

**NAN YA PRINTED CIRCUIT BOARD
CORPORATION AND SUBSIDIARIES**

Consolidated Financial Statements

**With Independent Auditors' Review Report
For the Three Months Ended March 31, 2022 and 2021**

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The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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Independent Auditors' Review Report

To the Board of Directors of
Nan Ya Printed Circuit Board Corporation:

Introduction

We have reviewed the accompanying consolidated balance sheets of Nan Ya Printed Circuit Board Corporation and its subsidiaries as of March 31, 2022 and 2021, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2022 and 2021, 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 Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

We conducted our reviews in accordance with Statement of Auditing Standards 65, "Review of Financial Information Performed by the Independent Auditor of the Entity". A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the generally accepted auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Nan Ya Printed Circuit Board Corporation and its subsidiaries as of March 31, 2022 and 2021, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2022 and 2021 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Hui-Chih Ko and Tzu-Hui Lee.

KPMG

Taipei, Taiwan (Republic of China)
May 5, 2022

Notes to Readers

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

The independent auditors’ review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors’ review report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Reviewed only, not audited in accordance with generally accepted auditing standards as of March 31, 2022 and 2021

NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES

Consolidated Balance Sheets

March 31, 2022, December 31 and March 31, 2021

(Expressed in Thousands of New Taiwan Dollars)

Assets		March 31, 2022		December 31, 2021		March 31, 2021		Liabilities and equity		March 31, 2022		December 31, 2021		March 31, 2021												
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%											
Current assets:								Current liabilities:																		
1100	Cash and cash equivalents (note 6(a))	\$	13,299,488	22	13,194,450	23	5,466,255	12	2100	Current borrowings (note 6(h))	\$	582,941	1	1,214,969	2	149,219	-									
1170	Notes and accounts receivable, net (notes 6(b)(o))		11,094,061	18	10,981,794	20	8,892,081	20	2130	Current contract liabilities(note 6(o))		233,371	-	112,399	-	-	-									
1180	Accounts receivable due from related parties (notes 6(b)(o) and 7)		157,426	-	79,757	-	71,717	-	2170	Accounts payable		3,714,671	6	3,385,225	6	3,291,864	8									
1200	Other receivables (note 6(c))		227,631	-	63,500	-	211,887	-	2180	Accounts payable to related parties(note 7)		265,266	-	272,317	-	256,885	1									
1210	Other receivables due from related parties (notes 6(c) and 7)		3,643	-	7,193	-	3,000,000	7	2200	Other payables		2,072,357	3	3,052,073	6	1,606,281	4									
1310	Current inventories (note 6(d))		5,275,316	9	5,347,835	10	5,293,458	12	2220	Other payables to related parties(note 7)		29,614	-	50,113	-	1,389,703	3									
1410	Prepayments		561,832	1	501,116	1	212,141	-	2230	Current tax liabilities		2,371,656	4	1,590,041	4	-	-									
Total current assets			30,619,397	50	30,175,645	54	23,147,539	51	2282	Current lease liabilities, related parties (notes 6(j) and 7)		121,778	-	154,013	-	160,186	-									
Non-current assets:								Non-current liabilities:																		
1550	Investments accounted for using equity method (note 6(e))		513,094	1	501,678	1	502,115	1	2322	Long-term borrowings, current portion (note 6(i))		469,690	1	454,395	1	203,214	-									
1600	Property, plant and equipment (note 6(f) and 7)		29,045,530	47	24,471,003	43	20,624,659	46	2399	Other current liabilities, others		388,909	1	230,836	-	210,414	-									
1755	Right-of-use assets (note 6(g) and 7)		372,137	1	402,488	1	236,100	1	Total current liabilities								10,250,253	16	10,516,381	19	7,267,766	16				
1840	Deferred tax assets		675,131	1	788,842	1	572,640	1	Non-current liabilities:																	
1900	Other non-current assets		8,425	-	5,519	-	5,625	-	2527	Non-current contract liabilities (note 6(o))		1,381,243	2	711,975	1	-	-	2540	Non-current portion of non-current borrowings (note 6(i))		185,544	-	227,197	-	519,769	1
Total non-current assets			30,614,317	50	26,169,530	46	21,941,139	49	2570	Deferred tax liabilities		2,074,413	4	1,871,276	4	1,313,232	3	2582	Non-current lease liabilities, related parties (notes6(j) and 7)		220,971	-	220,264	-	46,001	-
									2640	Net defined benefit liability, non-current		2,174,651	4	2,189,580	4	1,964,216	5	2645	Guarantee deposits received		130,573	-	129,528	-	84,811	-
									Total non-current liabilities								6,167,395	10	5,349,820	9	3,928,029	9				
									Total liabilities								16,417,648	26	15,866,201	28	11,195,795	25				
									Equity (note 6(m)):																	
									3100	Ordinary shares		6,461,655	11	6,461,655	11	6,461,655	15	3200	Capital surplus		18,125,600	30	18,125,600	32	18,125,555	40
									3310	Legal reserve		4,859,640	8	4,859,640	9	4,512,049	10	3320	Special reserve		592,160	1	592,160	1	592,160	1
									3350	Unappropriated retained earnings		15,184,970	25	11,301,164	20	5,060,743	11	3400	Other equity interest		(407,959)	(1)	(861,245)	(1)	(859,279)	(2)
									Total equity								44,816,066	74	40,478,974	72	33,892,883	75				
Total assets		\$	61,233,714	100	56,345,175	100	45,088,678	100	Total liabilities and equity								\$	61,233,714	100	56,345,175	100	45,088,678	100			

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Reviewed only, not audited in accordance with generally accepted auditing standards

NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the three months ended March 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

		For the three months ended March 31,			
		2022		2021	
		Amount	%	Amount	%
4000	Operating revenue (notes 6(o) and 7)	\$ 14,561,655	100	10,855,819	100
5000	Operating costs (notes 6(d)(f)(g)(j)(k)(p) and 7)	9,169,153	63	8,655,875	80
	Gross profit from operations	5,392,502	37	2,199,944	20
	Operating expenses (notes 6(b)(f)(g)(j)(k)(p) and 7):				
6100	Selling expenses	182,830	1	129,379	1
6200	Administrative expenses	423,682	3	336,168	3
6450	Expected credit gain	(484)	-	-	-
6000	Total operating expenses	606,028	4	465,547	4
6900	Net operating income	4,786,474	33	1,734,397	16
	Non-operating income and expenses (notes 6(e)(f)(j)(q) and 7):				
7100	Interest income	9,536	-	15,378	-
7010	Other income	41,072	-	54,622	1
7020	Other gains and losses	369,089	3	29,892	-
7050	Finance costs	(4,559)	-	(2,451)	-
7060	Share of profit of associates accounted for using equity method	12,975	-	10,995	-
	Total non-operating income and expenses	428,113	3	108,436	1
	Profit before tax	5,214,587	36	1,842,833	17
7950	Less: Tax expense (note 6(l))	1,330,781	9	257,996	2
	Profit	3,883,806	27	1,584,837	15
8300	Other comprehensive income (notes 6(e)(l)(m)):				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8320	Share of other comprehensive income of associates accounted for using equity method	(1,559)	-	3,968	-
8349	Less: income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will not be reclassified to profit or loss	(1,559)	-	3,968	-
8360	Components of other comprehensive income that will be reclassified to profit or loss				
8361	Exchange differences on translation	568,556	3	(73,264)	(1)
8399	Less: income tax related to components of other comprehensive income that will be reclassified to profit or loss	113,711	-	(14,653)	-
	Components of other comprehensive income that will be reclassified to profit or loss	454,845	3	(58,611)	(1)
8300	Other comprehensive income, net	453,286	3	(54,643)	(1)
	Total comprehensive income	\$ 4,337,092	30	1,530,194	14
	Earnings per share(note 6(n))				
9750	Basic earnings per share	\$ 6.01		2.45	
9850	Diluted earnings per share	\$ 6.01		2.45	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
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NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES

Consolidated Statements of Changes in Equity
For the three months ended March 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

						Other equity interest		
	Ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total equity
Balance at January 1, 2021	\$ 6,461,655	18,125,555	4,512,049	592,160	3,475,906	(804,611)	(25)	32,362,689
Profit for the three months ended March 31, 2021	-	-	-	-	1,584,837	-	-	1,584,837
Other comprehensive income for the three months ended March 31, 2021	-	-	-	-	-	(58,611)	3,968	(54,643)
Total comprehensive income for the three months ended March 31, 2021	-	-	-	-	1,584,837	(58,611)	3,968	1,530,194
Balance at March 31, 2021	<u>\$ 6,461,655</u>	<u>18,125,555</u>	<u>4,512,049</u>	<u>592,160</u>	<u>5,060,743</u>	<u>(863,222)</u>	<u>3,943</u>	<u>33,892,883</u>
Balance at January 1, 2022	\$ 6,461,655	18,125,600	4,859,640	592,160	11,301,164	(860,048)	(1,197)	40,478,974
Profit for the three months ended March 31, 2022	-	-	-	-	3,883,806	-	-	3,883,806
Other comprehensive income for the three months ended March 31, 2022	-	-	-	-	-	454,845	(1,559)	453,286
Total comprehensive income for the three months ended March 31, 2022	-	-	-	-	3,883,806	454,845	(1,559)	4,337,092
Balance at March 31, 2022	<u>\$ 6,461,655</u>	<u>18,125,600</u>	<u>4,859,640</u>	<u>592,160</u>	<u>15,184,970</u>	<u>(405,203)</u>	<u>(2,756)</u>	<u>44,816,066</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
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NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the three months ended March 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	For the three months ended March 31	
	2022	2021
Cash flows from operating activities:		
Profit before tax	\$ 5,214,587	1,842,833
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	1,050,922	796,772
Expected credit gain	(484)	-
Interest expense	4,559	2,451
Interest income	(9,536)	(15,378)
Share of profit of associates accounted for using equity method	(12,975)	(10,995)
Loss on disposal of property, plant and equipment	2,395	5,764
Reversal of impairment loss on non-financial assets	-	(7)
Unrealized foreign exchange gain	(221,993)	(53,120)
Total adjustments to reconcile profit	812,888	725,487
Changes in operating assets and liabilities:		
Changes in operating assets:		
(Increase) decrease in notes and accounts receivable (including related parties)	(7,138)	249,171
Increase in other receivables	(160,389)	(29,957)
Decrease (increase) in inventories	70,228	(304,249)
(Increase) decrease in prepayments	(57,007)	142,419
Total changes in operating assets	(154,306)	57,384
Changes in operating liabilities:		
Increase in contract liabilities	788,801	-
Increase (decrease) in accounts payable (including related parties)	324,881	(169,583)
Decrease in other payables (including related parties)	(999,936)	(479,039)
Increase (decrease) in other current liabilities	158,073	(66,794)
Decrease in net defined benefit liabilities	(14,929)	(6,721)
Total changes in operating liabilities	256,890	(722,137)
Total changes in operating assets and liabilities	102,584	(664,753)
Total adjustments	915,472	60,734
Cash inflow generated from operations	6,130,059	1,903,567
Interest received	9,462	14,873
Interest paid	(4,866)	(6,658)
Income taxes (paid) refund	(363,068)	(1,124)
Net cash flows from operating activities	5,771,587	1,910,658
Cash flows used in investing activities:		
Acquisition of property, plant and equipment	(5,130,557)	(1,732,486)
Proceeds from disposal of property, plant and equipment	10,232	1,753
Increase in other non-current assets	(2,906)	(656)
Net cash flows used in investing activities	(5,123,231)	(1,731,389)
Cash flows used in financing activities:		
Increase in short-term loans	294,811	406,592
Decrease in short-term loans	(955,526)	(551,139)
Proceeds from long-term debt	-	96,338
Repayments of long-term debt	(49,200)	-
Increase (decrease) in guarantee deposits received	1,045	(22,132)
Decrease in other payables to related parties	-	(158,068)
Payment of lease liabilities	(54,639)	(45,683)
Net cash flows used in financing activities	(763,509)	(274,092)
Effect of exchange rate changes on cash and cash equivalents	220,191	(12,076)
Net increase (decrease) in cash and cash equivalents	105,038	(106,899)
Cash and cash equivalents at beginning of period	13,194,450	5,573,154
Cash and cash equivalents at end of period	\$ 13,299,488	5,466,255

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Reviewed only, not audited in accordance with generally accepted auditing standards

NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

March 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(1) Company history

Nan Ya Printed Circuit Board Corporation “the Company” was legally established with the approval by the Ministry of Economic Affairs on October 28, 1997, with registered address at 3F, No.201-36, Dunhua N. Rd., Jingzhong Vil., Songshan Dist., Taipei City, Taiwan. The Company and its subsidiaries “the Group” main operating activities are primarily in the manufacturing and selling of printed circuit boards.

(2) Approval date and procedures of the consolidated financial statements

The accompanying consolidated financial statements were approved and authorized for issuance by the Board of Directors on May 5, 2022.

(3) New standards, amendments and interpretations adopted:

- (a) The impact of the International Financial Reporting Standards (“IFRSs”) endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2022:

- Amendments to IAS 16 “Property, Plant and Equipment—Proceeds before Intended Use”
- Amendments to IAS 37 “Onerous Contracts—Cost of Fulfilling a Contract”
- Annual Improvements to IFRS Standards 2018–2020
- Amendments to IFRS 3 “Reference to the Conceptual Framework”

- (b) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective date per IASB
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of balance sheet, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity.	January 1, 2023

(Continued)

NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements

Standards or Interpretations	Content of amendment	Effective date per IASB
Amendments to IAS 1 “Disclosure of Accounting Policies”	The key amendments to IAS 1 include: <ul style="list-style-type: none"> • requiring companies to disclose their material accounting policies rather than their significant accounting policies; • clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and • clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company’s financial statements. 	January 1, 2023
Amendments to IAS 8 “Definition of Accounting Estimates”	The amendments introduce a new definition for accounting estimates: clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy.	January 1, 2023
Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”	The amendments narrowed the scope of the recognition exemption so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.	January 1, 2023

The Group is evaluating the impact of its initial adoption of the abovementioned standards or interpretations on its consolidated financial position and consolidated financial performance. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”

(Continued)

NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements

(4) Summary of significant accounting policies

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except as described in (c) employee benefits and (d) income taxes below, the significant accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2021. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2021 .

(b) Basis of consolidation

(i) List of subsidiaries in the consolidated financial statements include:

Investor	Name of subsidiary	Business activity	Percentage of ownership (%)		
			March 31, 2022	December 31, 2021	March 31, 2021
The Company	NPUC	Selling and other services	100 %	100 %	100 %
The Company	NPHK	Selling and investing in electronic products	100 %	100 %	100 %
NPHK	NPKC	Producing and selling PCB	100 %	100 %	100 %

(ii) Subsidiaries excluded from the consolidated financial statements: None.

(c) Employee benefits

The pension cost in the interim period was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events.

(d) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of International Accounting Standards 34 “ Interim Financial Reporting”.

Income tax expenses for the period are best estimated by multiplying the pre-tax income for the interim reporting period using the effective annual tax rate as forecasted by the management, and allocated to current and deferred taxes based on its proportionate size.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time the asset or liability is recovered or settled, and should be recognized directly in equity or other comprehensive income as tax expense.

(Continued)

NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with the Regulations and IFRSs (in accordance with IAS 34 “Interim Financial Reporting” and endorsed by the FSC) requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2021. For related information, please refer to note 5 of the consolidated financial statements for the year ended December 31, 2021.

(6) Explanation of significant accounts

Except as described below, the description of significant accounts in the accompanying consolidated financial statements is not materially different from those in the consolidated financial statements as of and for the year ended December 31, 2021. Please refer to note 6 of the consolidated financial statements as of and for the year ended December 31, 2021 for relevant information.

(a) Cash and cash equivalents

	March 31, 2022	December 31, 2021	March 31, 2021
Cash on hand	\$ 17	30	300
Cash in banks	5,503,017	1,735,833	1,003,182
Time deposits	6,101,954	7,090,772	2,202,459
Cash equivalents	<u>1,694,500</u>	<u>4,367,815</u>	<u>2,260,314</u>
	<u>\$ 13,299,488</u>	<u>13,194,450</u>	<u>5,466,255</u>

Please refer to note 6(r) for the interest rate risk and sensitivity analysis of the consolidated financial assets and liabilities of the Group.

(b) Notes and accounts receivables

	March 31, 2022	December 31, 2021	March 31, 2021
Notes receivable from operating activities	\$ 6,988	-	-
Accounts receivable—non-related parties-measured at amortized cost	11,135,027	11,030,225	8,940,511
Accounts receivable—related parties-measured at amortized cost	157,426	79,757	71,717
Less: Loss allowance	<u>(47,954)</u>	<u>(48,431)</u>	<u>(48,430)</u>
	<u>\$ 11,251,487</u>	<u>11,061,551</u>	<u>8,963,798</u>

(Continued)

NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements

As of March 31, 2022, December 31 and March 31, 2021, the Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, notes receivable and accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information.

The aging analysis of notes and accounts receivable with expected credit losses was determined as follows:

As of March 31, 2021, the Group applies the incurred loss model to consider the loss allowance provision of notes and trade receivable, and the aging analysis of notes and trade receivable as of and March 31, 2021, which was past due but not impaired, was as follows:

	March 31, 2022		
	Notes and accounts receivables gross carrying amount	Weighted average loss rate	Loss allowance provision
Current	\$ 11,188,032	0.006%~0.552%	47,157
Past due within 3 months	111,375	0.639%~1.232%	776
Past due 6 to 12 months	34	60.099%	21
	\$ 11,299,441		47,954
	December 31, 2021		
	Accounts receivables gross carrying amount	Weighted average loss rate	Loss allowance provision
Current	\$ 11,016,340	0.005%~0.547%	47,725
Past due within 3 months	93,559	0.632%~0.835%	686
Past due 3 to 6 months	83	23.929%~25%	20
	\$ 11,109,982		48,431
	March 31, 2021		
	Accounts receivables gross carrying amount	Weighted average loss rate	Loss allowance provision
Current	\$ 8,739,236	0.512%	44,720
Past due within 3 months	269,932	0.878%	2,370
Past due 3 to 6 months	1,937	23.311%	451
Past due 6 to 12 months	588	60.190%	354
More than 1 year past due	535	100%	535
	\$ 9,012,228		48,430

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NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES
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The movements in the allowance for notes and accounts receivable were as follows:

	For the three months ended March 31,	
	2022	2021
Balance as of January 1	\$ 48,431	48,434
Impairment losses reversed	(484)	-
Effect of exchange rate changes	7	(4)
Balance as of March 31	<u><u>\$ 47,954</u></u>	<u><u>48,430</u></u>

As of March 31, 2022, December 31 and March 31, 2021, the notes and accounts receivable of the Group had been pledged as collateral for current borrowings; please refer to note 8.

(c) Other receivables

	March 31, 2022	December 31, 2021	March 31, 2021
Other receivables — loans to parent company	\$ -	-	3,000,000
Other receivables — other related parties	3,643	7,193	-
Income tax refund receivable	205,258	56,427	192,485
Others	<u>22,373</u>	<u>7,073</u>	<u>19,402</u>
	<u><u>\$ 231,274</u></u>	<u><u>70,693</u></u>	<u><u>3,211,887</u></u>

For further credit risk information, please refers to note 6(r).

(d) Inventories

	March 31, 2022	December 31, 2021	March 31, 2021
Finished goods	\$ 935,817	852,624	1,087,290
Work in process	2,781,704	2,764,291	2,672,391
Raw materials	1,092,884	1,167,558	1,114,188
Supplies	<u>464,911</u>	<u>563,362</u>	<u>419,589</u>
	<u><u>\$ 5,275,316</u></u>	<u><u>5,347,835</u></u>	<u><u>5,293,458</u></u>

For the three months ended March 31, 2022 and 2021, raw materials, supplies, and changes in the finished goods and work in process recognized as cost of goods sold amounted to \$9,162,485 and \$8,638,963, respectively.

For the three months ended March 31, 2022 and 2021, the write-down of inventories amounted to \$6,668 and \$16,912, respectively.

As of March 31, 2022, December 31 and March 31, 2021, the Group did not provide any inventories as collateral for its loan.

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(e) Investments accounted for using the equity method

The components of the investments accounted for using the equity method were as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Associates	<u>\$ 513,094</u>	<u>501,678</u>	<u>502,115</u>

The Group's financial information on investments accounted for using the equity method that are individually insignificant was as follows:

	For the three months ended March 31,	
	2022	2021
Attributable to the Group:		
Net income	\$ 12,975	10,995
Other comprehensive income	<u>(1,559)</u>	<u>3,968</u>
Total comprehensive income	<u>\$ 11,416</u>	<u>14,963</u>

(i) Collateral

As of March 31, 2022, December 31 and March 31, 2021, the Group did not provide any investments accounted for using the equity method as collateral for its loans.

(f) Property, plant and equipment

The cost and accumulated depreciation and impairment of the property, plant and equipment of the Group for the three months ended March 31, 2022 and 2021 were as follows:

	Building	Machinery and equipment	Vehicles	Miscellaneous equipment	Construction in progress	Total
Cost:						
Balance as of January 1, 2022	\$ 4,469,304	50,517,957	18,803	4,953,237	2,107,969	62,067,270
Additions	-	103,628	-	8,448	5,018,481	5,130,557
Disposals	-	(287,990)	-	(221,247)	-	(509,237)
Reclassification	-	1,282,712	-	13,527	(1,296,239)	-
Effect of exchange rate changes	<u>88,139</u>	<u>860,705</u>	<u>154</u>	<u>7,790</u>	<u>24,065</u>	<u>980,853</u>
Balance as of March 31, 2022	<u>\$ 4,557,443</u>	<u>52,477,012</u>	<u>18,957</u>	<u>4,761,755</u>	<u>5,854,276</u>	<u>67,669,443</u>
Balance as of January 1, 2021	\$ 4,454,879	44,313,627	20,073	4,638,633	3,910,170	57,337,382
Additions	-	50,164	-	29,137	1,664,981	1,744,282
Disposals	-	(412,374)	(1,024)	(12,242)	-	(425,640)
Reclassification	-	1,014,433	-	3,001	(1,017,434)	-
Effect of exchange rate changes	<u>(14,330)</u>	<u>(116,087)</u>	<u>(28)</u>	<u>(1,117)</u>	<u>(23,648)</u>	<u>(155,210)</u>
Balance as of March 31, 2021	<u>\$ 4,440,549</u>	<u>44,849,763</u>	<u>19,021</u>	<u>4,657,412</u>	<u>4,534,069</u>	<u>58,500,814</u>

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NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES
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	<u>Building</u>	<u>Machinery and equipment</u>	<u>Vehicles</u>	<u>Miscellaneous equipment</u>	<u>Construction in progress</u>	<u>Total</u>
Accumulated depreciation and impairment:						
Balance as of January 1, 2022	\$ 2,689,897	30,829,691	11,617	4,065,062	-	37,596,267
Depreciation for the period	40,591	919,694	342	35,635	-	996,262
Disposals	-	(275,011)	-	(221,599)	-	(496,610)
Effect of exchange rate changes	52,026	468,065	122	7,781	-	527,994
Balance as of March 31, 2022	<u>\$ 2,782,514</u>	<u>31,942,439</u>	<u>12,081</u>	<u>3,886,879</u>	<u>-</u>	<u>38,623,913</u>
Balance as of January 1, 2021	\$ 2,535,260	31,212,346	11,561	3,868,094	-	37,627,261
Depreciation for the period	41,040	678,363	345	31,203	-	750,951
Impairment loss	-	(7)	-	-	-	(7)
Disposals	-	(405,288)	(596)	(12,239)	-	(418,123)
Reclassification	-	7,398	-	(7,398)	-	-
Effect of exchange rate changes	(8,026)	(74,701)	(21)	(1,179)	-	(83,927)
Balance as of March 31, 2021	<u>\$ 2,568,274</u>	<u>31,418,111</u>	<u>11,289</u>	<u>3,878,481</u>	<u>-</u>	<u>37,876,155</u>
Carrying amounts:						
Balance as of March 31, 2022	<u>\$ 1,774,929</u>	<u>20,534,573</u>	<u>6,876</u>	<u>874,876</u>	<u>5,854,276</u>	<u>29,045,530</u>
Balance as of December 31, 2021	<u>\$ 1,779,407</u>	<u>19,688,266</u>	<u>7,186</u>	<u>888,175</u>	<u>2,107,969</u>	<u>24,471,003</u>
Balance as of March 31, 2021	<u>\$ 1,872,275</u>	<u>13,431,652</u>	<u>7,732</u>	<u>778,931</u>	<u>4,534,069</u>	<u>20,624,659</u>

For gains and losses on disposals and interest rate of capitalization, please refer to note 6(q).

(g) Right-of-use assets

The Group leases assets including land and buildings, as recognized right-of-use assets. Information about leases for which the Group as a lessee was presented below:

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
Cost:			
Balance as of January 1, 2022	\$ 301,748	457,327	759,075
Change in an index of lease payment	23,111	-	23,111
Effect of exchange rate changes	1,330	-	1,330
Balance as of March 31, 2022	<u>\$ 326,189</u>	<u>457,327</u>	<u>783,516</u>
Balance as of January 1, 2021	\$ 183,653	384,338	567,991
Change in an index of lease payment	579	-	579
Effect of exchange rate changes	(219)	-	(219)
Balance as of March 31, 2021	<u>\$ 184,013</u>	<u>384,338</u>	<u>568,351</u>
Accumulated depreciation:			
Balance as of January 1, 2022	\$ 31,636	324,951	356,587
Depreciation for the period	15,125	39,535	54,660
Effect of exchange rate changes	132	-	132
Balance as of March 31, 2022	<u>\$ 46,893</u>	<u>364,486</u>	<u>411,379</u>

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NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES
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	Land	Buildings	Total
Balance as of January 1, 2021	\$ 105,862	180,585	286,447
Depreciation for the period	13,780	32,041	45,821
Effect of exchange rate changes	(17)	-	(17)
Balance as of March 31, 2021	<u><u>\$ 119,625</u></u>	<u><u>212,626</u></u>	<u><u>332,251</u></u>
Carrying amount:			
Balance as of March 31, 2022	<u><u>\$ 279,296</u></u>	<u><u>92,841</u></u>	<u><u>372,137</u></u>
Balance as of December 31, 2021	<u><u>\$ 270,112</u></u>	<u><u>132,376</u></u>	<u><u>402,488</u></u>
Balance as of March 31, 2021	<u><u>\$ 64,388</u></u>	<u><u>171,712</u></u>	<u><u>236,100</u></u>

(h) Current borrowings

Details of current borrowings of the Group were as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Secured bank loans	<u><u>\$ -</u></u>	<u><u>-</u></u>	<u><u>149,219</u></u>
Unsecured bank loans	<u><u>\$ 582,941</u></u>	<u><u>1,214,969</u></u>	<u><u>-</u></u>
Range of interest rates	<u><u>0.59%-1.63%</u></u>	<u><u>0.5379%-0.5900%</u></u>	<u><u>0.75%</u></u>

(i) Non-current portion of non-current borrowings

The non-current portion of non-current borrowings consisted of the following:

	March 31, 2022			
	Currency	Interest rate range	Expiration	Amount
Unsecured long-term bank loans	USD	1.0167%-1.5440%	2023	\$ 655,234
Less: current portion				469,690
Total				\$ 185,544
Unused quota				\$ -
	December 31, 2021			
	Currency	Interest rate range	Expiration	Amount
Unsecured long-term bank loans	USD	0.9429%-1.1879%	2023	\$ 681,592
Less: current portion				454,395
Total				\$ 227,197
Unused quota				\$ -
	March 31, 2021			
	Currency	Interest rate range	Expiration	Amount
Unsecured long-term bank loans	USD	0.9659%-1.2115%	2023	\$ 722,983
Less: current portion				203,214
Total				\$ 519,769
Unused quota				\$ 2,750,449

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(j) Lease liabilities

The carrying amount of the lease liabilities was as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Current	\$ <u>121,778</u>	<u>154,013</u>	<u>160,186</u>
Non-current	\$ <u>220,971</u>	<u>220,264</u>	<u>46,001</u>

For the maturity analysis, please refer to note 6(r).

The amounts recognized in profit or loss were as follows:

	For the three months ended March 31,	
	2022	2021
Interest on lease liabilities	\$ <u>1,177</u>	<u>836</u>
Variable lease payment not included in the measurement of lease liabilities; expenses relating to short-term leases; expenses relating to leases of low-value assets	\$ <u>14,343</u>	<u>14,276</u>

The amounts recognized in the statement of cash flows for the Group were as follows:

	For the three months ended March 31,	
	2022	2021
Total cash outflow for leases	\$ <u>70,159</u>	<u>60,795</u>

(i) Real estate leases

The Group leases land and buildings to be used for its office space and plants, which typically runs for a period of 3 to 5 years.

(ii) Other leases

The Group leases equipment with contract periods within a year. These leases are short-term leases or leases of low-value items. The Group has elected not to recognize its right-of-use assets and lease liabilities for these leases.

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NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES
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(k) Employee benefits

(i) Defined benefit plan

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material one-time events since prior fiscal year. As a result, the pension cost in the accompanying interim consolidated financial statements was measured and disclosed according to the actuarial report as of December 31, 2021 and 2020.

The pension expenses recorded were as follows:

	For the three months ended March 31,	
	2022	2021
Operating costs	\$ 7,007	9,112
Selling expenses	216	279
Administrative expenses	927	1,191
	\$ 8,150	10,582

(ii) Defined contribution plan

The pension costs contributed to the related authority were as follows:

	For the three months ended March 31,	
	2022	2021
Operating costs	\$ 123,838	110,712
Selling expenses	1,747	1,219
Administrative expenses	12,782	7,306
	\$ 138,367	119,237

(l) Income tax

(i) Income tax expense

The details of income tax expense were as follows:

	For the three months ended March 31,	
	2022	2021
Current income tax expense	\$ 1,086,021	-
Deferred income tax expense	244,760	257,996
Total income tax expense	\$ 1,330,781	257,996

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- (ii) The details of income tax benefit (expense) under other comprehensive income were as follows:

	For the three months ended March 31,	
	2022	2021
Components of other comprehensive income that will be reclassified to profit or loss:		
Exchange differences on translation of foreign financial statements	\$ <u>(113,711)</u>	<u>14,653</u>

- (iii) The Company's tax returns for the year through 2020 were assessed by the ROC tax authorities.

(m) Capital and other equity interest

Except for those described below, there were no material changes in equity for the three months ended March 31, 2022 and 2021. Please refer to note 6(m) of the consolidated financial statements for the year ended December 31, 2021 for other relevant disclosures.

(i) Capital surplus

The components of capital surplus were as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Paid-in capital in excess of par value	\$ 17,874,841	17,874,841	17,874,841
Employee stock options	250,434	250,434	250,434
Others	<u>325</u>	<u>325</u>	<u>280</u>
	<u>\$ 18,125,600</u>	<u>18,125,600</u>	<u>18,125,555</u>

(ii) Retained earnings

According to the rules of the Company's articles, the Company's annual net earnings, after providing for income tax and covering the losses of previous years, is first set aside for legal reserve at the rate of 10% thereof. In addition, a special reserve in accordance with applicable laws and regulations shall also be set aside. The remainder plus the undistributed earnings of the previous years are distributed or left undistributed for business purposes according to the resolution of the stockholders' dividend distribution plan, which are initially proposed by the Board of Directors and adopted by the shareholders in the Annual Stockholders' Meeting.

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The Company adopts three kinds of dividend distribution policies, which are cash dividends, capitalization of earnings, and capital surplus. The net earnings after deducting the legal reserve and special reserve may first be distributed by way of cash dividends which shall be equal to at least fifty percent of the Company's total dividend distribution every year. The capitalization of earnings and capital surplus shall not exceed fifty percent of the total dividends.

1) Earnings distribution

On February 25, 2022, the Company's Board of Directors resolved to appropriate the 2021 earnings. On August 3, 2021, the shareholder's meetings resolved to distribute the 2020 earnings. These earnings were appropriated as follows:

	2021		2020	
	Dividends per share (NTD)	Amount	Dividends per share (NTD)	Amount
Dividends distributed to common shareholders:				
Cash	\$ 10.00	<u>6,461,655</u>	3.40	<u>2,196,962</u>

(iii) Other equity interest (net of tax)

	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets at fair value through other comprehensive income	Total
Balances as of January 1, 2022	\$ (860,048)	(1,197)	(861,245)
Exchange differences on translation of foreign operations	454,845	-	454,845
Unrealized gains (losses) from financial assets measured at fair value through associates accounted for using the equity method	-	(1,559)	(1,559)
Balances as of March 31, 2022	<u>\$ (405,203)</u>	<u>(2,756)</u>	<u>(407,959)</u>
Balances as of January 1, 2021	\$ (804,611)	(25)	(804,636)
Exchange differences on translation of foreign operations	(58,611)	-	(58,611)
Unrealized gains (losses) from financial assets measured at fair value through associates accounted for using the equity method	-	3,968	3,968
Balances as of March 31, 2021	<u>\$ (863,222)</u>	<u>3,943</u>	<u>(859,279)</u>

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(n) Earnings per share

Calculation of earnings per share for the three months ended March 31, 2022 and 2021 was as follows:

(i) Basic earnings per share

1) Net profit attributable to equity shareholders of the Company

	For the three months ended March 31,	
	2022	2021
Net profit attributable to equity shareholders of the Company	<u><u>\$ 3,883,806</u></u>	<u><u>1,584,837</u></u>

2) Weighted average number of ordinary shares outstanding

	For the three months ended March 31,	
	2022	2021
Weighted average number of ordinary shares outstanding (in thousands of shares)	<u><u>646,166</u></u>	<u><u>646,166</u></u>

(ii) Diluted earnings per share

1) Net profit attributable to equity shareholders of the Company (diluted)

	For the three months ended March 31,	
	2022	2021
Net profit attributable to equity shareholders of the Company (diluted)	<u><u>\$ 3,883,806</u></u>	<u><u>1,584,837</u></u>

2) Weighted average number of ordinary shares outstanding (diluted)

	For the three months ended March 31,	
	2022	2021
Weighted average number of ordinary shares outstanding (basic) (in thousands of shares)	646,166	646,166
Effects of dilutive potential ordinary shares		
Effects of employee stock compensation (in thousands of shares)	<u>49</u>	<u>26</u>
Weighted average number of ordinary shares outstanding (diluted) (in thousands of shares)	<u><u>646,215</u></u>	<u><u>646,192</u></u>

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(o) Revenue from contracts with customers

(i) Disaggregation of revenue

		For the three months ended March 31,	
		2022	2021
Primary geographical markets:			
Taiwan	\$	5,988,675	3,876,574
Mainland China		5,506,345	4,539,787
Korea		783,788	601,915
Other countries		2,282,847	1,837,543
	\$	<u>14,561,655</u>	<u>10,855,819</u>
Major products:			
Printed circuit board	\$	14,305,733	10,639,583
Others		255,922	216,236
	\$	<u>14,561,655</u>	<u>10,855,819</u>

(ii) Contract balances

	March 31, 2022	December 31, 2021	March 31, 2021
Notes receivable from operating activities	\$ 6,988	-	-
Accounts receivable—non-related parties	11,135,027	11,030,225	8,940,511
Accounts receivable—related parties	157,426	79,757	71,717
Less: Loss allowance	(47,954)	(48,431)	(48,430)
	<u>\$ 11,251,487</u>	<u>11,061,551</u>	<u>8,963,798</u>
	March 31, 2022	December 31, 2021	March 31, 2021
Contract liabilities—unearned sales	<u>\$ 1,614,614</u>	<u>824,374</u>	<u>-</u>
Current	\$ 233,371	112,399	-
Non-current	1,381,243	711,975	-
	<u>\$ 1,614,614</u>	<u>824,374</u>	<u>-</u>

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For details on notes and accounts receivable and allowance for impairment, please refer to note 6(b).

The contract liabilities primarily relate to the advance consideration received from customers, for which revenue will be recognized when products are delivered to customers.

(p) Employee compensation

According to the Company's Articles of Incorporation, which are subject to the shareholders' approval, the Company's annual net profit should be set aside from the allocation 0.05% to 0.5% as employee compensation based on the Company's net profit before tax offsetting employee compensation. When the Company incurs accumulated deficit, the Company should reserve in advance with covering the accumulated deficit. The remunerations to employees amounted to \$9,729 and \$3,693 for the three months ended March 31, 2022 and 2021, respectively. These amounts were calculated using the Company's net income before tax without the remunerations to employees for each period, multiplied by the proposed percentage which is stated under the Company's Article of Incorporation. These remunerations were expensed under operating costs or expenses for the period. Related information would be available at the Market Observation Post System website.

For the years ended December 31, 2021 and 2020, the remunerations to employees amount to \$24,998 and \$7,641, respectively, which were paid in cash. There was no difference from the actual distribution. Related information can be accessed from the Market Observation Post System website.

(q) Non-operating income and expenses

(i) Interest income

The details of interest income were as follows:

	For the three months ended March 31,	
	2022	2021
Interest income from bank deposits	\$ 7,097	5,356
Other interest income	2,439	10,022
	<u>\$ 9,536</u>	<u>15,378</u>

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(ii) Other income

The details of other income were as follows:

	For the three months ended March 31,	
	2022	2021
Lease revenue	\$ 11,874	25,770
Government grants	425	5,937
Others	28,773	22,915
	\$ 41,072	54,622

(iii) Other gains and losses

The details of other gains and (losses) were as follows:

	For the three months ended March 31,	
	2022	2021
Net foreign exchange gain	\$ 355,214	18,525
Loss on disposal of property, plant and equipment	(2,395)	(5,764)
Gain on disposal of recycled materials	24,237	23,240
Impairment losses reversed	-	7
Others	(7,967)	(6,116)
	\$ 369,089	29,892

(iv) Finance costs

The details of finance costs were as follows:

	For the three months ended March 31,	
	2022	2021
Interest expense	\$ (4,559)	(14,247)
Less: Interest capitalized	-	11,796
	\$ (4,559)	(2,451)

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(r) Financial instruments

Except for the contention mentioned below, there was no significant change with regard to the fair value and exposure risks of credit risk, liquidity risk and market risk on financial instruments. Please refer to note 6(r) of the consolidated financial statements for the year ended December 31, 2021 for the related information.

(i) Liquidity risk

The following table shows the remaining contractual maturities of financial liabilities, including estimated interest payments :

	<u>Carrying amount</u>	<u>Contractual cash flow</u>	<u>Within 6 months</u>	<u>6-12 months</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>Over 5 years</u>
March 31, 2022							
Non-derivative financial liabilities							
Unsecured short-term bank loans	\$ 582,941	584,816	584,816	-	-	-	-
Unsecured long-term bank loans (including current portion)	655,234	660,691	235,377	237,027	188,287	-	-
Accounts payable (including related parties)	3,979,937	3,979,937	3,979,937	-	-	-	-
Other payables (including related parties)	2,101,971	2,101,971	2,101,971	-	-	-	-
Lease liabilities (including current portion)	<u>342,749</u>	<u>350,795</u>	<u>81,364</u>	<u>43,796</u>	<u>74,700</u>	<u>150,935</u>	<u>-</u>
	<u>\$ 7,662,832</u>	<u>7,678,210</u>	<u>6,983,465</u>	<u>280,823</u>	<u>262,987</u>	<u>150,935</u>	<u>-</u>
December 31, 2021							
Non-derivative financial liabilities							
Unsecured short-term bank loans	\$ 1,214,969	1,215,646	1,215,646	-	-	-	-
Unsecured long-term bank loans (including current portion)	681,592	687,444	227,914	229,151	230,379	-	-
Accounts payable (including related parties)	3,657,542	3,657,542	3,657,542	-	-	-	-
Other payables (including related parties)	3,102,186	3,102,186	3,102,186	-	-	-	-
Lease liabilities (including current portion)	<u>374,277</u>	<u>382,819</u>	<u>109,925</u>	<u>47,693</u>	<u>69,604</u>	<u>155,597</u>	<u>-</u>
	<u>\$ 9,030,566</u>	<u>9,045,637</u>	<u>8,313,213</u>	<u>276,844</u>	<u>299,983</u>	<u>155,597</u>	<u>-</u>

(Continued)

NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES
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	<u>Carrying amount</u>	<u>Contractual cash flow</u>	<u>Within 6 months</u>	<u>6-12 months</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>Over 5 years</u>
March 31, 2021							
Non-derivative financial liabilities							
Secured short-term bank loans	\$ 149,219	149,305	149,305	-	-	-	-
Unsecured long-term bank loans (including current portion)	722,983	732,878	22,585	181,923	366,711	161,659	-
Accounts payable (including related parties)	3,548,749	3,548,749	3,548,749	-	-	-	-
Other payables (including related parties)	2,995,984	3,014,171	2,130,967	883,204	-	-	-
Lease liabilities (including current portion)	206,187	208,150	93,156	68,823	46,171	-	-
	<u>\$ 7,623,122</u>	<u>7,653,253</u>	<u>5,944,762</u>	<u>1,133,950</u>	<u>412,882</u>	<u>161,659</u>	<u>-</u>

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

(ii) Currency risk

1) Exposure to foreign currency risk

The Group's significant exposure to foreign currency risk was as follows:

	March 31, 2022			
	Foreign currency	Exchange rate	New Taiwan Dollars	
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$	458,764	28.6220	13,130,740
EUR		506	31.8722	16,112
JPY		71,049	0.2345	16,661
CNY		135	4.5086	607
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD		70,814	28.6220	2,026,848
JPY		2,141,226	0.2345	502,118
EUR		208	31.8722	6,624

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NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements

December 31, 2021			
	Foreign currency	Exchange rate	New Taiwan Dollars
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 403,830	27.6900	11,182,051
EUR	535	31.3613	16,785
JPY	52,853	0.2404	12,706
CNY	518	4.3487	2,253
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD	94,991	27.6900	2,630,294
JPY	1,478,828	0.2404	355,510
EUR	465	31.3613	14,583
March 31, 2021			
	Foreign currency	Exchange rate	New Taiwan Dollars
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 314,740	28.5310	8,979,841
EUR	1,070	33.3849	35,715
JPY	38,263	0.2582	9,880
CNY	2	4.3418	10
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD	66,490	28.5310	1,897,020
JPY	1,308,040	0.2582	337,736

2) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the foreign currency exchange fluctuations on cash and cash equivalents, accounts receivable and other receivables, loans, accounts payable and other payables which are denominated in foreign currencies. A 1% depreciation or appreciation of the NTD against the USD, EUR, JPY and CNY as of March 31, 2022 and 2021 would have increased or decreased the net income before tax by \$106,285 and \$67,907 for the three months ended March 31, 2022 and 2021, respectively. The analysis is performed on the same basis for both periods.

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NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements

3) Foreign exchange gain and loss on monetary items

Due to the variety of functional currencies, the Group disclosed its aggregated foreign exchange gains (losses); the Group's foreign exchange gains, including realized and unrealized, for the three months ended March 31, 2022 and 2021 were the net exchange gain of \$355,214 and \$18,525, respectively.

(iii) Fair value of information

1) Fair value of financial instruments

The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

		March 31, 2022			
	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial assets measured by amortized cost					
Cash and cash equivalents	\$ 13,299,488	-	-	-	-
Notes and accounts receivable, net (including related parties)	11,251,487	-	-	-	-
Other receivables (including related parties)	231,274	-	-	-	-
Total	<u>\$ 24,782,249</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities measured by amortized cost					
Short-term loans	\$ 582,941	-	-	-	-
Accounts payable (including related parties)	3,979,937	-	-	-	-
Other payables (including related parties)	2,101,971	-	-	-	-
Lease liabilities (including current portion)	342,749	-	-	-	-
Long-term loans (including current portion)	655,234	-	-	-	-
Total	<u>\$ 7,662,832</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES
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		December 31, 2021				
		Carrying Amount	Fair Value			
			Level 1	Level 2	Level 3	Total
Financial assets measured by amortized cost						
Cash and cash equivalents	\$ 13,194,450	-	-	-	-	-
Accounts receivable, net (including related parties)	11,061,551	-	-	-	-	-
Other receivables (including related parties)	70,693	-	-	-	-	-
Total	<u>\$ 24,326,694</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities measured by amortized cost						
Short-term loans	\$ 1,214,969	-	-	-	-	-
Accounts payable (including related parties)	3,657,542	-	-	-	-	-
Other payables (including related parties)	3,102,186	-	-	-	-	-
Lease liabilities (including current portion)	374,277	-	-	-	-	-
Long-term loans (including current portion)	681,592	-	-	-	-	-
Total	<u>\$ 9,030,566</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		March 31, 2021				
		Carrying Amount	Fair Value			
			Level 1	Level 2	Level 3	Total
Financial assets measured by amortized cost						
Cash and cash equivalents	\$ 5,466,255	-	-	-	-	-
Notes and accounts receivable, net (including related parties)	8,963,798	-	-	-	-	-
Other receivables (including related parties)	3,211,887	-	-	-	-	-
Total	<u>\$ 17,641,940</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities measured by amortized cost						
Short-term loans	\$ 149,219	-	-	-	-	-
Accounts payable (including related parties)	3,548,749	-	-	-	-	-
Other payables (including related parties)	2,995,984	-	-	-	-	-
Long-term loans (including current portion)	722,983	-	-	-	-	-
Lease liabilities (including current portion)	206,187	-	-	-	-	-
Total	<u>\$ 7,623,122</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements

(s) Financial risk management

There were no material changes in the Group's financial risk management objective and policy since December 31, 2021. Please refer to the detailed disclosure on financial risk management in note 6(s) of the consolidated financial statements for the year ended December 31, 2021.

(t) Capital management

There were no material changes in the Group's capital management target, policy and procedure and in quantitative information adopted for capital management since December 31, 2021. Please refer to note 6(t) of the consolidated financial statements as of and for the year ended December 31, 2021 for the detailed disclosure on capital management.

(u) Investing and financing activities not affecting current cash flow

The Group's investing and financing activities which did not affect the current cash flow for the three months ended March 31, 2022 and 2021 were as follows:

(i) For right-of-use assets, please refer to note 6(g).

(ii) Reconciliation of liabilities arising from financing activities were as follows:

	January 1, 2022	Cash flows	Non-cash changes		March 31, 2022
			Foreign exchange movement	Acquisition	
Short-term loans	\$ 1,214,969	(660,715)	28,687	-	582,941
Long-term loans (including current portion)	681,592	(49,200)	22,842	-	655,234
Lease liabilities (including current portion)	374,277	(54,639)	-	23,111	342,749
Total liabilities from financing activities	<u>\$ 2,270,838</u>	<u>(764,554)</u>	<u>51,529</u>	<u>23,111</u>	<u>1,580,924</u>
	January 1, 2021	Cash flows	Non-cash changes		March 31, 2021
			Foreign exchange movement	Acquisition	
Short-term loans	\$ 293,630	(144,547)	136	-	149,219
Long-term loans (including current portion)	625,745	96,338	900	-	722,983
Lease liabilities (including current portion)	251,291	(45,683)	-	579	206,187
Other payables to related parties (borrowings from related parties)	1,511,697	(158,068)	(7,668)	-	1,345,961
Total liabilities from financing activities	<u>\$ 2,682,363</u>	<u>(251,960)</u>	<u>(6,632)</u>	<u>579</u>	<u>2,424,350</u>

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NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements

(7) Related-party transactions

(a) Parent company and ultimate controlling party

Nan Ya Plastics Corporation is both the parent company and the ultimate controlling party of the Group. It owns 66.97% of all shares outstanding of the Company, and has issued the consolidated financial statements available for public use.

(b) Names and relationship with related parties

The followings are entities that have had transactions with the Group during the periods covered in the consolidated financial statements.

<u>Name of related party</u>	<u>Relationship with the Group</u>
Nan Ya Plastics Corporation	The parent company
Formosa Advanced Technologies Co., Ltd.	The Group's associates
Nan Ya Electronic Materials (Kunshan) Co., Ltd.	The Group's parent company is the ultimate controlling parent of the company
Nan Ya Electric (Nantong) Co., Ltd.	The Group's parent company is the ultimate controlling parent of the company
Formosa Plastics Corporation	The Group's parent company is the company's board of director
Formosa Biomedical Technology Corporation	The Group's parent company is a board of director of the company
Wellink Technology Co., Ltd.	The same chairman

(c) Significant related-party transactions

(i) Operating revenues

Significant sales to related parties were as follows:

	For the three months ended March 31,	
	<u>2022</u>	<u>2021</u>
Associates — FATC	\$ 228,213	132,977
Other related parties — others	<u>268</u>	<u>268</u>
	<u>\$ 228,481</u>	<u>133,245</u>

Sales price is cost plus profit as quoted price. The normal credit term with the companies above is collection on open account 70 days. There is no collateral received among related parties accounts receivable and there is no need to estimate loss allowance.

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NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements

(ii) Receivables from related parties

The balances of accounts receivable from related parties were as follows:

<u>Account</u>	<u>Relationship</u>	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Accounts receivable due from related parties	Associates	\$ 157,332	79,663	71,623
Accounts receivable due from related parties	Other related parties	94	94	94
		<u>\$ 157,426</u>	<u>79,757</u>	<u>71,717</u>

(iii) Purchases from related parties

Significant purchases from related parties were as follows:

	<u>For the three months ended March 31,</u>	
	<u>2022</u>	<u>2021</u>
The parent company	\$ 264,720	260,766
Other related parties		
NEMK	310,354	364,086
Others	84,657	56,055
	<u>\$ 659,731</u>	<u>680,907</u>

The purchase price from related parties is not significantly different from non-related general parties. The normal credit term with the related parties above is collected on open account 30 days, on open account 60 days, on open account 90 days, on open account 2 months and on the day following the day of approving payment, respectively.

(iv) Payables to related parties

The details of accounts payable to related parties were as follows:

<u>Account</u>	<u>Relationship</u>	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Accounts payable to related parties	The parent company	\$ 96,899	93,271	94,552
Accounts payable to related parties	Other related parties			
NEMK		132,108	141,870	130,764
Accounts payable to related parties	WTC	21,614	23,029	27,230
Accounts payable to related parties	Others	14,645	14,147	4,339
		<u>\$ 265,266</u>	<u>272,317</u>	<u>256,885</u>

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NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements

(v) Loan to related parties

The loans to related parties were as follows:

	Other receivables due from related parties		
	March 31, 2022	December 31, 2021	March 31, 2021
The parent company	\$ -	-	3,000,000
Range of interest rates	-	1.23%	1.23%

- 1) The loans to related parties are unsecured. There are no provisions for impairment loss required after management 's assessment.
- 2) For details on loans to other parties, please refer to note 13(a).

(vi) Borrowings from related parties

The borrowings from related parties (accounted for as other payables to related parties) were as follows:

	Other payables to related parties		
	March 31, 2022	December 31, 2021	March 31, 2021
Other related parties — NEMK	\$ -	-	1,345,961
Range of interest rate	-	3.08%	3.08%

The borrowings provided from related parties are unsecured.

(vii) Lease of property, plant and equipment

- 1) The lease revenue of the Group from leasing its property, plant and equipment to its related parties, accounted for as other income, were as follows:

	Lease revenue For the three months ended March 31,	
	2022	2021
The parent company	\$ 2,844	14,856

The rentals charged to related parties are determined based on the local market prices and rents that are collected monthly depending on the contract. As of March 31, 2022, December 31 and March 31, 2021, the Group had no unreceived balances.

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NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES
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- 2) The rental expenses of the Group's property, plant and equipment leased from its related parties were as follows:

The Group entered into different lease agreements with its parent company for its Taipei office, as well as its factories and employee dormitories, both located at Luchu Dist., Taoyuan City and Shulin Dist., New Taipei City, with monthly rental fees based on the local market prices within their respective vicinities. For the three months ended March 31, 2022 and 2021, the above rentals amounting to \$6,738 and \$6,328, respectively, were recognized as expenses. For the three months ended March 31, 2022 and 2021, the amount of \$1,177 and \$836 was recognized as interest expense. As of March 31, 2022, December 31 and March 31, 2021 the balance of lease liabilities amounting to \$342,749, \$374,277 and \$206,187.

(viii) Others

The Group bought utilities from Nan Ya Electronic Materials (Kunshan) Co., Ltd. amounting to \$87,654 and \$107,277, for the three months ended March 31, 2022 and 2021, respectively. As of March 31, 2022, December 31 and March 31, 2021 the Group still had unpaid payables accounted for as other payables to related parties amounting to \$29,614, \$50,113 and \$43,742, respectively.

As of March 31, 2022 and December 31, 2021 the Group provides sewage treatment service to Nan Ya Electronic Materials (Kunshan) Co., Ltd. at the amount of \$21,164 and \$73,421 with the remaining balance of \$3,643 and \$7,193 recognized as other receivables to related parties, that has yet to be collected.

(d) Key management personnel compensation

Key management personnel compensation comprised

	For the three months ended March 31,	
	2022	2021
Short-term employee benefits	\$ 8,442	6,258

(8) Pledged assets:

The carrying amounts of pledged assets were as follows:

Pledged assets	Object	March 31, 2022	December 31, 2021	March 31, 2021
Accounts receivable	Current borrowings	\$ -	-	149,287

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NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements

(9) Commitments and contingencies

- (a) The outstanding letters of credit for the importation of raw materials by the Group were as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
Outstanding letters of credit for the importation of raw materials	\$ <u>1,149,027</u>	<u>1,884,489</u>	<u>462,387</u>

- (b) The endorsements by the bank were as follows:

	March 31, 2022	December 31, 2021	March 31, 2021
The guarantee for customs	\$ <u>39,000</u>	<u>39,000</u>	<u>35,000</u>

	March 31, 2022	December 31, 2021	March 31, 2021
The guarantee for letters of credit	\$ <u>42,000</u>	<u>42,000</u>	<u>32,000</u>

- (c) The Company provided a comfort letter for the loan from Mega International Commercial Bank of the Company's subsidiary, NPKC, and are responsible for monitoring timely repayments.

(10) Losses Due to Major Disasters: None

(11) Subsequent Events: None

(12) Other

- (a) A summary of current-period employee benefits, depreciation, and amortization by function, was as follows:

	For the three months ended March 31, 2022			For the three months ended March 31, 2021		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits						
Salaries	2,263,615	382,022	2,645,637	2,048,728	217,017	2,265,745
Labor and health insurance	162,325	17,415	179,740	152,598	14,218	166,816
Pension expenses	130,845	15,672	146,517	119,824	9,995	129,819
Remuneration of directors	-	1,530	1,530	-	1,500	1,500
Other personnel expenses	57,925	7,605	65,530	53,668	5,171	58,839
Depreciation expenses	1,046,665	4,257	1,050,922	792,958	3,814	796,772

- (b) The seasonality of operation

The operation of the Group is not influenced by seasonality and periodicity.

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NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(13) Other disclosures

(a) Information on significant transactions

The following is the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group:

(i) Loans to other parties:

(in thousands of New Taiwan Dollars)

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount	Range of interest rates during the period	Purposes of fund financing for the borrower (Note 1)	Transaction amount for business between two parties	Reasons for short-term financing	Loss Allowance	Collateral		Individual funding loan limits	Maximum limit of fund financing
													Item	Value		
0	The Company	NPHK	Other receivables due from related parties	Yes	50,000	50,000	-	-	2	-	Operating capital	-	None	-	11,204,017 (Note 2)	22,408,033 (Note 3)

Note 1: 1. With business contact

2. Necessary for short-term financing

Note 2: The amount of financing to related parties or parties with business contact is subjected to a limit, which is 25% of the net value. To other counterparties, the limit is 20% of the net value.

Note 3: The amount of financing to others is subjected to a limit, which is 50% of the net value. To those without business contact but in need of fund, the limit is 40% of the net value.

(ii) Guarantees and endorsements for other parties: None

(iii) Securities held as of March 31, 2022 (excluding investment in subsidiaries, associates and joint ventures): None

(iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of \$300 million or 20% of the capital stock: None

(v) Acquisition of individual real estate with amount exceeding the lower of \$300 million or 20% of the capital stock: None

(vi) Disposal of individual real estate with amount exceeding the lower of \$300 million or 20% of the capital stock: None

(vii) Related-party transactions for purchases and sales with amounts exceeding the lower of \$100 million or 20% of the capital stock:

(in thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/(Sale)	Amount	Percentage of total purchases/(sales)	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
The Company	NYPC	Parent company	Purchase	262,164	6.40 %	O/A 30 days	-	-	(94,344)	(2.92)%	-
The Company	NPKC	Subsidiary of the Company	Purchase	2,083,166	50.82 %	O/A 30 days	-	-	(705,796)	(21.83)%	Note
The Company	FATC	Associates	(sale)	(121,007)	(1.10)%	O/A 70 days	-	-	95,854	1.12%	-
NPKC	The Company	Parent company	(sale)	(2,083,166)	(36.89)%	O/A 30 days	-	-	705,796	20.71%	Note
NPKC	FATC	Associates	(sale)	(107,206)	(1.90)%	O/A 70 days	-	-	61,478	1.80%	-
NPKC	NEMK	Same chairman	Purchase	310,354	13.53 %	O/A 60 days	-	-	(132,108)	(9.07)%	-

Note: The transactions listed in the left have been written off during the preparation of the consolidated financial statements.

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NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(viii) Receivables from related parties with amounts exceeding the lower of \$100 million or 20% of the capital stock:

(in thousands of New Taiwan Dollars)

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Loss Allowance
					Amount	Action taken		
NPKC	The Company (Note)	Parent company	Accounts receivable due from related parties 705,796	11.35	-		705,796	-

Note : The transactions listed in the left have been written off during the preparation of the consolidated financial statements.

(ix) Trading in derivative instruments: None

(x) Business relationships and significant intercompany transactions:

(in thousands of New Taiwan Dollars)

No.	Name of company	Name of counter-party	Nature of relationship	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
1	NPKC	The Company	2	Sales	2,083,166	O/A 30 days	14.31%
1	NPKC	The Company	2	Accounts receivable due from related parties	705,796	O/A 30 days	1.15%

Note 1: Numbers are filled in as follows

1. 0 represents the parent company
2. Subsidiaries are numbered from 1

Note 2: Classifications of relation with counterparty are listed as follows:

1. Parent to subsidiary
2. Subsidiary to parent
3. Between subsidiaries

Note 3: Only data related to sales and accounts receivable of all the intercompany transactions and business contact are disclosed. The related purchase and accounts payable are not stated.

(b) Information on investees

The following is the information on investees for the three months ended March 31, 2022 (excluding information on investees in Mainland China):

(in thousands of New Taiwan Dollars)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of March 31, 2022			Net income (losses) of investee	Share of profits/(losses) of investee	Note
				March 31, 2022	December 31, 2021	Shares (in thousands)	Percentage of ownership	Carrying amount			
The Company	NPHK	HK	Business of electronic products	6,477,460	6,477,460	1,598,220	100.00 %	15,843,996	1,015,683	1,015,683	Note1
The Company	NPUC	USA	Customer sales promotion	3,479	3,479	1,000	100.00 %	15,881	320	320	Note1
The Company	FATC	TW	Assembling testing and producing modules for IC	472,968	472,968	13,267	3.00 %	513,094	461,139	12,975	Note2

Note1: The transactions listed in the left have been written off during the preparation of the consolidated financial statements.

Note2: Investee company accounted for using equity method.

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NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(c) Information on investment in mainland China

(i) The names of investees in Mainland China, the main businesses and products, and other information:

(in thousands of New Taiwan Dollars)

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2022	Investment flows		Accumulated outflow of investment from Taiwan as of March 31, 2022	Net income (losses) of the investee	Percentage of ownership	Investment income (losses)	Carrying amount	Accumulated remittance of earnings in current period
					Outflow	Inflow						
NPKC	Production and marketing of PCBs	6,474,281	(Note 1)	6,474,281	-	-	6,474,281	1,015,698	100.00%	1,015,698 (Note 2)	15,830,948	-

Note 1: NPKC in Mainland China is invested through a company established in a third region.

Note 2: Investment income or loss is recognized according to the financial statements reviewed by the CPA of the Taiwanese parent company.

Note 3: The transaction listed above has been written off during the preparation of the consolidated financial statements.

(ii) Limitation on investment in Mainland China:

(in thousands of New Taiwan Dollars)

Accumulated Investment in Mainland China as of March 31, 2022	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment (Note)
6,474,281	6,474,281	-

Note: The Industrial Development Bureau of the MOEA issued a letter to the Company stating that it qualifies under Section 12 of the Statute for Upgrading Industries.

(iii) Significant transactions:

Please refer to “Information on significant transactions” for direct or indirect significant transactions (written off during the preparation of the consolidated financial statements), between the Company and its investees in Mainland China for the three months ended March 31, 2022.

(d) Major shareholders:

Shareholder's Name	Shareholding	Shares	Percentage
Nan Ya Plastics Corporation		432,744,977	66.97 %

- (i) The information on major shareholders, which is provided by the Taiwan Depository & Clearing Corporation, summarized the shareholders who held over 5% of total non-physical common stocks and preferred stocks (including treasury stocks) on the last business date of each quarter. The registered non-physical stocks may be different from the capital stocks disclosed in the financial statement due to different calculation basis.
- (ii) If shares are entrusted, the above information regarding such shares will be revealed by each trustors of individual trust account. The shareholders holding more than 10% of the total shares of the company should declare insider's equity according to Securities and Exchange Act. The numbers of the shares declared by the insider include the shares of the trust assets which the insider has discretion over use. For details of the insider's equity announcement please refer to the TWSE website.

(Continued)

NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES
Notes to Consolidated Financial Statements

(14) Segment information:

The information and reconciliation of operating segments of the Group are as follows:

For the three months ended March 31, 2022				
	Domestic	American	Asian	Adjustments and elimination
				Total
Revenue:				
From external clients	\$ 10,997,236	-	3,564,419	-
Intersegments	7,713	6,073	2,083,166	(2,096,952)
Total revenue	<u>\$ 11,004,949</u>	<u>6,073</u>	<u>5,647,585</u>	<u>(2,096,952)</u>
Income/Loss of reportable segments	<u>\$ 4,854,757</u>	<u>320</u>	<u>1,375,513</u>	<u>(1,016,003)</u>
For the three months ended March 31, 2021				
	Domestic	American	Asian	Adjustments and elimination
				Total
Revenue:				
From external clients	\$ 9,352,552	-	1,503,267	-
Intersegments	41,008	6,003	2,368,624	(2,415,635)
Total revenue	<u>\$ 9,393,560</u>	<u>6,003</u>	<u>3,871,891</u>	<u>(2,415,635)</u>
Income/Loss of reportable segments	<u>\$ 1,842,833</u>	<u>327</u>	<u>118,855</u>	<u>(119,182)</u>
Assets of reportable segments				
	Domestic	American	Asian	Adjustments and elimination
				Total
March 31, 2022	<u>\$ 57,855,448</u>	<u>15,886</u>	<u>20,028,437</u>	<u>(16,666,057)</u>
December 31, 2021	<u>\$ 52,392,739</u>	<u>15,053</u>	<u>19,052,290</u>	<u>(15,114,907)</u>
March 31, 2021	<u>\$ 41,523,800</u>	<u>14,921</u>	<u>16,060,454</u>	<u>(12,510,497)</u>
Liabilities of reportable segments				
	Domestic	American	Asian	Adjustments and elimination
				Total
March 31, 2022	<u>\$ 13,039,382</u>	<u>5</u>	<u>4,123,921</u>	<u>(745,660)</u>
December 31, 2021	<u>\$ 11,913,765</u>	<u>5</u>	<u>4,731,501</u>	<u>(779,070)</u>
March 31, 2021	<u>\$ 7,630,917</u>	<u>-</u>	<u>4,414,546</u>	<u>(849,668)</u>