |
| Increase in guarantee deposits received | 306 | -708 |
| Payments of lease liabilities | -595 | -601 |
| Net cash flows from (used in) financing activities | -388,953 | 113,020 |
| Effect of exchange rate changes on cash and cash equivalents | 8,806 | -24,878 |
| Net increase (decrease) in cash and cash equivalents | -446,401 | 1,088,980 |
| Cash and cash equivalents at beginning of period | 2,670,354 | 1,309,313 |
| Cash and cash equivalents at end of period | 2,223,953 | 2,398,293 |
| Cash and cash equivalents reported in the statement of financial position | 2,223,953 | 2,398,293 |

Financial Statement — Statements of Changes in Stockholders' Equity

Provided by: LELON ELECTRONICS CORP.

Financial year: Yearly

Unit: NT\$ thousand

2021/03/31 Statement of Stockholders' Equity

Unit: NT\$ thousand

| Accounting Title | Ordinary share | Certificate of entitlement to new shares from convertible bond | Total share capital | Capital surplus | Legal reserve | Special reserve | Unappropriated retained earnings (accumulated deficit) | Total retained earnings | Exchange differences on translation of foreign financial statements | Unrealised gains (losses) on financial assets measured at fair value through other comprehensive income | Total other equity interest | Treasury shares | Total equity attributable to owners of parent | Non-controlling interests | Total equity |
|--|----------------|--|---------------------|-----------------|---------------|-----------------|--|-------------------------|---|---|-----------------------------|-----------------|---|---------------------------|--------------|
| Equity at beginning of period | 1,450,867 | 81,768 | 1,532,635 | 1,612,221 | 374,574 | 353,305 | 1,464,987 | 2,192,866 | -310,151 | -26,112 | -336,263 | -343 | 5,001,116 | 2,402,524 | 7,403,640 |
| Profit (loss) | 0 | 0 | 0 | 0 | 0 | 0 | 199,307 | 199,307 | 0 | 0 | 0 | 0 | 199,307 | 113,727 | 313,034 |
| Other comprehensive income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 24,034 | -4,531 | 19,503 | 0 | 19,503 | 11,400 | 30,903 |
| Total comprehensive income | 0 | 0 | 0 | 0 | 0 | 0 | 199,307 | 199,307 | 24,034 | -4,531 | 19,503 | 0 | 218,810 | 125,127 | 343,937 |
| Conversion of convertible bonds | 81,768 | -20,202 | 61,566 | 207,287 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 268,853 | 0 | 268,853 |
| Changes in ownership interests in subsidiaries | 0 | 0 | 0 | 12,847 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 12,847 | 99,865 | 112,712 |
| Total increase (decrease) in equity | 81,768 | -20,202 | 61,566 | 220,134 | 0 | 0 | 199,307 | 199,307 | 24,034 | -4,531 | 19,503 | 0 | 500,510 | 224,992 | 725,502 |
| Equity at end of period | 1,532,635 | 61,566 | 1,594,201 | 1,832,355 | 374,574 | 353,305 | 1,664,294 | 2,392,173 | -286,117 | -30,643 | -316,760 | -343 | 5,501,626 | 2,627,516 | 8,129,142 |

2020/03/31 Statement of Stockholders' Equity

Unit: NT\$ thousand

| Accounting Title | Ordinary share | Total share capital | Capital surplus | Legal reserve | Special reserve | Unappropriated retained earnings (accumulated deficit) | Total retained earnings | Exchange differences on translation of foreign financial statements | Unrealised gains (losses) on financial assets measured at fair value through other comprehensive income | Total other equity interest | Treasury shares | Total equity attributable to owners of parent | Non-controlling interests | Total equity |
|-------------------------------------|----------------|---------------------|-----------------|---------------|-----------------|--|-------------------------|---|---|-----------------------------|-----------------|---|---------------------------|--------------|
| Equity at beginning of period | 1,292,198 | 1,292,198 | 719,263 | 331,275 | 224,867 | 1,156,246 | 1,712,388 | -324,659 | -28,646 | -353,305 | | 3,370,544 | 2,192,130 | 5,562,674 |
| Profit (loss) | 0 | 0 | 0 | 0 | 0 | 118,967 | 118,967 | 0 | 0 | 0 | | 118,967 | 49,428 | 168,395 |
| Other comprehensive income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -37,818 | 2,707 | -35,111 | | -35,111 | -24,138 | -59,249 |
| Total comprehensive income | 0 | 0 | 0 | 0 | 0 | 118,967 | 118,967 | -37,818 | 2,707 | -35,111 | | 83,856 | 25,290 | 109,146 |
| Total increase (decrease) in equity | 0 | 0 | 0 | 0 | 0 | 118,967 | 118,967 | -37,818 | 2,707 | -35,111 | | 83,856 | 25,290 | 109,146 |
| Equity at end of period | 1,292,198 | 1,292,198 | 719,263 | 331,275 | 224,867 | 1,275,213 | 1,831,355 | -362,477 | -25,939 | -388,416 | | 3,454,400 | 2,217,420 | 5,671,820 |