

# **Far Eastern New Century Corporation**

**Financial Statements for the  
Years Ended December 31, 2021 and 2020 and  
Independent Auditors' Report**

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and the Shareholders  
Far Eastern New Century Corporation

### **Opinion**

We have audited the financial statements of Far Eastern New Century Corporation (the "Company"), which comprise the balance sheets as of December 31, 2021 and 2020, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the report of other auditors (please refer to the Other Matter paragraph), the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and its financial performance and cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion based on our audits and the reports of other auditors.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters of the financial statements for the year ended December 31, 2021 are as follows:

#### Fair Value Evaluation of Investment Properties (Including Investment Properties Held by Subsidiaries Accounted for Using the Equity Method)

The Company's investment properties (including the investment properties held by subsidiaries accounted for by using the equity method) are subsequently measured using the fair value model. The fair value evaluation involves significant accounting estimation and judgment. As a result, the fair value evaluation of investment properties (including the investment properties held by subsidiaries accounted for by using the equity method) is considered a key audit matter.

For the accounting policies, significant accounting judgment, estimations, and assumptions of the main sources of uncertainty related to investment properties, refer to Notes 4(i) and 5 to the accompanying financial statements. For more information about the Company's investment properties, refer to Note 14 to the financial statements.

For the fair value evaluation of investment properties, our corresponding audit procedures were as follows:

1. We assessed the competencies and independence of the external valuer engaged by the management, discussed with the management the valuer's work scope and process of engagement acceptance, evaluated the risk of possible impairment of the valuer's independence and determined that the valuer's work scope was free from limiting factors.
2. We assessed the reasonableness of the valuer's assumptions and methods used in the valuation.
3. We audited items from management's supporting documentation, including data which was used by the valuer in the valuation process.

#### Recognition of Revenue Derived from Mobile Telecommunications Service of a Subsidiary's Associate

Far EasTone, an associate of the Company's subsidiary is a material component. The mobile telecommunications service revenue is the main revenue source of Far EasTone. The calculation of mobile telecommunications service revenue relies heavily on automated systems and includes complicated and huge amounts of data transmission. In order to meet market demands and remain competitive, Far EasTone often launches different combinations of products and services. The charge rates of the aforementioned products and services are set manually to systems. Since the effectiveness of the design and implementation of internal controls over systems and rate settings relevant to telecommunications service revenue directly and significantly affects the accuracy of revenue calculation, the recognition of mobile telecommunications service revenue is considered a key audit matter.

By conducting tests of controls, we obtained an understanding of the recognition of mobile telecommunications service revenue and the design and implementation of related controls.

We also engaged internal information technology (IT) specialists to understand and assess the systems and internal controls relevant to mobile telecommunications service revenue and perform the corresponding audit procedures which are listed as follows. The IT specialists:

1. Identified key systems that processed mobile telecommunications service revenue; assessed and tested the general information technology controls of the aforementioned systems, including access controls and change controls.
2. Tested the completeness and accuracy of interface controls between the switch equipment and the billing systems.
3. Tested the access controls and change controls over the input of rates to the billing systems.
4. Tested the accuracy of the billing calculation.
5. Tested the completeness and accuracy of the calculation and billing of monthly fees, airtime fees and value-added service fees.

In coordination with the internal IT specialists, we:

1. Performed dialing tests to verify the accuracy and completeness of the traffic and information in the switch equipment.
2. Sampled user contracts to confirm the accuracy of the billing system information.

For the revenue recognition of billed and unbilled amounts, we conducted the following tests:

1. For the billed amounts, we compared whether there is any difference between the reports generated from the accounting system and the billing system.
2. For the unbilled amounts, we recalculated the service revenue for services provided as of the balance sheet date based on the applied charge rates to confirm the accuracy of the amounts.

#### Accounting Treatment of Frequency and Network Sharing Services of a Subsidiary's Associate

In 2021, Far EasTone, an associate of the Company's subsidiary is a material component, had a business cooperation with Asia-Pacific Telecom Co., Ltd. (APTC) which provided frequency and network sharing services. The contract total amount was significant and the transaction content was complex, including lots of additional conditions. There was no similar transaction for reference in the past. Therefore, it required complicated processes to determine a proper accounting treatment. If the accounting treatment of the transaction was improper, it would directly affect the accuracy of the calculation and recognition of the relevant assets, liabilities and the amounts of profit and loss. Thus, the appropriate application of the accounting treatment of the transaction is considered a key audit matter.

In our audit of the frequency and network sharing services, we:

1. Obtained the contracts and minutes of board meetings relevant to the business cooperation of frequency and network sharing between the Group and APTC and confirmed that the business cooperation had been approved by the board of directors of Far EasTone.
2. Obtained the documents of the management's assessment and decision-making processes for accounting treatment of the transaction and confirmed that the decision was properly reviewed and approved.
3. Reviewed contracts relevant to the frequency and network sharing services and confirmed that the accounting treatment adopted by the management was appropriate.
4. Tested whether the actual accounting treatments were the same as those decided by the management and recalculated and confirmed the accuracy of the amount of assets, liabilities and profit and loss related to the transaction.

#### **Other Matter**

The financial statements of APG Polytech, LLC and Corpus Christi Polymers, LLC, associates of the Company's subsidiaries, were audited by other auditors. Our opinion, insofar as it relates to the amounts of investment accounted for using the equity method and other comprehensive income included in the financial statements for these investees, is based solely on the reports of other auditors. The balance of investment accounted for using the equity method of the aforementioned investees was NT\$15,882,387 thousand and NT\$14,718,570 thousand, both representing 5% of the Company's total assets as of December 31, 2021 and 2020. The other comprehensive gain (losses) of the aforementioned investees were NT\$854,804 thousand and NT\$(653,472) thousand, representing 9% and (8%) of the Company's total comprehensive income for the year ended December 31, 2021 and 2020, respectively.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Chih-Ming Shao and Cheng-Hung Kuo.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

March 31, 2022

#### Notice to Readers

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

*For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and financial statements shall prevail.*

# FAR EASTERN NEW CENTURY CORPORATION

## BALANCE SHEETS DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

ASSETS	2021		2020	
	Amount	%	Amount	%
<b>CURRENT ASSETS</b>				
Cash and cash equivalents (Notes 6 and 26)	\$ 17,887,855	6	\$ 19,436,311	6
Financial assets at fair value through profit or loss (Notes 4 and 7)	10,163	-	-	-
Notes and accounts receivable, net (Notes 4, 9 and 26)	7,749,273	2	5,097,229	2
Other receivables (Note 26)	306,763	-	877,192	-
Current tax assets	17,344	-	14,193	-
Inventories (Notes 4 and 10)	6,656,153	2	4,281,313	1
Financial assets at amortized cost (Note 8)	-	-	300,000	-
Prepayments	585,473	-	56,087	-
Refundable deposits	5,592	-	17,146	-
Other current assets	238,962	-	177,542	-
Total current assets	<u>33,457,578</u>	<u>10</u>	<u>30,257,013</u>	<u>9</u>
<b>NON-CURRENT ASSETS</b>				
Investments accounted for using the equity method (Notes 4, 11 and 27)	274,119,131	82	269,392,281	83
Property, plant and equipment (Notes 4, 12 and 27)	22,808,295	7	24,271,372	8
Right-of-use assets (Notes 4 and 13)	432,439	-	663,682	-
Investment properties (Notes 4, 5, 14 and 27)	1,065,125	-	1,023,412	-
Other intangible assets (Notes 4 and 15)	15,611	-	16,280	-
Deferred tax assets (Notes 4 and 22)	12,638	-	63,353	-
Prepayments for equipment (Note 12)	28,102	-	21,598	-
Refundable deposits (Note 26)	57,348	-	56,244	-
Net defined benefit assets (Note 18)	1,322,348	1	568,701	-
Other financial assets (Note 27)	56,642	-	71,343	-
Other non-current assets	100,601	-	46,797	-
Total non-current assets	<u>300,018,280</u>	<u>90</u>	<u>296,195,063</u>	<u>91</u>
<b>TOTAL</b>	<u>\$ 333,475,858</u>	<u>100</u>	<u>\$ 326,452,076</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings (Note 16)	\$ 3,772,868	1	\$ 3,462,493	1
Financial liabilities at fair value through profit or loss (Notes 4 and 7)	-	-	10,619	-
Contract liabilities (Note 20)	251,722	-	294,756	-
Notes and accounts payable	1,670,187	1	1,234,900	1
Notes and accounts payable to related parties (Note 26)	1,335,725	-	743,905	-
Payables to suppliers of machinery and equipment	1,804	-	596	-
Other payables	5,101,639	2	4,334,098	1
Lease liabilities (Notes 4 and 13)	232,097	-	235,201	-
Current portion of long-term liabilities (Note 17)	9,496,599	3	11,297,104	4
Other current liabilities	779,180	-	766,710	-
Total current liabilities	<u>22,641,821</u>	<u>7</u>	<u>22,380,382</u>	<u>7</u>
<b>NON-CURRENT LIABILITIES</b>				
Lease liabilities (Notes 4 and 13)	208,966	-	438,087	-
Bonds payable (Note 17)	61,631,311	18	53,931,438	17
Long-term borrowings (Note 16)	40,417,185	12	43,438,049	13
Deferred tax liabilities (Notes 4 and 22)	2,481,372	1	2,187,424	1
Guarantee deposits received	1,043	-	1,164	-
Deferred credit-gains on related-party transactions (Note 26)	45,425	-	46,345	-
Total non-current liabilities	<u>104,785,302</u>	<u>31</u>	<u>100,042,507</u>	<u>31</u>
Total liabilities	<u>127,427,123</u>	<u>38</u>	<u>122,422,889</u>	<u>38</u>
<b>EQUITY (Note 19)</b>				
Share capital				
Common stock	<u>53,528,751</u>	<u>16</u>	<u>53,528,751</u>	<u>16</u>
Capital surplus	<u>3,403,003</u>	<u>1</u>	<u>3,320,137</u>	<u>1</u>
Retained earnings				
Legal reserve	19,759,271	6	19,028,517	6
Special reserve	119,451,597	36	117,342,360	36
Unappropriated earnings	<u>13,856,572</u>	<u>4</u>	<u>13,744,880</u>	<u>4</u>
Total retained earnings	<u>153,067,440</u>	<u>46</u>	<u>150,115,757</u>	<u>46</u>
Other equity	<u>(3,925,396)</u>	<u>(1)</u>	<u>(2,910,395)</u>	<u>(1)</u>
Treasury shares	<u>(25,063)</u>	<u>-</u>	<u>(25,063)</u>	<u>-</u>
Total equity	<u>206,048,735</u>	<u>62</u>	<u>204,029,187</u>	<u>62</u>
<b>TOTAL</b>	<u>\$ 333,475,858</u>	<u>100</u>	<u>\$ 326,452,076</u>	<u>100</u>

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

(With Deloitte & Touche auditors' report dated March 31, 2022)

# FAR EASTERN NEW CENTURY CORPORATION

## STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2021		2020	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 20 and 26)				
Net sales	\$ 45,527,236	100	\$ 38,768,801	100
OPERATING COSTS (Notes 10, 21 and 26)				
Cost of goods sold	<u>38,592,537</u>	<u>85</u>	<u>33,478,180</u>	<u>86</u>
GROSS PROFIT	<u>6,934,699</u>	<u>15</u>	<u>5,290,621</u>	<u>14</u>
OPERATING EXPENSES (Notes 21 and 26)				
Selling and marketing	4,848,388	11	2,759,130	7
General and administrative	1,906,015	4	1,496,777	4
Research and development	712,873	1	683,260	2
Expected credit loss	<u>22,361</u>	<u>-</u>	<u>11,539</u>	<u>-</u>
Total operating expenses	<u>7,489,637</u>	<u>16</u>	<u>4,950,706</u>	<u>13</u>
OPERATING (LOSS) INCOME	<u>(554,938)</u>	<u>(1)</u>	<u>339,915</u>	<u>1</u>
NON-OPERATING INCOME AND EXPENSES				
Share of the profit or loss of subsidiaries and associates	11,578,885	25	8,560,758	22
Interest income (Note 26)	13,560	-	13,945	-
Other income	349,873	1	323,449	1
Gain on disposal of property, plant and equipment (Note 26)	3,809	-	29,923	-
Gain on disposal of investments (Note 11)	(47,580)	-	85	-
Gain on change in fair value of investment properties (Note 14)	41,713	-	39,639	-
Exchange (loss) gain, net	(194,288)	-	(18,318)	-
Gain (loss) on financial assets (liabilities) at fair value through profit or loss (Note 26)	71,185	-	(43,132)	-
Interest expense (Note 26)	(890,867)	(2)	(949,065)	(3)
Other expenses	(264,369)	(1)	(263,121)	(1)
Impairment loss	<u>(163,229)</u>	<u>-</u>	<u>(149,476)</u>	<u>-</u>
Total non-operating income and expenses	<u>10,498,692</u>	<u>23</u>	<u>7,544,687</u>	<u>19</u>
INCOME BEFORE INCOME TAX	9,943,754	22	7,884,602	20
INCOME TAX BENEFIT (EXPENSE) (Notes 4 and 22)	<u>(259,170)</u>	<u>(1)</u>	<u>178,097</u>	<u>1</u>
NET INCOME	<u>9,684,584</u>	<u>21</u>	<u>8,062,699</u>	<u>21</u>

(Continued)

# FAR EASTERN NEW CENTURY CORPORATION

## STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2021		2020	
	Amount	%	Amount	%
<b>OTHER COMPREHENSIVE INCOME</b>				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 18)	\$ 334,120	1	\$ (180,372)	-
Share of other comprehensive loss of subsidiaries and associates	850,012	2	714,136	2
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>(66,824)</u>	<u>-</u>	<u>36,074</u>	<u>-</u>
	<u>1,117,308</u>	<u>3</u>	<u>569,838</u>	<u>2</u>
Items that may be reclassified subsequently to profit or loss:				
Share of other comprehensive loss of subsidiaries and associates	<u>(1,632,345)</u>	<u>(4)</u>	<u>(595,981)</u>	<u>(2)</u>
Other comprehensive income (loss), net of income tax	<u>(515,037)</u>	<u>(1)</u>	<u>(26,143)</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME</b>	<u>\$ 9,169,547</u>	<u>20</u>	<u>\$ 8,036,556</u>	<u>21</u>
<b>EARNINGS PER SHARE (NEW TAIWAN DOLLARS; Note 23)</b>				
Basic	<u>\$ 1.94</u>		<u>\$ 1.62</u>	
Diluted	<u>\$ 1.94</u>		<u>\$ 1.61</u>	

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

(With Deloitte & Touche auditors' report dated March 31, 2022)

(Concluded)

**FAR EASTERN NEW CENTURY CORPORATION**

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020  
(In Thousands of New Taiwan Dollars)**

	Common Stock	Capital Surplus	Retained Earnings			Exchange Differences on Translation of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Gain on Hedging Instruments	Gain on Property Revaluations	Treasury Shares	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings						
BALANCE AT JANUARY 1, 2020	\$ 53,528,751	\$ 3,270,355	\$ 17,955,250	\$ 115,505,874	\$ 17,376,404	\$ (6,545,706)	\$ 2,439,965	\$ 11,700	\$ 1,004,758	\$ (25,063)	\$ 204,522,288
Appropriation of the 2019 earnings											
Legal reserve	-	-	1,073,267	-	(1,073,267)	-	-	-	-	-	-
Special reserve	-	-	-	1,836,486	(1,836,486)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(8,029,313)	-	-	-	-	-	(8,029,313)
Net income for the year ended December 31, 2020	-	-	-	-	8,062,699	-	-	-	-	-	8,062,699
Other comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	(180,004)	(673,235)	(469,545)	7,780	1,288,861	-	(26,143)
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	7,882,695	(673,235)	(469,545)	7,780	1,288,861	-	8,036,556
Change in associates and subsidiaries accounted for using the equity method	-	48,613	-	-	(571,360)	-	21,234	-	-	-	(501,513)
Change in the Company's capital surplus due to the distribution of dividends to subsidiaries	-	1,169	-	-	-	-	-	-	-	-	1,169
Associates disposed the investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	(3,793)	-	3,793	-	-	-	-
BALANCE, DECEMBER 31, 2020	53,528,751	3,320,137	19,028,517	117,342,360	13,744,880	(7,218,941)	1,995,447	19,480	2,293,619	(25,063)	204,029,187
Appropriation of the 2020 earnings											
Legal reserve	-	-	730,754	-	(730,754)	-	-	-	-	-	-
Special reserve	-	-	-	2,109,237	(2,109,237)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(7,226,382)	-	-	-	-	-	(7,226,382)
Net income for the year ended December 31, 2021	-	-	-	-	9,684,584	-	-	-	-	-	9,684,584
Other comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	288,692	(1,500,584)	409,880	3,912	283,063	-	(515,037)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	9,973,276	(1,500,584)	409,880	3,912	283,063	-	9,169,547
Change in associates and subsidiaries accounted for using the equity method	-	81,814	-	-	98,746	-	(103,498)	-	(1,731)	-	75,331
Change in the Company's capital surplus due to the distribution of dividends to subsidiaries	-	1,052	-	-	-	-	-	-	-	-	1,052
Subsidiaries and associates disposal the investment in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	106,043	-	(106,043)	-	-	-	-
BALANCE, DECEMBER 31, 2021	<u>\$ 53,528,751</u>	<u>\$ 3,403,003</u>	<u>\$ 19,759,271</u>	<u>\$ 119,451,597</u>	<u>\$ 13,856,572</u>	<u>\$ (8,719,525)</u>	<u>\$ 2,195,786</u>	<u>\$ 23,392</u>	<u>\$ 2,574,951</u>	<u>\$ (25,063)</u>	<u>\$ 206,048,735</u>

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

(With Deloitte & Touche auditors' report dated March 31, 2022)

# FAR EASTERN NEW CENTURY CORPORATION

## STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 9,943,754	\$ 7,884,602
Adjustments for:		
Expected credit loss	22,361	11,539
Depreciation	2,378,051	2,432,107
Amortization	9,229	12,081
Interest expense	890,867	949,065
Interest income	(13,560)	(13,945)
Share of the profit of subsidiaries and associates	(11,578,885)	(8,560,758)
Gain on disposal of property, plant and equipment	(3,809)	(29,923)
Loss/(gain) on disposal of investments	47,580	(85)
Impairment loss	163,229	149,476
Write-down of inventories	121,694	2,036
Gain on change in fair value of investment properties	(41,713)	(39,639)
Gain on lease modification	-	(107)
Net changes in operating assets and liabilities		
Financial assets at fair value through profit or loss	(10,163)	7,703
Notes and accounts receivable	(2,674,405)	214,816
Other receivables	(89,659)	88,897
Inventories	(2,496,534)	887,099
Prepayments	(529,386)	22,013
Other current assets	(61,420)	131,260
Contract liabilities	(43,034)	150,078
Notes and accounts payable	435,287	(72,674)
Notes and accounts payable to related parties	591,820	(542,285)
Other payables	843,150	219,637
Financial liabilities at fair value through profit or loss	(10,619)	10,619
Other current liabilities	12,470	(49,659)
Net defined benefit assets	(419,527)	(331,645)
Cash generated from operations	(2,513,222)	3,532,308
Interest received	13,648	13,945
Dividends received	8,073,232	7,928,924
Interest paid	(958,437)	(969,737)
Income tax received	15,518	8,475
Net cash generated from operating activities	<u>4,630,739</u>	<u>10,513,915</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Decrease (increase) in financial assets at amortized cost	300,000	(300,000)
Acquisition of investments accounted for using the equity method	(1,974,813)	(1,108,414)
Acquisition of property, plant, equipment and prepayments for equipment	(857,796)	(1,180,312)
Proceeds from disposal of property, plant and equipment	5,262	42,045
Decrease in refundable deposits	10,450	38,528
(Increase) decrease in other receivables	660,000	(660,000)

(Continued)

# FAR EASTERN NEW CENTURY CORPORATION

## STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

	2021	2020
Acquisition of intangible assets	\$ (8,560)	\$ (9,413)
Acquisition of investment properties	-	(5,369)
Decrease in other financial assets	14,701	1,229,030
(Increase) decrease in other non-current assets	<u>(46,455)</u>	<u>694</u>
Net cash used in investing activities	<u>(1,897,211)</u>	<u>(1,953,211)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in short-term borrowings	310,375	1,062,078
Proceeds from issue of bonds	17,200,000	20,500,000
Repayments of bonds payable	(11,300,000)	(13,700,000)
Proceeds from long-term borrowings	146,039,764	180,330,464
Repayments of long-term borrowings	(149,069,299)	(189,641,931)
Repayment of the principal portion of lease liabilities	(236,321)	(238,157)
Decrease in guarantee deposits received	(121)	(459)
Cash dividends paid	<u>(7,226,382)</u>	<u>(8,029,313)</u>
Net cash used in financing activities	<u>(4,281,984)</u>	<u>(9,717,318)</u>
DECREASE IN CASH AND CASH EQUIVALENTS	(1,548,456)	(1,156,614)
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	<u>19,436,311</u>	<u>20,592,925</u>
CASH AND CASH EQUIVALENTS, END OF THE YEAR	<u>\$ 17,887,855</u>	<u>\$ 19,436,311</u>

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

(With Deloitte & Touche auditors' report dated March 31, 2022)

(Concluded)

# FAR EASTERN NEW CENTURY CORPORATION

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

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

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### 1. GENERAL INFORMATION

Far Eastern New Century Corporation (FENC or the “Company”), which was incorporated in 1954, manufactures and sells polyester materials and semi-finished and finished textiles such as cotton, synthetic or blended fabrics, towels and bed sheets, and woven and knitted garments; PET (polyethylene terephthalate) bottles and sheets; and natural, synthetic or blended yarns and polyester textured yarns. It also does yarn, silk and cloth printing and dyeing.

On October 13, 2009, the shareholders resolved to change the Company’s name from its former name Far Eastern Textile Ltd. to Far Eastern New Century Corporation; thus, the original ticker symbol of FETL was changed to FENC.

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

### 2. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the board of directors on March 8, 2022.

### 3. APPLICATION OF NEW AND REVISED STANDARDS, AMENDMENTS AND INTERPRETATIONS

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRSs”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRSs endorsed and issued into effect by the FSC did not have material impact on the Company’s accounting policies.

- b. The IFRSs endorsed by the FSC for application starting from 2022.

New IFRSs	Effective Date Announced by IASB
“Annual Improvements to IFRS Standards 2018-2020”	January 1, 2022 (Note 1)
Amendments to IFRS 3 “Reference to the Conceptual Framework”	January 1, 2022 (Note 2)
Amendments to IAS 16 “Property, Plant and Equipment - Proceeds before Intended Use”	January 1, 2022 (Note 3)
Amendments to IAS 37 “Onerous Contracts - Cost of Fulfilling a Contract”	January 1, 2022 (Note 4)

Note 1: The amendments to IFRS 9 are applied prospectively to modifications and exchanges of financial liabilities that occur on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IAS 41 “Agriculture” are applied prospectively to the fair value measurements on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IFRS 1 “First-time Adoptions of IFRSs” are applied retrospectively for annual reporting periods beginning on or after January 1, 2022.

Note 2: The amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the annual reporting period beginning on or after January 1, 2022.

Note 3: The amendments are applicable to property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after January 1, 2021.

Note 4: The amendments are applicable to contracts for which the entity has not yet fulfilled all its obligations on January 1, 2022.

As of the date the financial statements were authorized for issue, the Company assessed that application of the aforementioned amendments and the related amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers would not have significant impact on the Company’s financial position and financial performance.

c. New IFRSs in issue but not yet endorsed and issued into effect by the FSC

<b>New IFRSs</b>	<b>Effective Date Announced by IASB (Note 1)</b>
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 - Comparative Information”	January 1, 2023
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	January 1, 2023
Amendments to IAS 1 “Disclosure of Accounting Policies”	January 1, 2023 (Note 2)
Amendments to IAS 8 “Definition of Accounting Estimates”	January 1, 2023 (Note 3)
Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction	January 1, 2023 (Note 4)

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: The amendments will be applied prospectively for annual reporting periods beginning on or after January 1, 2023.

Note 3: The amendments are applicable to changes in accounting estimates and changes in accounting policies that occur on or after the beginning of the annual reporting period beginning on or after January 1, 2023.

Note 4: Except for deferred taxes that will be recognized on January 1, 2022 for temporary differences associated with leases and decommissioning obligations, the amendments will be applied prospectively to transactions that occur on or after January 1, 2022.

As of the date the financial statements were authorized for issue, the Company is continuously assessing the possible impact that the application of other standards and interpretations will have on the Company's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

#### **4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

a. Statement of compliance

The financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

b. Basis of preparation

The financial statements have been prepared on the historical cost basis except for financial instruments and investment properties which are measured at fair value, and net defined benefit assets/liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- 3) Level 3 inputs are unobservable inputs for the asset or liability.

When preparing its financial statements, the Company used the equity method to account for its investments in subsidiaries and associates. In order for the amounts of the net profit for the year, other comprehensive income for the year and total equity in the parent company only financial statements to be the same with the amounts attributable to the owners of the Company in its financial statements, adjustments arising from the differences in accounting treatment between parent company only basis and consolidated basis were made to investments accounted for by equity method, share of profit or loss of subsidiaries, associates and joint ventures, share of other comprehensive income of subsidiaries, associates and joint ventures and related equity items, as appropriate, in the parent company only financial statements.

c. Classification of current and non-current assets and liabilities

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to be realized within 12 months after the reporting period; and
- 3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the reporting period; and
- 3) Liabilities for which the Company does not have an unconditional right to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

d. Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (i.e. foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which cases, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

On the disposal of a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In relation to a partial disposal of a subsidiary that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences is included in the calculation of equity transactions but is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

e. Inventories

Inventories consist of raw materials, supplies, finished goods and work in progress and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at weighted-average cost on the balance sheet date.

f. Investment in subsidiaries

The Company uses the equity method to account for its investments in subsidiaries.

Subsidiary is an entity (including structured entity) that is controlled by the Company.

Under the equity method, investment in a subsidiary is initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the subsidiary. The Company also recognizes the changes in the Company's share of equity of subsidiaries attributable to the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in the Company losing control of the subsidiary are equity transactions. The Company recognizes directly in equity any difference between the carrying amount of the investment and the fair value of the consideration paid or received.

When the Company's share of losses of a subsidiary exceeds its interest in that subsidiary (which includes any carrying amount of the investment accounted for by the equity method and long-term interests that, in substance, form part of the Company's net investment in the subsidiary), the Company continues recognizing its share of further losses.

Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets and liabilities of a subsidiary at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognized immediately in profit or loss.

The Company assesses its investment for any impairment by comparing the carrying amount with the estimated recoverable amount as assessed based on the entire financial statements of the invested company. Impairment loss is recognized when the carrying amount exceeds the recoverable amount. If the recoverable amount of the investment subsequently increases, the Company recognizes reversal of the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized (net of amortization or depreciation) had no impairment loss been recognized in prior years. An impairment loss recognized on goodwill cannot be reversed in a subsequent period.

When the Company loses control of a subsidiary, it recognizes the investment retained in the former subsidiary at its fair value at the date when control is lost. The difference between the fair value of the retained investment plus any consideration received and the carrying amount of previous investment at the date when control is lost is recognized as a gain or loss in profit or loss. Besides, the Company accounts for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Company had directly disposed of the related assets or liabilities.

Profits or losses resulting from downstream transactions are eliminated in full in the parent company only financial statements. Profits and losses resulting from upstream transactions and transactions between subsidiaries are recognized in the parent company only financial statements only to the extent of interests in the subsidiaries that are not related to the Company.

g. Investment in associates

An associate is an entity over which the Company has significant influence and that is neither a subsidiary.

The Company uses the equity method to account for its investments in associates.

Under the equity method, investments in an associate are initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the associate. The Company also recognizes the changes in the Company's share of equity of associates attributable to the Company.

Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets and liabilities of an associate at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the Company subscribes for additional new shares of the associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Company's proportionate interest in the associate. The Company records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in the Company's share of equity of associates. If the Company's ownership interest is reduced due to the additional subscription of the new shares of associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required if the investee had directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for by the equity method is insufficient, the shortage is debited to retained earnings.

When the Company's share of losses of an associate equals or exceeds its interest in that associate (which includes any carrying amount of the investment accounted for by the equity method and long-term interests that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognizing its share of further losses. Additional losses and liabilities are recognized only to the extent that the Company has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

The entire carrying amount of the investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill, which forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

Gain or loss is recognized under treasury share method when there are cross shareholdings with and among associates.

The Company discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date and the fair value is regarded as its fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Company accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. If an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the Company continues to apply the equity method and does not remeasure the retained interest.

When the Company transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the Company's financial statements only to the extent of interests in the associate that are not related to the Company.

#### h. Property, plant and equipment

Property, plant and equipment (including assets held under finance leases) are stated at cost, less accumulated depreciation and accumulated impairment loss.

Properties, plant and equipment in the course of construction are carried at cost, less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Depreciation on property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. If the lease term is shorter than the useful lives, assets are depreciated over the lease term. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Property, plant and equipment are measured at the fair value on the date of transferring from investment properties to freehold properties.

The difference between the book value and the fair value is recognized in other comprehensive income when freehold property, plant and equipment are transferred to investment properties.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

i. Investment properties

Investment properties are properties held for earning rentals or for capital appreciation. Investment properties also include land held for a currently undetermined future use.

Investment properties are measured initially at cost, including transaction costs, and are subsequently measured using the fair value model. Changes in the fair value of investment properties are included for profit or loss in the period in which they arise.

When the property, plant and equipment is transferred to investment properties after self-use, the difference between the carrying amount and the fair value is included in other comprehensive profit or loss.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

j. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in estimates accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

2) Derecognition of intangible assets

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset are recognized in profit or loss.

k. Impairment of property, plant and equipment, right-of-use asset, intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment, right-of-use asset and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the individual cash-generating units on a reasonable and consistent basis of allocation.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the assets may be impaired.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset, cash-generating unit or assets related to contract costs is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset, cash-generating unit or assets related to contract costs in prior years. A reversal of an impairment loss is recognized in profit or loss.

l. Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement categories

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost.

i. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, accounts receivable at amortized cost, other receivables, refundable deposits and other financial assets, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

- i) Purchased or originated credit impaired financial assets, for which interest income is calculated by applying the credit adjusted effective interest rate to the amortized cost of such financial assets; and
- ii) Financial assets that are not credit-impaired on purchase or origination but have subsequently become credit-impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

Cash equivalents include time deposits with original maturities within 3 months from the date of acquisition and repurchase commercial paper, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

#### b) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including accounts receivable).

The Company always recognizes lifetime Expected Credit Loss (ECL) for account receivable, and lease receivables. For all other financial instruments, the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition.

Expected credit losses reflect the weighted average of credit losses with the respective risks of a default occurring as the weights. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Company recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

#### c) Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

## 2) Equity instruments

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments issued by a Company are recognized at the proceeds received, net of direct issue costs.

The repurchase of the Company's own equity instruments is recognized in and deducted directly from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Company's own equity instruments.

## 3) Financial liabilities

### a) Subsequent measurement

All financial liabilities are measured at amortized cost using the effective interest method.

### b) Derecognition of financial liabilities

The difference between the carrying amount of a financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

## 4) Derivative financial instruments

Derivatives are initially recognized at fair value at the date on which the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. When the fair value of a derivative financial instrument is positive, the derivative is recognized as a financial asset; when the fair value of a derivative financial instrument is negative, the derivative is recognized as a financial liability.

## m. Revenue recognition

The Company identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

For contracts where the period between the date on which the Company transfers a promised good or service to a customer and the date on which the customer pays for that good or service is one year or less, the Company does not adjust the promised amount of consideration for the effects of a significant financing component.

### Revenue from the sale of goods

Revenue from sale of goods comes from sales of chemical fiber and textile goods. Sales of goods are recognized as revenue when the goods are shipped or delivered because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers, and bears the risks of obsolescence. Revenue and accounts receivable are recognized concurrently.

The Company does not recognize revenue on materials delivered to subcontractors because this delivery does not involve a transfer of control.

n. Leasing

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease.

For a contract that contains a lease component and non-lease components, the Company allocates the consideration in the contract to each component on the basis of the relative stand-alone price and accounts for each component separately.

1) The Company as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Lease payments from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases.

2) The Company as lessee

The Company recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses the its incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, the Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. For a lease modification that is not accounted for as a separate lease, the Company accounts for the remeasurement of the lease liability by (a) decreasing the carrying amount of the right-of-use asset of lease modifications that decreased the scope of the lease, and recognizing in profit or loss any gain or loss on the partial or full termination of the lease. Lease liabilities are presented on a separate line in the balance sheets.

o. Borrowing costs

Borrowing costs directly attributable to an acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other than that which is stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

p. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost and past service cost) as well as gains and losses on settlements and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period in which they occur. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

q. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

The company determines the current income (loss) in accordance with the laws and regulations formulated by each income tax reporting jurisdiction, and calculates the payable (recoverable) income tax accordingly.

According to the Income Tax Law, an additional tax on unappropriated earnings is provided for as income tax in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, and unused tax credits for purchases of machinery, equipment and technology, research and development expenditures, and personnel training expenditures to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profit against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### 3) Current and deferred taxes for the year

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current tax and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

## **5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Company's accounting policies, management is required to make judgments, estimations and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The Company considers the economic implications of the COVID-19 when making its critical accounting estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

Fair value measurements and valuation processes of investment properties (including the investment properties held by subsidiaries accounted for using the equity method)

If the investment properties (including the investment properties held by subsidiaries which are accounted for using the equity method) where Level 1 inputs are not available, the Company or engaged valuers would determine appropriate inputs for investment properties which were measured using the income approach by referring to the existing lease contracts and rentals of similar properties in the vicinity. The Company or engaged valuers would determine appropriate inputs for investment properties which were

measured by using a land development analysis approach by considering related policies, macroeconomics, the usage of the land and the investment properties' market conditions. If there are changes of the actual inputs in the future which differ from expectation, the fair value of investment properties held by subsidiaries which are accounted for using the equity method might vary accordingly. The Company updates inputs every quarter to confirm the appropriateness of the fair value measurement.

Information about the valuation techniques and inputs used in determining the fair value is disclosed in Note 14.

## 6. CASH AND CASH EQUIVALENTS

	<u>December 31</u>	
	<b>2021</b>	<b>2020</b>
Cash on hand and petty cash	\$ 6,302	\$ 6,389
Checking and demand accounts	13,782,175	17,430,235
Cash equivalents (investments with original maturities of less than three months)		
Repurchase of commercial paper	<u>4,099,378</u>	<u>1,999,687</u>
	<u>\$ 17,887,855</u>	<u>\$ 19,436,311</u>

As of December 31, 2021 and 2020, the deposits in foreign banks in Japan amounted to \$210,286 thousand (JPY874,370 thousand) and \$151,933 thousand (JPY549,883 thousand), respectively.

The interest rates for bank deposits and cash equivalents as of the balance sheet date were as follows:

	<u>December 31</u>	
	<b>2021</b>	<b>2020</b>
Repurchase of commercial paper	0.31%-0.315%	0.25%

## 7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>December 31</u>	
	<b>2021</b>	<b>2020</b>
<u>Financial assets - current</u>		
Financial assets mandatorily classified as at FVTPL		
Derivative financial assets (not under hedge accounting)		
Forward exchange contracts	<u>\$ 10,163</u>	<u>\$ -</u>
<u>Financial liabilities - current</u>		
Held for trading		
Derivative financial liabilities (not under hedge accounting)		
Forward exchange contracts	<u>\$ -</u>	<u>\$ 10,619</u>

### a. Forward exchange contracts

The Company entered into forward exchange contracts to hedge against the exchange risks on foreign currency assets and liabilities. Since these transactions did not meet the criteria for hedge accounting, they were classified as financial instruments at FVTPL.

As of December 31, 2021 and 2020, the Company had outstanding forward exchange contracts, which were stated as follows:

	<b>Currency</b>	<b>Maturity</b>	<b>Contract Amount (Thousands)</b>
<u>December 31, 2021</u>			
Sell	USD/NTD	2022.1.7-2022.4.1	USD73,620/NTD2,042,646
Sell	EUR/USD	2022.1.28-2022.3.31	EUR9,000/USD10,190
Buy	USD/JPY	2022.1.25-2022.4.1	USD6,500/JPY739,823
Buy	USD/RMB	2022.2.25	USD3,000/RMB19,188
Sell	RMB/NTD	2022.1.10-2022.1.20	RMB16,850/NTD73,368
Sell	JPY/NTD	2022.1.7-2022.3.4	JPY1,179,380/NTD287,191
<u>December 31, 2020</u>			
Sell	USD/NTD	2021.1.6-2021.4.19	USD69,490/NTD1,960,358
Sell	EUR/USD	2021.1.29-2021.2.26	EUR5,000/USD6,027
Buy	USD/JPY	2021.2.17-2021.3.15	USD4,000/JPY415,085
Sell	JPY/NTD	2021.1.11	JYP80,000/NTD21,931

b. Option contracts

The Company sold option contracts to earn profit from royalties and the difference between exchange rate fluctuations.

The Company had no outstanding option contracts as of December 31, 2021 and 2020.

## 8. FINANCIAL ASSETS AT AMORTIZED COST

	<u>December 31</u>	
	2021	2020
<u>Current</u>		
Time deposits with original maturities of more than 3 months	\$ -	\$ <u>300,000</u>

The interest rate for time deposits with original maturities of more than 3 months was 0.30% as of December 31, 2020.

## 9. NOTES AND ACCOUNTS RECEIVABLE

	<u>December 31</u>	
	2021	2020
<u>Notes and accounts receivable</u>		
At amortized cost		
Gross carrying amount	\$ 7,808,269	\$ 5,371,379
Less: Allowance for impairment loss	<u>(58,996)</u>	<u>(274,150)</u>
	<u>\$ 7,749,273</u>	<u>\$ 5,097,229</u>

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

The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all accounts receivables. The expected credit losses on accounts receivables are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date.

The Company recognizes 100% of an allowance for doubtful accounts when there is information indicating that a debtor is experiencing severe financial difficulty and there is no realistic prospect of recovery of the receivable. Furthermore, the Company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of notes and accounts receivables:

December 31, 2021

	<b>1 to 90 Days</b>	<b>91 to 180 Days</b>	<b>181 to 365 Days</b>	<b>Over 365 Days</b>	<b>Total</b>
Gross carrying amount	\$ 6,480,571	\$ 1,317,130	\$ 10,568	\$ -	\$ 7,808,269
Loss allowance (Lifetime ECL)	<u>(33,723)</u>	<u>(23,996)</u>	<u>(1,277)</u>	<u>-</u>	<u>(58,996)</u>
Amortized cost	<u>\$ 6,446,848</u>	<u>\$ 1,293,134</u>	<u>\$ 9,291</u>	<u>\$ -</u>	<u>\$ 7,749,273</u>

December 31, 2020

	<b>1 to 90 Days</b>	<b>91 to 180 Days</b>	<b>181 to 365 Days</b>	<b>Over 365 Days</b>	<b>Total</b>
Gross carrying amount	\$ 4,441,632	\$ 694,591	\$ 17,476	\$ 217,680	\$ 5,371,379
Loss allowance (Lifetime ECL)	<u>(51,622)</u>	<u>(4,839)</u>	<u>(9)</u>	<u>(217,680)</u>	<u>(274,150)</u>
Amortized cost	<u>\$ 4,390,010</u>	<u>\$ 689,752</u>	<u>\$ 17,467</u>	<u>\$ -</u>	<u>\$ 5,097,229</u>

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

	<b>For the Year Ended December 31</b>	
	<b>2021</b>	<b>2020</b>
Balance at January 1	\$ 274,150	\$ 278,535
Less: Amounts written off	(237,515)	(15,924)
Less impairment losses on receivables	<u>22,361</u>	<u>11,539</u>
Balance at December 31	<u>\$ 58,996</u>	<u>\$ 274,150</u>

## 10. INVENTORIES

	<u>December 31</u>	
	<u>2021</u>	<u>2020</u>
Finished goods	\$ 1,693,212	\$ 1,135,254
Work in progress	2,325,200	1,623,315
Raw materials	1,973,905	1,051,348
Supplies	388,597	244,609
Raw materials in transit	<u>275,239</u>	<u>226,787</u>
	<u>\$ 6,656,153</u>	<u>\$ 4,281,313</u>

For the years ended December 31, 2021 and 2020, the costs of inventories sold were \$38,592,537 thousand and \$33,478,180 thousand, respectively. The cost of goods sold for the years ended December 31, 2021 and 2020 included inventory write-downs of \$121,694 thousand and \$2,036 thousand, respectively.

## 11. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	<u>December 31</u>	
	<u>2021</u>	<u>2020</u>
Investments in subsidiaries	\$ 242,577,462	\$ 238,461,100
Investments in associates	<u>31,541,669</u>	<u>30,931,181</u>
	<u>\$ 274,119,131</u>	<u>\$ 269,392,281</u>

### a. Investments in subsidiaries

	<u>December 31</u>			
	<u>2021</u>		<u>2020</u>	
	<u>Carrying Amount</u>	<u>% of Owner- ship</u>	<u>Carrying Amount</u>	<u>% of Owner- ship</u>
Unlisted companies				
Far Eastern Resources Development Co., Ltd.	\$ 106,789,756	100.00	\$ 106,334,081	100.00
Yuan Ding Investment Co., Ltd.	43,790,144	99.40	41,433,997	99.40
Far Eastern Investment (Holding) Ltd.	28,278,359	100.00	25,734,569	100.00
Far Eastern Construction Co., Ltd.	10,420,022	65.11	9,956,499	65.11
Far Eastern Polytex (Holding) Ltd.	9,415,124	100.00	9,647,375	100.00
Yuan Tong Investment Co., Ltd.	8,871,338	100.00	8,737,914	100.00
Oriental Petrochemical (Taiwan) Corporation	7,683,250	75.56	9,057,496	75.56
Far Eastern Polychem Industries Ltd.	7,683,110	73.04	7,739,405	73.04
Kai Yuan International Investment Co., Ltd.	5,720,430	100.00	5,582,758	100.00
PET Far Eastern (Holding) Ltd.	4,056,695	91.95	4,497,126	91.95
Yuan Ding Co., Ltd.	3,201,935	37.13	3,243,038	37.13
Ding Yuan International Investment Co., Ltd.	3,285,246	100.00	3,088,477	100.00

(Continued)

	<b>December 31</b>			
	<b>2021</b>		<b>2020</b>	
	<b>Carrying Amount</b>	<b>% of Owner- ship</b>	<b>Carrying Amount</b>	<b>% of Owner- ship</b>
An Ho Garment Co., Ltd.	\$ 2,182,745	100.00	\$ 2,109,554	100.00
FEDP (Holding) Ltd.	760,474	50.43	913,226	50.43
Fu Kwok Knitting & Garment Co., Ltd.	254,514	100.00	211,101	100.00
FE Oriental Investment Holding (Singapore) Pte. Ltd.	161,991	100.00	165,064	100.00
Far Eastern Textile Ltd.	13,345	100.00	1,720	100.00
Ding Ding Hotel Co., Ltd.	<u>8,984</u>	0.74	<u>7,700</u>	0.74
	<u>\$ 242,577,462</u>		<u>\$ 238,461,100</u>	

(Concluded)

On September 11, 2020, the Company's overseas subsidiary, FE Oriental Investment Holding (Singapore) Pte. Ltd. issue common stock for cash, for the amount of \$147,400 thousand. (US\$5,000 thousand.)

The Company appointed the general manager of Yuan Ding Co., Ltd., and therefore, the Company could exercise control over Yuan Ding Co., Ltd. which is recognized as a subsidiary. Ding Ding Hotel Co., Ltd. was recognized as subsidiary because the Company and its subsidiaries owned more than 50% of Ding Ding Hotel Co., Ltd.'s voting shares.

b. Investments in associates

	<b>December 31</b>			
	<b>2021</b>		<b>2020</b>	
	<b>Carrying Amount</b>	<b>% of Owner- ship</b>	<b>Carrying Amount</b>	<b>% of Owner- ship</b>
<u>Associates that are individually material</u>				
Listed companies				
Asia Cement Corporation	<u>\$ 19,942,978</u>	21.17	<u>\$ 19,555,827</u>	22.33
<u>Associates that are not individually material</u>				
Listed companies				
Far Eastern Department Stores Co., Ltd.	5,053,729	17.06	5,078,558	17.06
Far Eastern International Bank	1,209,972	2.62	1,166,486	2.62
Oriental Union Chemical Corporation	1,190,073	9.17	1,095,081	9.17
Everest Textile Corporation	<u>1,166</u>	0.02	<u>1,180</u>	0.03
	<u>7,454,940</u>		<u>7,341,305</u>	
Unlisted companies				
Oriental Securities Corporation	2,101,272	19.65	2,024,150	19.65
Pacific Liu Tong Investment Co., Ltd.	<u>2,042,479</u>	16.83	<u>2,009,899</u>	16.83
	<u>4,143,751</u>		<u>4,034,049</u>	
	<u>\$ 31,541,669</u>		<u>\$ 30,931,181</u>	

1) Material associates

Name of Associate	Nature of Activities	Principal Place of Business	Proportion of Ownership and Voting Rights	
			December 31	
			2021	2020
Asia Cement Corporation	Cement production	Taiwan	21.17%	22.33%

Fair value (Level 1) of investment in associates with available published price quotation are summarized follows:

Name of Associate	December 31	
	2021	2020
Asia Cement Corporation	\$ 33,247,652	\$ 32,422,089

All the associates above are accounted for using equity method.

The summarized financial information below represents amounts shown in the associate's consolidated financial statements prepared in accordance with IFRSs adjusted by the Company for equity accounting purposes.

Asia Cement Corporation

	December 31	
	2021	2020
Current assets	\$ 105,955,718	\$ 87,023,947
Non-current assets	211,100,351	210,062,908
Current liabilities	(71,082,366)	(64,027,610)
Non-current liabilities	<u>(65,700,817)</u>	<u>(63,172,293)</u>
Equity	180,272,886	169,886,952
Non-controlling interests	<u>(23,345,963)</u>	<u>(22,118,393)</u>
	<u>\$ 156,926,923</u>	<u>\$ 147,768,559</u>
Proportion of the Company's ownership	21.17%	22.33%
Equity attributable to the Company	\$ 33,221,430	\$ 32,996,719
Cross shareholdings	<u>(13,278,452)</u>	<u>(13,440,892)</u>
Carrying amount	<u>\$ 19,942,978</u>	<u>\$ 19,555,827</u>
	For the Year Ended December 31	
	2021	2020
Operating revenue	<u>\$ 89,654,713</u>	<u>\$ 78,240,880</u>
Net income for the year	\$ 17,527,770	\$ 18,773,807
Other comprehensive (loss) income	<u>(396,550)</u>	<u>(1,189,331)</u>
Total comprehensive income for the year	<u>\$ 17,131,220</u>	<u>\$ 17,584,476</u>
Dividends received from Asia Cement Corporation	<u>\$ 2,598,899</u>	<u>\$ 2,251,534</u>

2) Aggregate information of associates that are not individually material

	<b>For the Year Ended December 31</b>	
	<b>2021</b>	<b>2020</b>
The Company's share of:		
Net income for the year	\$ 627,651	\$ 481,618
Other comprehensive income (loss)	<u>20,985</u>	<u>(50,171)</u>
Total comprehensive income for the year	<u>\$ 648,636</u>	<u>\$ 431,447</u>

The combined equity of the Company and subsidiaries in some investee companies - Far Eastern Department Stores Co., Ltd., Oriental Union Chemical Corporation (OUCC), Everest Textile Corporation (Everest Textile), Oriental Securities Corporation and Pacific Liu Tong Investment Co., Ltd. (PLT) - exceeded 20% of their respective outstanding common stock. Thus, related investments were accounted for using the equity method.

Investment in Far Eastern International Bank (FEIB) was accounted for using the equity method because the Company has significant influence over FEIB even though the Company and its subsidiaries owned 16% of the investee's voting shares.

The calculation of the investments accounted for using the equity method and the share of profit or loss and other comprehensive income of the investments were based on the subsidiaries' or associates' audited financial statements as of December 31, 2021 and 2020.

## 12. PROPERTY, PLANT, EQUIPMENT AND PREPAYMENTS FOR EQUIPMENT

	<b>December 31</b>	
	<b>2021</b>	<b>2020</b>
<u>Carrying amounts</u>		
Total property, plant and equipment	\$ 22,808,295	\$ 24,271,372
Prepayments for equipment	<u>28,102</u>	<u>21,598</u>
	<u>\$ 22,836,397</u>	<u>\$ 24,292,970</u>

	<b>Land</b>	<b>Buildings</b>	<b>Machinery and Equipment</b>	<b>Operating and Miscellaneous Equipment</b>	<b>Construction-in-progress and Prepayments for Equipment</b>	<b>Total</b>
<u>Cost</u>						
Balance at January 1, 2021	\$ 7,200,549	\$ 9,944,041	\$ 49,988,303	\$ 5,874,431	\$ 861,953	\$ 73,869,277
Additions	-	-	-	-	859,004	859,004
Disposals	-	(4,022)	(167,992)	(215,158)	-	(387,172)
Reclassification	<u>-</u>	<u>70,523</u>	<u>657,922</u>	<u>239,293</u>	<u>(967,738)</u>	<u>-</u>
Balance at December 31, 2021	<u>\$ 7,200,549</u>	<u>\$ 10,010,542</u>	<u>\$ 50,478,233</u>	<u>\$ 5,898,566</u>	<u>\$ 753,219</u>	<u>\$ 74,341,109</u>

(Continued)

	Land	Buildings	Machinery and Equipment	Operating and Miscellaneous Equipment	Construction-in-progress and Prepayments for Equipment	Total
<u>Accumulated depreciation and impairment</u>						
Balance at January 1, 2021	\$ -	\$ (6,179,740)	\$ (38,389,730)	\$ (5,006,837)	\$ -	\$ (49,576,307)
Disposals	-	4,022	165,705	215,158	-	384,885
Impairment loss	-	-	(170,578)	-	-	(170,578)
Depreciation expense	-	(225,581)	(1,531,085)	(386,046)	-	(2,142,712)
Balance at December 31, 2021	<u>\$ -</u>	<u>\$ (6,401,299)</u>	<u>\$ (39,925,688)</u>	<u>\$ (5,177,725)</u>	<u>\$ -</u>	<u>\$ (51,504,712)</u>
Carrying amount at January 1, 2021/December 31, 2020	<u>\$ 7,200,549</u>	<u>\$ 3,764,301</u>	<u>\$ 11,598,573</u>	<u>\$ 867,594</u>	<u>\$ 861,953</u>	<u>\$ 24,292,970</u>
Carrying amount at December 31, 2021	<u>\$ 7,200,549</u>	<u>\$ 3,609,243</u>	<u>\$ 10,552,545</u>	<u>\$ 720,841</u>	<u>\$ 753,219</u>	<u>\$ 22,836,397</u>
<u>Cost</u>						
Balance at January 1, 2020	\$ 7,132,040	\$ 9,538,494	\$ 48,798,868	\$ 5,775,192	\$ 3,231,486	\$ 74,476,080
Additions	68,509	-	-	-	1,111,432	1,179,941
Disposals	-	(18,143)	(1,482,097)	(286,504)	-	(1,786,744)
Reclassification	-	423,690	2,671,532	385,743	(3,480,965)	-
Balance at December 31, 2020	<u>\$ 7,200,549</u>	<u>\$ 9,944,041</u>	<u>\$ 49,988,303</u>	<u>\$ 5,874,431</u>	<u>\$ 861,953</u>	<u>\$ 73,869,277</u>
<u>Accumulated depreciation and impairment</u>						
Balance at January 1, 2020	\$ -	\$ (5,979,972)	\$ (38,249,048)	\$ (4,778,014)	\$ -	\$ (49,007,034)
Disposals	-	18,143	1,469,141	286,502	-	1,773,786
Impairment loss	-	(1,960)	(142,757)	(5,713)	-	(150,430)
Depreciation expense	-	(215,951)	(1,467,066)	(509,612)	-	(2,192,629)
Balance at December 31, 2020	<u>\$ -</u>	<u>\$ (6,179,740)</u>	<u>\$ (38,389,730)</u>	<u>\$ (5,006,837)</u>	<u>\$ -</u>	<u>\$ (49,576,307)</u>
Carrying amount at December 31, 2020	<u>\$ 7,200,549</u>	<u>\$ 3,764,301</u>	<u>\$ 11,598,573</u>	<u>\$ 867,594</u>	<u>\$ 861,953</u>	<u>\$ 24,292,970</u>

(Concluded)

The Company expects that there will be no future cash flows of machinery equipment which is utilized by the textile and chemical segments to produce certain products. As a result, the Company recognized the impairment loss amounting to \$170,578 thousand and \$150,430 thousand, respectively, for the years ended December 31, 2021 and 2020. The impairment loss was recognized in the comprehensive income statements under the impairment loss account.

The above items of property, plant and equipment are depreciated on a straight-line basis over the following estimated useful lives:

Buildings	3-50 years
Machinery and equipment	5-20 years
Operating and miscellaneous equipment	3-15 years

For the amount of property, plant and equipment that the Company pledged or mortgaged as collateral for borrowings, refer to Note 27.

As of December 31, 2021, and 2020, farmland was recognized as property, plant and equipment amounting to \$241,797 thousand and \$241,912 thousand, respectively and recognized as investment properties amounting to \$42,182 thousand and \$39,489 thousand, respectively. The titles to the land are temporarily registered in the name of trustees who have either signed an agreement showing the farmland belongs to the Company or have pledged the land to the Company.

### 13. LEASE ARRANGEMENTS

#### a. Right-of-use assets

	Land	Buildings	Machinery and Equipment	Operating and Miscellaneous Equipment	Total
<u>Cost</u>					
Balance at January 1, 2021	\$ 113,907	\$ 1,241,841	\$ 408	\$ 9,131	\$ 1,365,287
Increase	2,343	37	-	1,716	4,096
Decrease	<u>-</u>	<u>(10,973)</u>	<u>-</u>	<u>(7,733)</u>	<u>(18,706)</u>
Balance at December 31, 2021	<u>\$ 116,250</u>	<u>\$ 1,230,905</u>	<u>\$ 408</u>	<u>\$ 3,114</u>	<u>\$ 1,350,677</u>
<u>Accumulated depreciation</u>					
Balance at January 1, 2021	\$ 61,265	\$ 633,389	\$ 215	\$ 6,736	\$ 701,605
Depreciation expense	17,122	216,010	136	2,071	235,339
Decrease	<u>-</u>	<u>(10,973)</u>	<u>-</u>	<u>(7,733)</u>	<u>(18,706)</u>
Balance at December 31, 2021	<u>\$ 78,387</u>	<u>\$ 838,426</u>	<u>\$ 351</u>	<u>\$ 1,074</u>	<u>\$ 918,238</u>
Carrying amount at December 31, 2021	<u>\$ 37,863</u>	<u>\$ 392,479</u>	<u>\$ 57</u>	<u>\$ 2,040</u>	<u>\$ 432,439</u>
<u>Cost</u>					
Balance at January 1, 2020	\$ 115,879	\$ 1,237,465	\$ 1,783	\$ 12,896	\$ 1,368,023
Increase	307	22,247	-	602	23,156
Decrease	<u>(2,279)</u>	<u>(17,871)</u>	<u>(1,375)</u>	<u>(4,367)</u>	<u>(25,892)</u>
Balance at December 31, 2020	<u>\$ 113,907</u>	<u>\$ 1,241,841</u>	<u>\$ 408</u>	<u>\$ 9,131</u>	<u>\$ 1,365,287</u>
<u>Accumulated depreciation</u>					
Balance at January 1, 2020	\$ 46,449	\$ 422,202	\$ 1,324	\$ 7,235	\$ 477,210
Depreciation expense	17,095	218,250	267	3,866	239,478
Decrease	<u>(2,279)</u>	<u>(7,063)</u>	<u>(1,376)</u>	<u>(4,365)</u>	<u>(15,083)</u>
Balance at December 31, 2020	<u>\$ 61,265</u>	<u>\$ 633,389</u>	<u>\$ 215</u>	<u>\$ 6,736</u>	<u>\$ 701,605</u>
Carrying amount at December 31, 2020	<u>\$ 52,642</u>	<u>\$ 608,452</u>	<u>\$ 193</u>	<u>\$ 2,395</u>	<u>\$ 663,682</u>

#### b. Lease liabilities

Item	Summary	Lease Term	Discount Rate	December 31, 2021
Land	Land for plant	2011.06.01-2027.12.31	0.92%-1.00%	\$ 38,624
Buildings	Office, factory	2016.05.01-2023.12.31	1.00%	400,331
Machinery and equipment	Equipment for production	2019.06.01-2022.05.31	1.00%	57
Operating and miscellaneous equipment	Corporate vehicle	2019.10.31-2026.03.28	0.78%-1.04%	<u>2,051</u>
				<u>\$ 441,063</u>

Item	Summary	Lease Term	Discount Rate	December 31, 2020
Land	Land for plant	2011.06.01-2027.12.31	1.00%	\$ 53,500
Buildings	Office, factory	2016.05.01-2023.12.31	1.00%	617,176
Machinery and equipment	Equipment for production	2019.06.01-2022.05.31	1.00%	194
Operating and miscellaneous equipment	Corporate vehicle	2017.03.31-2024.10.30	1.00-1.08%	<u>2,418</u>
				<u>\$ 673,288</u>

<b>December 31</b>	
<b>2021</b>	<b>2020</b>

Carrying amounts

Current	<u>\$ 232,097</u>	<u>\$ 235,201</u>
Non-current	<u>\$ 208,966</u>	<u>\$ 438,087</u>

<b>For the Year Ended December 31</b>	
<b>2021</b>	<b>2020</b>

Interest expense from lease liabilities	<u>\$ 5,526</u>	<u>\$ 7,917</u>
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c. Material leasing activities and terms

As lessee, the Company leases certain operating and other equipment for use in operations uses with lease terms of 1 to 5 years. These lease arrangements do not contain renewal or purchase options.

The Company also leases land and buildings for the use as plants and offices with lease terms of 3 to 17 years. The Company does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms.

d. Other lease information

Lease arrangements under operating leases for the leasing out of investment properties are set out in Note 14.

<b>For the Year Ended December 31</b>	
<b>2021</b>	<b>2020</b>

Expenses relating to short-term leases	<u>\$ 35,477</u>	<u>\$ 27,135</u>
Expenses relating to low-value asset leases	<u>\$ 21</u>	<u>\$ 21</u>
Total cash outflow for leases	<u>\$ (277,177)</u>	<u>\$ (273,230)</u>

The Company has elected to apply the recognition exemption for short-term leases and low-value asset leases and thus, did not recognize right-of-use assets and lease liabilities for these leases.

#### 14. INVESTMENT PROPERTIES

The fair value of investment properties was estimated using unobservable inputs (Level 3). The movements in the fair value were as follows:

	<b>Completed Investment Properties</b>
Balance at January 1, 2021	\$ 1,023,412
Recognized in profit (gain arising from the change in fair value of investment properties)	<u>41,713</u>
Balance at December 31, 2021	<u>\$ 1,065,125</u>
Balance at January 1, 2020	\$ 978,404
Additions	5,369
Recognized in profit (gain arising from the change in fair value of investment properties)	<u>39,639</u>
Balance at December 31, 2020	<u>\$ 1,023,412</u>

The major investment properties of the Company were as follows:

The buildings and lands located in Hsinchu Hukou section was leased to the Company's subsidiary for its operation. Under the "IFRSs Questions and Answers" issued by Taiwan Stock Exchange Corp. (TWSE), the Company recognized these items as investment properties in the company only financial statements and reclassified them to property, plant and equipment in its consolidated financial statements. The Company used the equity method and share of the profit or loss of subsidiaries and associates to adjust the differences between the investment property amounts presented in the company only and consolidated financial statements.

The fair values of investment properties were as follows:

	<u>December 31</u>	
	<u>2021</u>	<u>2020</u>
Independent valuation	<u>\$ 1,065,125</u>	<u>\$ 1,023,412</u>

The fair value of the investment properties as of December 31, 2021 and 2020 was based on the valuations carried out at January 28, 2022 and January 20, 2021, respectively, by independent qualified professional valuers Mr. Chia-ho Tsai from Debenham Tie Leung Real Estate Appraiser Office, a member of certified ROC real estate appraisers.

The fair value of investment properties was measured using the income approach. The significant assumptions used were as follows. The increase in estimated future net cash inflows, or the decrease in discount rates would result in increase in the fair value.

	<b>December 31</b>	
	<b>2021</b>	<b>2020</b>
Expected future cash inflows	\$ 1,207,587	\$ 1,126,505
Expected future cash outflows	<u>(56,915)</u>	<u>(51,544)</u>
Expected future cash inflows, net	<u>\$ 1,150,672</u>	<u>\$ 1,074,961</u>
Discount rate intervals	1.845%	1.845%

The expected future cash inflows generated by investment properties referred to rental income, loss on vacancy rate of space and disposal value. The rental income was extrapolated using the comparative market rentals covering 10 years, excluding too-high and too-low values, taking into account the annual rental growth rate. Loss on vacancy rate of space was extrapolated using the vacancy rates of the neighboring stores and factories, and the disposal value was determined using the direct capitalization method under the income approach. The expected future cash outflows on investment property included expenditures such as land value taxes, house taxes, insurance premium, maintenance costs and replacement allowance. These expenditures were extrapolated on the basis of the current level of expenditures, taking into account the future adjustment to the government-announced land value and the tax rate promulgated under the House Tax Act.

The discount rate was determined by reference to the local same class product, a reasonable rental income level and the selling price of investment properties taking into consideration the liquidity, potential risk, appreciation and the complexity of management; in addition, the discount rate should not be lower than the interest rate for two-year time deposits of Chunghwa Post Corporation plus 0.75%.

## 15. OTHER INTANGIBLE ASSETS

	<b>Computer Software</b>	<b>Others</b>	<b>Total</b>
Balance at January 1, 2021	\$ 16,280	\$ -	\$ 16,280
Additions	8,560	-	8,560
Amortization	<u>(9,229)</u>	<u>-</u>	<u>(9,229)</u>
Balance at December 31, 2021	<u>\$ 15,611</u>	<u>\$ -</u>	<u>\$ 15,611</u>
Balance at January 1, 2020	\$ 18,928	\$ 20	\$ 18,948
Additions	9,413	-	9,413
Amortization	<u>(12,061)</u>	<u>(20)</u>	<u>(12,081)</u>
Balance at December 31, 2020	<u>\$ 16,280</u>	<u>\$ -</u>	<u>\$ 16,280</u>

The above intangible assets are amortized on a straight-line basis up to the estimated useful lives of the assets as follows:

Computer software	3-5 years
Others	5 years

## 16. BORROWINGS

### a. Short-term borrowings

	<u>December 31</u>	
	<u>2021</u>	<u>2020</u>
Bank credit loans	<u>\$ 3,772,868</u>	<u>\$ 3,462,493</u>
Interest rate	0.67%-0.84%	0.72-0.85%

### b. Long-term borrowings

	<u>December 31</u>	
	<u>2021</u>	<u>2020</u>
Bank loans	<u>\$ 19,540,021</u>	<u>\$ 23,469,556</u>
Long-term commercial paper	20,900,000	20,000,000
Less: Unamortized discount on commercial paper	<u>22,836</u>	<u>31,507</u>
	<u>20,877,164</u>	<u>19,968,493</u>
	<u>\$ 40,417,185</u>	<u>\$ 43,438,049</u>

The foregoing loans are payable in New Taiwan dollars and U.S. dollars. The loans are repayable by lump sum payment of principal and interest on maturity, by lump sum payment of principal on maturity and monthly payments of interest, and by lump sum payment of principal on maturity and prepayment of interest. Some of the loans are revolving within credit line limitation. The maturity dates of revolving credit loans are based on the maturity dates of the credit line limit contracts. The maturity dates and bank interest rate intervals of the Company's borrowings were as follows:

	<u>December 31</u>	
	<u>2021</u>	<u>2020</u>
Maturity	March 2023 - June 2025	January 2022 - June 2024
Interest rates intervals	0.658%-1.30%	0.68%-1.1943%

## 17. BONDS PAYABLE

	<u>December 31</u>	
	<u>2021</u>	<u>2020</u>
Non-convertible bonds	\$ 71,200,000	\$ 65,300,000
Discount of non-convertible bonds	<u>(72,090)</u>	<u>(71,458)</u>
	71,127,910	65,228,542
Less: Current portion	<u>9,496,599</u>	<u>11,297,104</u>
	<u>\$ 61,631,311</u>	<u>\$ 53,931,438</u>

For details of bonds payable as of December 31, 2021, refer to Statement 9 following the Notes to Financial Statements. The details of bonds payable as of December 31, 2020 which were repaid in 2021 were as follows:

On April 29, 2016, the Company issued five-year unsecured bonds (the first tranche) amounting to \$6,000,000 thousand at a unit face value of \$1,000 thousand. The five-year bonds are repayable at 50% of the total amount at the end of the fourth and fifth years of bond issuance, with a 0.88% interest rate. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

On April 29, 2016, the Company issued five-year unsecured bonds (the first tranche) amounting to \$2,000,000 thousand at a unit face value of \$1,000 thousand. The five-year bonds are repayable in lump sum at the 104.8411% of total amount on maturity.

On September 20, 2016, the Company issued five-year unsecured bonds (the second tranche) amounting to \$3,800,000 thousand at a unit face value of \$1,000 thousand. The five-year bonds are repayable in lump sum on maturity, with a 0.72% interest rate. The interest is calculated by the simple fix interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

## 18. RETIREMENT BENEFIT PLANS

### a. Defined contribution plans

The Company adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

### b. Defined benefit plans

The defined benefit plan adopted by the Company in accordance with the Labor Standards Law is operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Company contribute amounts equal to 4% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Company assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Company is required to fund the difference in one appropriation that should be made before the end of March of the next year.

The investment is conducted at the discretion of Bureau of Labor Funds, Ministry of Labor or under the mandated management. The plan assets are invested in domestic (foreign) equity and debt securities, bank deposits, etc. However, in accordance with Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund the return generated by employees' pension contribution should not be below the interest rate for a 2-year time deposit with local banks.

The amounts included in the balance sheets in respect of the Company's defined benefit plans were as follows:

	<b>December 31</b>	
	<b>2021</b>	<b>2020</b>
Present value of defined benefit obligation	\$ 4,673,515	\$ 5,035,876
Fair value of plan assets	<u>(5,995,863)</u>	<u>(5,604,577)</u>
Net defined benefit (assets) liabilities	<u>\$ (1,322,348)</u>	<u>\$ (568,701)</u>

Movements in net defined benefit (assets) liabilities were as follows:

	<b>Present Value of the Defined Benefit Obligation</b>	<b>Fair Value of the Plan Assets</b>	<b>Net Defined Benefit (Assets) Liabilities</b>
Balance at January 1, 2021	<u>\$ 5,035,876</u>	<u>\$ (5,604,577)</u>	<u>\$ (568,701)</u>
Service cost			
Current service cost	36,546	-	36,546
Net interest expense (income)	<u>14,420</u>	<u>(16,814)</u>	<u>(2,394)</u>
Recognized in profit or loss (Note)	<u>50,966</u>	<u>(16,814)</u>	<u>34,152</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(401,298)	(401,298)
Actuarial (gain) loss - changes in vital statistics assumptions	86,196	-	86,196
Actuarial (gain) loss - changes in financial assumptions	(122,116)	-	(122,116)
Actuarial (gain) loss - experience adjustments	<u>103,098</u>	<u>-</u>	<u>103,098</u>
Recognized in other comprehensive income	<u>67,178</u>	<u>(401,298)</u>	<u>(334,120)</u>
Contributions from the employer	-	(302,855)	(302,855)
Benefits paid	<u>(480,505)</u>	<u>329,681</u>	<u>(150,824)</u>
Balance at December 31, 2021	<u>\$ 4,673,515</u>	<u>\$ (5,995,863)</u>	<u>\$ (1,322,348)</u>
Balance at January 1, 2020	<u>\$ 5,360,840</u>	<u>\$ (5,778,268)</u>	<u>\$ (417,428)</u>
Service cost			
Current service cost	43,366	-	43,366
Net interest expense (income)	<u>41,295</u>	<u>(46,226)</u>	<u>(4,931)</u>
Recognized in profit or loss (Note)	<u>84,661</u>	<u>(46,226)</u>	<u>38,435</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	139,576	139,576
Actuarial (gain) loss - changes in financial assumptions	161,251	-	161,251
Actuarial (gain) loss - experience adjustments	<u>(120,455)</u>	<u>-</u>	<u>(120,455)</u>
Recognized in other comprehensive income	<u>40,796</u>	<u>139,576</u>	<u>180,372</u>
Contributions from the employer	-	(281,042)	(281,042)
Benefits paid	<u>(450,421)</u>	<u>361,383</u>	<u>(89,038)</u>
Balance at December 31, 2020	<u>\$ 5,035,876</u>	<u>\$ (5,604,577)</u>	<u>\$ (568,701)</u>

Through the defined benefit plans under the Labor Standards Law, the Company is exposed to the following risks:

- 1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks. In addition, the Company has another pension fund which is separate from the above. This pension fund is invested in domestic listed companies' shares and time deposits. It is exposed to the risks of changes in market price and interest rates.

- 2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.
- 3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salaries of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations were as follows:

	<u>December 31</u>	
	<b>2021</b>	<b>2020</b>
Discount rate(s)	0.70%	0.30%
Expected rate(s) of salary increase	2.00%	2.00%

If possible reasonable change in each of the significant actuarial assumptions will occur and all other assumptions will remain constant, the present value of the defined benefit obligation would increase (decrease) as follows:

	<u>December 31</u>	
	<b>2021</b>	<b>2020</b>
Discount rate(s)		
0.50% increase	<u>\$ (145,088)</u>	<u>\$ (161,251)</u>
0.50% decrease	<u>\$ 153,528</u>	<u>\$ 170,932</u>
Expected rate(s) of salary increase		
0.50% increase	<u>\$ 150,823</u>	<u>\$ 167,230</u>
0.50% decrease	<u>\$ (144,029)</u>	<u>\$ (159,456)</u>

The sensitivity analysis presented above may not be representative of the actual change in the present value of the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	<u>December 31</u>	
	<b>2021</b>	<b>2020</b>
The expected contributions to the plan for the next year	<u>\$ 308,912</u>	<u>\$ 458,139</u>
The average duration of the defined benefit obligation	6.4 years	6.7 years

## 19. EQUITY

### a. Share capital

#### 1) Common stock

	<u>December 31</u>	
	<u>2021</u>	<u>2020</u>
Numbers of authorized shares (in thousands)	<u>6,000,000</u>	<u>6,000,000</u>
Amount of authorized shares	<u>\$ 60,000,000</u>	<u>\$ 60,000,000</u>
Number of issued and fully paid shares (in thousands)	<u>5,352,875</u>	<u>5,352,875</u>
Amount of issued	<u>\$ 53,528,751</u>	<u>\$ 53,528,751</u>

The issued shares have a par value of NT\$10 and have the rights of voting and receiving dividends.

#### 2) Global depositary receipt

From 1999, the Company issued global depositary receipts (GDRs), one GDRs unit represents 10 common stock of the Company. The GDRs were traded and listed on the Luxembourg Stock Exchange. As of December 31, 2020, there are 10 thousand units outstanding, which were equal to 95 thousand common stock of the Company.

In order to reduce related management costs, the Company has terminated the issuance of global depositary receipts listed on the Luxembourg Stock Exchange and traded on the London Stock Exchange on April 29, 2021, and was delisted from the Luxembourg Stock Exchange.

### b. Capital surplus

	<u>December 31</u>	
	<u>2021</u>	<u>2020</u>
<u>May be used to offset a deficit, distributed as cash dividends or transferred to share capital (1)</u>		
The difference between consideration received or paid and the carrying amount of the subsidiaries net assets during actual disposal or acquisition	\$ 2,604,860	\$ 2,654,932
Treasury shares transactions	17,690	16,638
<u>May be used to offset a deficit only (2)</u>		
Changes in percentage of ownership interests in subsidiaries and associates	627,118	495,232
<u>May not be used for any purpose</u>	<u>153,335</u>	<u>153,335</u>
Changes in equity-method associates' capital surplus	<u>\$ 3,403,003</u>	<u>\$ 3,320,137</u>

1) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).

2) Such capital surplus arises from the effect of changes in ownership interest in a subsidiary resulting from equity transactions other than actual disposal or acquisition of ownership interests, or from changes in capital surplus of subsidiaries accounted for using the equity method.

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the Company’s Articles, where the Company made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used as the basis for proposing a distribution plan. After adding prior years’ unappropriated earnings, the Company would retain a certain amount for expansion plans and then make the distribution of dividends evenly for all shares. When there is a capital increase, the amount of dividends for new shares of that year would be according to the resolution of the shareholders’ meeting.

The company issued amended dividend regulation on shareholders’ meeting at June 30, 2020, where the Company made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside current net income plus other items for undistributed retained earnings as legal reserve 10% of the remaining profit, setting aside or reversing special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used as the basis for proposing a distribution plan. After adding prior years’ unappropriated earnings, the Company would retain a certain amount for expansion plans and then make the distribution of dividends evenly for all shares. When there is a capital increase, the amount of dividends for new shares of that year would be according to the resolution of the shareholders’ meeting. For the policies on distribution of employees’ compensation and remuneration to directors before and after amendment, refer to Note 21, d. “Employees’ compensation and remuneration of directors”.

The Company’s dividends should be appropriated at a percentage based on the Company’s Articles of Incorporation to have a stable dividend distribution while taking into account the future economic condition, cash demands and taxation. The cash dividends should be at least 10% of total dividends declared, unless cash is required for investments, productivity expansion, any significant future capital expenditures or plans to improve financial structure.

An appropriation of earnings to a legal reserve should be made until the legal reserve equals the Company’s paid-in capital. The legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company’s capital surplus, the excess may be transferred to capital or distributed in cash.

Items referred to under rules issued by the FSC and in the directive titled “Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs” should be appropriated to or reversed from a special reserve by the Company.

The appropriations of earnings for 2020 and 2019 approved in the shareholders’ meetings on July 29, 2021 and June 30, 2020, respectively, were as follows:

	<b>Appropriation of Earnings</b>		<b>Dividends Per Share</b>	
			<b>(NT\$)</b>	
	<b>For Year 2020</b>	<b>For Year 2019</b>	<b>For Year 2020</b>	<b>For Year 2019</b>
Legal reserve	\$ 730,754	\$ 1,073,267		
Special reserve	2,109,237	1,836,486		
Cash dividends	7,226,382	8,029,313	\$ 1.35	\$ 1.5

The appropriation of earnings for 2021 proposed by the Company's board of directors on March 8, 2022 were as follows:

	<b>Appropriation of Earnings</b>	<b>Dividends Per Share (NT\$)</b>
Legal reserve	\$ 1,017,807	
Special reserve	779,995	
Cash dividends	8,029,313	\$ 1.5

The appropriation of earnings for 2021 is subject to the resolution of the shareholders in the shareholders' meeting to be held on June 30, 2022.

d. Special reserve

The Company's appropriated special reserve following the first-time adoption of IFRSs was \$22,287,929 thousand.

Information on the above special reserve appropriated or reversed on elimination of the original need to appropriate a special reserve is as follows:

	<b><u>For the Year Ended December 31</u></b>	
	<b>2021</b>	<b>2020</b>
Balance at January 1 and December 31	<u>\$ 21,552,496</u>	<u>\$ 21,552,496</u>

On the initial application of the fair value model to investment properties, the Company appropriated for a special reserve of \$80,462,245 thousand, the same amount as the net increase that arose from fair value measurement and was transferred to retained earnings.

	<b><u>For the Year Ended December 31</u></b>	
	<b>2021</b>	<b>2020</b>
Balance at January 1	\$ 92,614,722	\$ 90,776,716
Proposed to special surplus reserve		
Application of the fair value method to investment properties	<u>2,108,536</u>	<u>1,838,006</u>
Balance at December 31	<u>\$ 94,723,258</u>	<u>\$ 92,614,722</u>

e. Other equity items

The changes in other equity items are summarized as follow:

	<b>Exchange Differences on Translation of Foreign Operations</b>	<b>Unrealized Gain (Loss) on Financial Assets at FVTOCI</b>	<b>Gain (Loss) on Hedging Instruments</b>	<b>Gain on Property Revaluation</b>	<b>Total</b>
Balance at January 1, 2020	\$ (6,545,706)	\$ 2,439,965	\$ 11,700	\$ 1,004,758	\$ (3,089,283)
Share of other comprehensive income (loss) of subsidiaries and associates	(673,235)	(469,545)	7,780	1,288,861	153,861
Change in subsidiaries and associates accounted for using equity method	-	21,234	-	-	21,234
Associate disposed the investment in equity instruments designated as at FVTOCI	<u>-</u>	<u>3,793</u>	<u>-</u>	<u>-</u>	<u>3,793</u>
Balance at December 31, 2020	<u>(7,218,941)</u>	<u>1,995,447</u>	<u>19,480</u>	<u>2,293,619</u>	<u>(2,910,395)</u>

(Continued)

	Exchange Differences on Translation of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at FVTOCI	Gain (Loss) on Hedging Instruments	Gain on Property Revaluation	Total
Share of other comprehensive income (loss) of subsidiaries and associates	\$ (1,500,584)	\$ 409,880	\$ 3,912	\$ 283,063	\$ (803,729)
Change in subsidiaries and associates accounted for using equity method	-	(103,498)	-	(1,731)	(105,229)
Subsidiaries and associates disposed the investment in equity instruments designated as at FVTOCI	-	(106,043)	-	-	(106,043)
Balance at December 31, 2021	<u>\$ (8,719,525)</u>	<u>\$ 2,195,786</u>	<u>\$ 23,392</u>	<u>\$ 2,574,951</u>	<u>\$ (3,925,396)</u> (Concluded)

f. Treasury shares

The Company's shares held by its subsidiary, Yuan Ding Corporation (Yuan Ding), at the end of the reporting periods were as follows:

Name of Subsidiary	Number of Shares Held (In Thousands)	Carrying Amount	Market Price
<u>December 31, 2021</u>			
Yuan Ding	779	<u>\$ 25,063</u>	<u>\$ 22,836</u>
<u>December 31, 2020</u>			
Yuan Ding	779	<u>\$ 25,063</u>	<u>\$ 22,563</u>

The Company consolidated its subsidiary Yuan Ding on December 28, 2011. As of December 31, 2011, the Company's shares held by Yuan Ding had a carrying amount of \$25,063 thousand.

The Company's shares held by the subsidiary are recognized as treasury shares. The subsidiaries which hold treasury shares can retain shareholders' rights, except the rights to participate in any share issuance for cash and to vote.

## 20. REVENUE

	<u>For the Year Ended December 31</u>	
	2021	2020
Revenue from contracts with customers		
Net sales	<u>\$ 45,527,236</u>	<u>\$ 38,768,801</u>

a. Description of customer contract

Refer to Note 4(m) revenue recognition for the significant accounting policies.

b. Contract balances

	<b>December 31, 2021</b>	<b>December 31, 2020</b>	<b>January 1, 2020</b>
Notes and accounts receivable (Notes 9)	<u>\$ 7,749,273</u>	<u>\$ 5,097,229</u>	<u>\$ 5,323,584</u>
Contract liabilities - current			
Sale of goods	<u>\$ 251,722</u>	<u>\$ 294,756</u>	<u>\$ 144,678</u>

The changes in the contract liability balances primarily result from the timing difference between the Company's performance of obligations and the respective customer's payment, and there did not have other significant changes other than the amount decided above.

c. Disaggregation of revenue

Refer to Statement 10 for information about disaggregation of revenue.

## 21. NET PROFIT FROM CONTINUING OPERATIONS

a. Interest expense

	<b>For the Year Ended December 31</b>	
	<b>2021</b>	<b>2020</b>
Capitalized interests on properties	\$ 5,084	\$ 22,755
Capitalization rates	0.80%-0.88%	0.88-1.05%

b. Depreciation and amortization

	<b>For the Year Ended December 31</b>	
	<b>2021</b>	<b>2020</b>
Property, plant and equipment	\$ 2,142,712	\$ 2,192,629
Right-of-use assets	235,339	239,478
Other Intangible assets	<u>9,229</u>	<u>12,081</u>
	<u>\$ 2,387,280</u>	<u>\$ 2,444,188</u>
An analysis of deprecation by function		
Operating costs	\$ 1,999,485	\$ 2,019,262
Operating expenses	312,063	337,738
Other expense	<u>66,503</u>	<u>75,107</u>
	<u>\$ 2,378,051</u>	<u>\$ 2,432,107</u>
An analysis of amortization by function		
Operating costs	\$ 2,165	\$ 5,270
Operating expenses	<u>7,064</u>	<u>6,811</u>
	<u>\$ 9,229</u>	<u>\$ 12,081</u>

c. Employee benefits expense

	<b>For the Year Ended December 31, 2021</b>		
	<b>Operating Costs</b>	<b>Operating Expenses</b>	<b>Total</b>
Short-term employee benefits	\$ 3,376,925	\$ 2,248,655	\$ 5,625,580
Post-employment benefits			
Defined contribution plans	80,011	62,962	142,973
Defined benefit plans	<u>21,374</u>	<u>12,778</u>	<u>34,152</u>
	<u>101,385</u>	<u>75,740</u>	<u>177,125</u>
	<u>\$ 3,478,310</u>	<u>\$ 2,324,395</u>	<u>\$ 5,802,705</u>
	<b>For the Year Ended December 31, 2020</b>		
	<b>Operating Costs</b>	<b>Operating Expenses</b>	<b>Total</b>
Short-term employee benefits	\$ 3,256,955	\$ 1,837,649	\$ 5,094,604
Post-employment benefits			
Defined contribution plans	79,492	52,762	132,254
Defined benefit plans	<u>24,570</u>	<u>13,865</u>	<u>38,435</u>
	<u>104,062</u>	<u>66,627</u>	<u>170,689</u>
	<u>\$ 3,361,017</u>	<u>\$ 1,904,276</u>	<u>\$ 5,265,293</u>

d. Employees' compensation and remuneration of directors

The Company accrued employees' compensation and remuneration of directors at the rates of 2.0% to 3.5% and no higher than 2.5%, respectively, of net profit before income tax, employees' compensation and remuneration of directors. However, the Company has to first offset losses from the previous years. The employees' compensation and remuneration of directors for the years ended December 31, 2021 and 2020, which were approved by the Company's board of directors on March 8, 2022 and March 24, 2021, respectively, are as follows:

Accrual rate

	<b>For the Year Ended December 31</b>	
	<b>2021</b>	<b>2020</b>
Employees' compensation	3.30%	2.79%
Remuneration of directors	1.73%	1.76%

Amount

	<b>For the Year Ended December 31</b>	
	<b>2021</b>	<b>2020</b>
Employees' compensation	\$ 345,347	\$ 230,231
Remuneration of directors	180,847	145,673

If there are changes in the amounts after the annual financial statements were authorized for issue, the differences are recorded as a change in the accounting estimate.

There was no difference between the actual appropriated amounts of employees' compensation and remuneration of directors and the amounts recognized in the financial statements for the years ended December 31, 2020 and 2019. The employees' compensation were distributed in cash by the Company.

Information on the employees' compensation and remuneration of directors resolved by the Company's board of directors in 2022 and 2021 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

## 22. INCOME TAXES RELATING TO CONTINUING OPERATIONS

### a. Major components of tax (expense)/benefits recognized in profit or loss

	<b>For the Year Ended December 31</b>	
	<b>2021</b>	<b>2020</b>
Current tax		
In respect of the current year	\$ -	\$ -
Adjustments for prior year	<u>18,669</u>	<u>4,475</u>
	<u>18,669</u>	<u>4,475</u>
Deferred tax		
In respect of the current period	<u>(277,839)</u>	<u>173,622</u>
Income tax (expense)/benefits recognized in profit or loss	<u>\$ (259,170)</u>	<u>\$ 178,097</u>

A reconciliation of accounting profit and income tax (expense)/benefits was as follows:

	<b>For the Year Ended December 31</b>	
	<b>2021</b>	<b>2020</b>
Profit before tax from continuing operations	<u>\$ 9,943,754</u>	<u>\$ 7,884,602</u>
Income tax expense at the statutory rate (20%)	\$ 1,988,751	\$ 1,576,920
Adjustment items effect on income tax	<u>(1,988,751)</u>	<u>(1,576,920)</u>
Current income tax	-	-
Deferred income tax	(277,839)	173,622
Adjustments for prior years	<u>18,669</u>	<u>4,475</u>
Income tax (expense)/benefits recognized in profit or loss	<u>\$ (259,170)</u>	<u>\$ 178,097</u>

### b. Income tax (expense)/benefits recognized in other comprehensive income

	<b>For the Year Ended December 31</b>	
	<b>2021</b>	<b>2020</b>
<u>Deferred tax</u>		
In respect of the current year		
Remeasurement on defined benefit plan	<u>\$ (66,824)</u>	<u>\$ 36,074</u>

c. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2021

	<b>Opening Balance</b>	<b>Recognized in Profit or Loss</b>	<b>Recognized in Other Comprehensive Income</b>	<b>Closing Balance</b>
<u>Deferred tax assets</u>				
Allowance for doubtful accounts	\$ 5,698	\$ (4,640)	\$ -	\$ 1,058
Inventory write-downs	9,056	(6,796)	-	2,260
Impairment loss	41,811	(33,774)	-	8,037
Others	<u>6,788</u>	<u>(5,505)</u>	<u>-</u>	<u>1,283</u>
	<u>\$ 63,353</u>	<u>\$ (50,715)</u>	<u>\$ -</u>	<u>\$ 12,638</u>
<u>Deferred tax liabilities</u>				
Share of profit of subsidiaries and associates	\$ 350,329	\$ 102,619	\$ -	\$ 452,948
Provision of land value incremental tax	1,588,438	1,993	-	1,590,431
Others	<u>248,657</u>	<u>122,512</u>	<u>66,824</u>	<u>437,993</u>
	<u>\$ 2,187,424</u>	<u>\$ 227,124</u>	<u>\$ 66,824</u>	<u>\$ 2,481,372</u>

For the year ended December 31, 2020

	<b>Opening Balance</b>	<b>Recognized in Profit or Loss</b>	<b>Recognized in Other Comprehensive Income</b>	<b>Closing Balance</b>
<u>Deferred tax assets</u>				
Allowance for doubtful accounts	\$ 4,577	\$ 1,121	\$ -	\$ 5,698
Inventory write-downs	7,077	1,979	-	9,056
Impairment loss	31,109	10,702	-	41,811
Others	<u>5,307</u>	<u>1,481</u>	<u>-</u>	<u>6,788</u>
	<u>\$ 48,070</u>	<u>\$ 15,283</u>	<u>\$ -</u>	<u>\$ 63,353</u>
<u>Deferred tax liabilities</u>				
Share of profit of subsidiaries and associates	\$ 587,570	\$ (237,241)	\$ -	\$ 350,329
Provision of land value incremental tax	1,584,791	3,647	-	1,588,438
Others	<u>209,476</u>	<u>75,255</u>	<u>(36,074)</u>	<u>248,657</u>
	<u>\$ 2,381,837</u>	<u>\$ (158,339)</u>	<u>\$ (36,074)</u>	<u>\$ 2,187,424</u>

- d. Deductible temporary differences for which no deferred tax assets have been recognized in the balance sheets

	<u>December 31</u>	
	<u>2021</u>	<u>2020</u>
Deductible temporary differences	<u>\$ 3,226,101</u>	<u>\$ 2,521,263</u>

- e. Income tax assessments

The tax returns through 2019 have been assessed by the tax authorities.

## 23. EARNINGS PER SHARE

Unit: NT\$ Per Share

	<u>For the Year Ended December 31</u>	
	<u>2021</u>	<u>2020</u>
Basic earnings per share	<u>\$ 1.94</u>	<u>\$ 1.62</u>
Diluted earnings per share	<u>\$ 1.94</u>	<u>\$ 1.61</u>

The earnings and weighted average number of common stock outstanding that were used in the computation of earnings per share are as follows:

### Net Income for the Year

	<u>For the Year Ended December 31</u>	
	<u>2021</u>	<u>2020</u>
Net income for the year	<u>\$ 9,684,584</u>	<u>\$ 8,062,699</u>

### Weighted Average Number of Ordinary Shares Outstanding

Unit: In Thousand Shares

	<u>For the Year Ended December 31</u>	
	<u>2021</u>	<u>2020</u>
Weighted average number of common stock used in the computation of basic earnings per share	4,986,743	4,984,665
Effect of potentially dilutive common stock		
Employees' compensation	<u>13,868</u>	<u>14,106</u>
Weighted average number of common stock used in the computation of diluted earnings per share	<u>5,000,611</u>	<u>4,998,771</u>

In calculating the weighted average number of share outstanding for EPS, the Company recognized the number of the shares held by associates as treasury shares and deducted the number of treasury shares from the weighted average number of outstanding shares in the current period.

If the Company offered to settle the compensation paid to employees in cash or shares, the Company assumed that the entire amount of the compensation will be settled in shares, and the resulting potential shares were included in the weighted average number of shares outstanding used in the calculation of diluted earnings per share, if the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

The Company calculated basic EPS with the weighted average number of actual outstanding shares in the current period. Based on the calculation, for the years ended December 31, 2021 and 2020, the Company's basic EPS was NT\$1.81 and NT\$1.51, respectively.

## 24. CAPITAL MANAGEMENT

The Company manages its capital to ensure that entities in the Company will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

## 25. FINANCIAL INSTRUMENTS

### a. Fair value of financial instruments not measured at fair value

#### 1) The financial assets and financial liabilities which have significant difference from their fair values

	<b>December 31</b>			
	<b>2021</b>		<b>2020</b>	
	<b>Carrying Amount</b>	<b>Fair Value</b>	<b>Carrying Amount</b>	<b>Fair Value</b>
<u>Financial liabilities</u>				
Bonds payable	<u>\$ 71,127,910</u>	<u>\$ 71,468,974</u>	<u>\$ 65,228,542</u>	<u>\$ 65,622,061</u>

#### 2) Fair value hierarchy

##### December 31, 2021

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<u>Financial liabilities</u>				
Bonds payable	<u>\$ 71,468,974</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 71,468,974</u>

##### December 31, 2020

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<u>Financial liabilities</u>				
Bonds payable	<u>\$ 65,622,061</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,622,061</u>

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

1) Fair value hierarchy

December 31, 2021

	Level 1	Level 2	Level 3	Total
Financial liabilities at FVTPL				
Forward exchange contracts	\$ <u>          -</u>	\$ <u>          -</u>	\$ <u>10,163</u>	\$ <u>10,163</u>

December 31, 2020

	Level 1	Level 2	Level 3	Total
Financial liabilities at FVTPL				
Forward exchange contracts	\$ <u>          -</u>	\$ <u>          -</u>	\$ <u>10,619</u>	\$ <u>10,619</u>

There were no transfers between Levels 1 and 2 for the years ended December 31, 2021 and 2020.

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

For the year ended 2021

	<b>Financial Liabilities at Fair Value Through Profit or Loss</b>
Balance at January 1, 2021	\$ (10,619)
Recognized in profit or loss	71,185
Settlements	<u>(50,403)</u>
Balance at December 31, 2021	<u>\$ 10,163</u>

For the year ended 2020

	<b>Financial Liabilities at Fair Value Through Profit or Loss</b>
Balance at January 1, 2020	\$ 7,703
Recognized in profit or loss	(43,132)
Settlements	<u>24,810</u>
Balance at December 31, 2020	<u>\$ (10,619)</u>

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

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Forward exchange contracts and option contracts	Discounted cash flow. Future cash flows are estimated based on observable forward spot exchange rates at the end of the reporting period and contract rates, which can reflect the credit risk of counterparties.

c. Categories of financial instruments

	<u>December 31</u>	
	<u>2021</u>	<u>2020</u>
<u>Financial assets</u>		
Financial assets at FVTPL	\$ 10,163	\$ -
Financial assets at amortized cost (Note 1)	26,063,473	25,855,465
<u>Financial liabilities</u>		
Financial liabilities at FVTPL	-	10,619
Financial liabilities measured at amortized cost (Note 2)	123,428,361	118,443,747

Note 1: The balances included financial assets measured at amortized cost, which comprised cash and cash equivalents, financial assets measured at amortized cost, notes and accounts receivable (including those from related parties), other receivables (including those from related parties), refundable deposits and other financial assets.

Note 2: The balances included financial liabilities measured at amortized cost, which comprised short-term borrowings, notes and accounts payable (including those to related parties), other payables (including those to related parties), payables to suppliers of machinery and equipment, bonds payable, long-term borrowings and guarantee deposits received.

d. Financial risk management objectives and policies

The Company's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the non-operating activities of the Company through internal risk reports that analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price rate), credit risk and liquidity risk.

The Company seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity.

1) Market risk

The Company's activities exposed itself primarily to the financial risks of changes in exchange rates (refer to (a) below) and interest rates (refer to (b) below).

a) Foreign currency risk

The Company had foreign assets, which exposed the Company to exchange rate risk. Exchange rate exposures were managed within approved policy parameters through forward exchange contracts.

The Company's significant foreign currency-denominated monetary assets and monetary liabilities at the end of the reporting period were detailed in Note 31.

Sensitivity analysis

The Company was mainly exposed to the U.S. dollars.

The following table details the Company's sensitivity to a 5% increase and decrease in New Taiwan dollars (the functional currency) against the U.S. dollar. The 5% sensitivity rate is used when foreign currency risk is reported internally to key management personnel and represents management's assessment of the reasonably possible changes in exchange rates. The sensitivity analysis included only outstanding foreign currency-denominated monetary items, and the translation of these items at the end of the reporting period was adjusted for a 5% change in exchange rates. A positive number below indicates an increase in pretax profit and other equity associated with New Taiwan dollars that strengthen 5% against the relevant currency. For a 5% weakening of New Taiwan dollars against the relevant currency, there would be an equal and opposite impact on pretax profit and other equity, and the balances below would be negative.

	<u>December 31</u>	
	2021	2020
5% change in profit or loss		
USD	\$ (136,346)	\$ (83,617)

b) Interest rate risk

The Company was exposed to interest rate risk because entities in the Company borrowed funds at both fixed and floating interest rates. It managed the risk by maintaining an appropriate mix of fixed and floating rate borrowings.

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

	<u>December 31</u>	
	2021	2020
Fair value interest rate risk		
Financial assets	\$ 4,156,020	\$ 2,371,030
Financial liabilities	105,056,158	99,139,879
Cash flow interest rate risk		
Financial assets	2,661,150	4,115,493
Financial liabilities	10,702,868	13,662,493

### Sensitivity analysis

The sensitivity analysis below was determined on the basis of the Company's exposure to interest rates for financial assets and financial liabilities at the end of the reporting period. An increase or decrease of 0.25% is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. For the financial assets and financial liabilities with fixed interest rate, their fair value will change as the market interest rates change. For the financial assets and financial liabilities with floating interest rate, their effective interest rates will change as the market interest rates change.

If interest rate had been 0.25% higher/lower and all other variables were held constant, the fair value of the Company's financial assets with fixed interest rates would have decreased/increased by \$10,364 thousand and \$5,913 thousand, respectively, and the cash flows on the Company's financial assets with floating interest rates would have increased/decreased by \$6,653 thousand and \$10,289 thousand, respectively.

If interest rate had been 0.25% higher/lower and all other variables were held constant, the fair value of the Company's financial liabilities with fixed interest rates would have decreased/increased by \$261,985 thousand and \$247,232 thousand, respectively, and the cash flows on the Company's financial liabilities with floating interest rates would have decreased/increased by \$26,757 thousand and \$34,156 thousand, respectively.

#### 2) Credit risk

Credit risk refers to the risk that counterparties will default on its contractual obligations, resulting in a financial loss to the Company. As of the end of a reporting period, the Company's maximum exposure to credit risk that will cause the Company a financial loss due to the carrying amounts of the recognized financial assets as stated in the balance sheets.

The Company has a policy of dealing with only creditworthy counterparties and obtaining sufficient collateral, where appropriate, to mitigate the risk of financial loss from defaults. The Company uses other publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continually monitored.

Account receivables refer to a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is made to determine the financial condition of account receivables.

#### 3) Liquidity risk

The Company manages liquidity risk by maintaining a level of cash and cash equivalents deemed adequate to finance the Company's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the use of bank borrowings and ensures compliance with loan covenants.

The maturity dates of financial liabilities (except for the current portion) are as follows:

	<b>1-2 Years</b>	<b>2-3 Years</b>	<b>3-5 Years</b>	<b>Total</b>
<u>December 31, 2021</u>				
Long-term borrowings	\$ 24,730,338	\$ 5,997,388	\$ 9,689,459	\$ 40,417,185
Bonds payable	<u>10,000,000</u>	<u>14,000,000</u>	<u>37,700,000</u>	<u>61,700,000</u>
	<u>\$ 34,730,338</u>	<u>\$ 19,997,388</u>	<u>\$ 47,389,459</u>	<u>\$ 102,117,185</u>
<u>December 31, 2020</u>				
Long-term borrowings	\$ 10,208,049	\$ 13,260,000	\$ 19,970,000	\$ 43,438,049
Bonds payable	<u>9,500,000</u>	<u>10,000,000</u>	<u>34,500,000</u>	<u>54,000,000</u>
	<u>\$ 19,708,049</u>	<u>\$ 23,260,000</u>	<u>\$ 54,470,000</u>	<u>\$ 97,438,049</u>

Additional information about the maturity analysis for lease liabilities

	<b>1-2 Years</b>	<b>2-3 Years</b>	<b>3-5 Years</b>	<b>5-10 Years</b>
<u>December 31, 2021</u>				
Lease liabilities	<u>\$ 203,916</u>	<u>\$ 2,339</u>	<u>\$ 2,585</u>	<u>\$ 1,157</u>
<u>December 31, 2020</u>				
Lease liabilities	<u>\$ 234,009</u>	<u>\$ 202,755</u>	<u>\$ 3,196</u>	<u>\$ 2,315</u>

## 26. RELATED-PARTY TRANSACTIONS

The Company had significant transactions with related parties. Besides the transactions mentioned in the other notes, the transactions for the years ended December 31, 2021 and 2020 and the related balances as of the balance sheet dates are summarized in the accompanying Tables 1, 2 and 3.

## 27. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

In addition to those disclosed in the other notes, the following assets had been pledged or mortgaged as collaterals for short-term borrowings, tariff duties and long-term borrowings.

	<b>December 31</b>	
	<b>2021</b>	<b>2020</b>
Other financial assets - non-current		
Pledged time deposits	\$ 56,642	\$ 71,343
Investments accounted for using the equity method	528,793	518,528
Property, plant and equipment	5,774,127	5,915,090
Investment properties	<u>956,518</u>	<u>890,373</u>
	<u>\$ 7,316,080</u>	<u>\$ 7,395,334</u>

## 28. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

Significant commitments and contingencies of the Company as of December 31, 2021 and 2020:

- a. Issued unused letters of credit aggregated at approximately \$938,511 thousand and \$153,895 thousand, respectively.
- b. Unpaid construction contracts and property, plant and equipment amounting to \$53,566 thousand and \$40,639 thousand, respectively.
- c. Undelivered cotton contracts which were unable to be canceled amounting to \$105,896 thousand and \$87,106 thousand, respectively.
- d. Endorsements and guarantees provided to related parties are shown in Table 5 (attached).

## 29. OTHER ITEMS

As of the date the financial statements were authorized for issue, the Company assessed that the COVID-19 pandemic would have no material impact on operation and finance aspects. The Company also assessed that there is no doubt in aspects of The Company's ability to continue as a going concern, risk of assets impairment and financing activities. The Company will continue to observe and assess the possible impact that the COVID-19 will have on the Company's aforesaid aspect.

## 30. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

- a. On March 8, 2022, the Company's board of directors approved to issue unsecured bonds with term of less than ten years and amount of less than \$8,000,000 thousand (or equivalent value in foreign currency) at a unit face value of \$1,000 thousand (face value in foreign currency will be decided by the board of directors); the bonds will be issued one time or multiple times depending on the market condition.
- b. On March 8, 2022, the Company's board of directors approved to participate in Oriental Petrochemicals (Taiwan) Corporation (OPTC)'s issuance of new shares by cash and acquire 226,674 thousand shares for \$2,266,744 thousand.

## 31. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the Company entities and the exchange rates between foreign currencies and respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

December 31, 2021

	<b>Foreign Currencies (In Thousands)</b>	<b>Exchange Rate</b>	<b>Carrying Amount (NT\$)</b>
<u>Financial assets</u>			
Monetary items			
USD	\$ 245,494	27.68	\$ 6,795,274 (Continued)

	<b>Foreign Currencies (In Thousands)</b>	<b>Exchange Rate</b>	<b>Carrying Amount (NT\$)</b>
<u>Financial liabilities</u>			
Monetary items			
USD	\$ 146,978	27.68	\$ 4,068,351 (Concluded)

December 31, 2020

	<b>Foreign Currencies (In Thousands)</b>	<b>Exchange Rate</b>	<b>Carrying Amount (NT\$)</b>
<u>Financial assets</u>			
Monetary items			
USD	\$ 184,274	28.48	\$ 5,248,124
<u>Financial liabilities</u>			
Monetary items			
USD	125,554	28.48	3,575,786

### 32. ADDITIONAL DISCLOSURES

a. Information about significant transactions and b. investees

- 1) Financing provided to others: Table 4 (attached)
- 2) Endorsements/guarantees provided: Table 5 (attached)
- 3) Marketable securities held: Table 6 (attached)
- 4) Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital: Table 7 (attached)
- 5) Acquisitions of individual real states at costs of at least NT\$300 million or 20% of the paid-in capital: Table 8 (attached)
- 6) Disposals of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital: Table 9 (attached)
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 10 (attached)
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 11 (attached)
- 9) Trading in derivative instruments: Note 7
- 10) Information on investees: Table 12 (attached)

- c. Information on investments in mainland China
- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: Tables 13 and 13-1 (attached)
  - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: Tables 2, 3, 4, 5, 7, 10 and 11
    - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
    - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
    - c) The amount of property transactions and the amount of the resultant gains or losses.
    - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
    - e) The highest period balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.
    - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as rendering or receipt services.
- d. Information on major shareholders: Shareholders' name holding amounts and ratio whose holding ratio exceed 5%: Table 14

**TABLE 1****FAR EASTERN NEW CENTURY CORPORATION****RELATED PARTY NAMES AND CATEGORIES  
DECEMBER 31, 2021**

Related Party Names	Related Party Categories
Fu Kwok Knitting & Garment Co., Ltd.	Subsidiary
Far Eastern Apparel Co., Ltd.	Subsidiary
Far Eastern Apparel (Vietnam) Ltd.	Subsidiary
Far Eastern Polytex (Vietnam) Ltd.	Subsidiary
Far Eastern New Apparel (Vietnam) Ltd.	Subsidiary
Far Eastern Apparel (Suzhou) Co., Ltd.	Subsidiary
Far Eastern Industries (Shanghai) Ltd.	Subsidiary
Far Eastern Industries (Wuxi) Ltd.	Subsidiary
Oriental Resources Development Co., Ltd.	Subsidiary
Oriental Green Materials Limited	Subsidiary
Oriental Industries (Suzhou) Ltd.	Subsidiary
PET Far Eastern (M) Sdn. Bhd.	Subsidiary
Wuhan Far Eastern New Material Ltd.	Subsidiary
Worldwide Polychem (HK) Ltd. (WWPI)	Subsidiary
Far Eastern Fibertech Co., Ltd.	Subsidiary
Far Eastern Resources Development Co., Ltd.	Subsidiary
Far EasTone Telecommunications Co., Ltd.	Subsidiary
New Century InfoComm Tech Co., Ltd.	Subsidiary
Yuanshi Digital Technology Co., Ltd.	Subsidiary
DataExpress Infotech Co., Ltd.	Subsidiary
Information Security Service Digital United Inc.	Subsidiary
Oriental Petrochemical (Taiwan) Corporation	Subsidiary
Oriental Textile (Holding) Ltd. (OTTI)	Subsidiary
Yuan Cheng Human Resources Consultant Corporation	Subsidiary
Yuan Ding Co., Ltd.	Subsidiary
Yuan Ding Investment Co., Ltd.	Subsidiary
YDT Technology International Co., Ltd.	Subsidiary
Far Eastern Polychem Industries Ltd. (FEPI)	Subsidiary
Far Eastern Construction Co., Ltd.	Subsidiary
Far Eastern Ishizuka Green Pet Corporation (FIGP)	Subsidiary
Far Eastern Polytex (Holding) Ltd.	Subsidiary
FE Oriental Investment Holding (Singapore) Pte. Ltd.	Subsidiary
Asia Cement Corporation	Associate
Far Eastern Department Stores Co., Ltd.	Associate
Oriental Union Chemical Corporation	Associate
Everest Textile Corporation	Associate
Far Eastern International Bank	Associate

(Continued)

Related Party Names	Related Party Categories
Freudenberg Far Eastern Spunweb Co., Ltd.	Other related party (the subsidiary of FENC's investee accounted for using the equity method)
Yu Ding Industry Co., Ltd.	Other related party (the subsidiary of FENC's investee accounted for using the equity method)
Liquid Air Far East Co., Ltd.	Other related party (the subsidiary of FENC's investee accounted for using the equity method)
Da Ju Fiber Co., Ltd.	Other related party (the subsidiary of FENC's investee accounted for using the equity method)
Far Eastern International Leasing Corporation	Other related party (the subsidiary of FENC's investee accounted for using the equity method)
Far Eastern City Super Ltd.	Other related party (the subsidiary of FENC's investee accounted for using the equity method)
Far Eastern Ai Mai Co., Ltd.	Other related party (the subsidiary of FENC's investee accounted for using the equity method)
Far Eastern Leasing Corporation	Other related party (the subsidiary of FENC's investee accounted for using the equity method)
Everest Textile USA, LLC	Other related party (the subsidiary of FENC's investee accounted for using the equity method)
Fu Ming Transport Corporation	Other related party (the subsidiary of FENC's investee accounted for using the equity method)
Fu-Da Transport Corporation	Other related party (the subsidiary of FENC's investee accounted for using the equity method)
Ya Sing Ready-Mixed Concrete Corporation	Other related party (the subsidiary of FENC's investee accounted for using the equity method)
Ya Tung Ready-mixed Concrete Corporation	Other related party (the subsidiary of FENC's investee accounted for using the equity method)
Nan Hwa Cement Corporation	Other related party (the subsidiary of FENC's investee accounted for using the equity method)
Yuan Ze University	Other related party (the same chairman)
U-Ming Marine Transport Corporation	Other related party (the same chairman)
Tranquil Enterprise Ltd.	Other related party (the same chairman)
Asia Eastern University of Science and Technology (Oriental Institute of Technology)	Other related party (the same chairman)
Far Eastern Memorial Hospital	Other related party (the same chairman)
TECO Electric & Machinery Co., Ltd.	Other related party (related party in substance)
U-Ming Marine Transport (Singapore) Private Limited	Other related party (related party in substance)
Ding&Ding Management Consultants Co., Ltd.	Other related party (related party in substance)
SYSTEX Corporation	Other related party (related party in substance)

(Concluded)

**TABLE 2****FAR EASTERN NEW CENTURY CORPORATION****RELATED-PARTY TRANSACTIONS  
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020  
(In Thousands of New Taiwan Dollars)**

	<b>For the Year Ended December 31</b>	
	<b>2021</b>	<b>2020</b>
Sales		
Subsidiaries	\$ 6,944,956	\$ 5,207,962
Associates	255,432	168,397
Other related parties	<u>510,015</u>	<u>401,370</u>
	<u>\$ 7,710,403</u>	<u>\$ 5,777,729</u>
Operating cost and expense		
Purchase		
Subsidiaries		
Oriental Petrochemical (Taiwan) Corporation	\$ 13,844,409	\$ 9,756,113
Other subsidiaries	1,944,101	1,420,112
Associates	1,562,886	935,862
Other related parties	<u>250,382</u>	<u>215,164</u>
	<u>\$ 17,601,778</u>	<u>\$ 12,327,251</u>
Contract fees		
Subsidiaries	\$ 54,019	\$ 31,671
Other related parties	<u>263,878</u>	<u>255,854</u>
	<u>\$ 317,897</u>	<u>\$ 287,525</u>
Computer processing expense		
Subsidiaries	\$ 2,588	\$ 2,009
Other related parties	<u>116,382</u>	<u>106,462</u>
	<u>\$ 118,970</u>	<u>\$ 108,471</u>
Non-operating expenses		
Other expenses - endorsement/guarantee expenses		
Subsidiary	<u>\$ 320</u>	<u>\$ 6,745</u>

(Continued)

Lease arrangements - Company is lessee

	<u>December 31</u>	
	<u>2021</u>	<u>2020</u>
Lease liabilities		
Subsidiaries		
Yuan Ding Co., Ltd.	\$ 243,646	\$ 374,440
Others	75,558	114,384
Associates	86,515	130,831
Other related parties	<u>21,187</u>	<u>32,649</u>
	<u>\$ 426,906</u>	<u>\$ 652,304</u>

There is no lease payable of finance lease to related parties on December 31, 2021 and 2020.

	<u>For the Year Ended December 31</u>	
	<u>2021</u>	<u>2020</u>
Interest expense		
Subsidiaries	\$ 3,985	\$ 5,730
Associates	1,088	1,531
Other related parties	<u>272</u>	<u>399</u>
	<u>\$ 5,345</u>	<u>\$ 7,660</u>
Rent expense		
Subsidiaries	\$ 31,655	\$ 22,667
Other related parties	<u>5,243</u>	<u>4,822</u>
	<u>\$ 36,898</u>	<u>\$ 27,489</u>

The lease contract's resolution and way of payment between the Company and related party are equivalent to the general lease transaction.

Lease arrangement - Company is lessor

	<u>December 31</u>	
	<u>2021</u>	<u>2020</u>
Operating lease receivable		
Subsidiaries	\$ 1,032	\$ 1,286
Other related parties	<u>201</u>	<u>449</u>
	<u>\$ 1,233</u>	<u>\$ 1,735</u>
Future lease receivable		
Subsidiaries	\$ 3,578	\$ 11,064
Other related parties	<u>5,441</u>	<u>5,402</u>
	<u>\$ 9,019</u>	<u>\$ 16,466</u>

(Continued)

**For the Year Ended December 31**

	<b><u>2021</u></b>	<b><u>2020</u></b>
Rent revenue		
Subsidiaries	\$ 7,981	\$ 8,130
Other related parties	<u>6,466</u>	<u>5,399</u>
	<u>\$ 14,447</u>	<u>\$ 13,529</u>

The Company leases the plants and spaces for operation and business to subsidiaries and other related parties as operating lease. The lease period is 1 to 5 years.

The lease contract's resolution and the way of payment between the Company and related party are equivalent to the general lease transaction.

Compensation of key management personnel:

**For the Year Ended December 31**

	<b><u>2021</u></b>	<b><u>2020</u></b>
Short-term employee benefits	\$ 339,879	\$ 286,007
Post-employment benefits	<u>1,141</u>	<u>1,154</u>
	<u>\$ 341,020</u>	<u>\$ 287,161</u>

Note: The terms of sales to and purchases from the related parties were based on agreements.

(Concluded)

**TABLE 3****FAR EASTERN NEW CENTURY CORPORATION****RELATED-PARTY TRANSACTIONS  
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020  
(In Thousands of New Taiwan Dollars)**

	<b>December 31</b>	
	<b>2021</b>	<b>2020</b>
Notes and accounts receivable		
Subsidiaries		
WWPI	\$ 1,731,885	\$ 811,846
Other subsidiaries	589,799	427,901
Associates	30,669	27,754
Other related parties	<u>69,059</u>	<u>123,712</u>
	<u>\$ 2,421,412</u>	<u>\$ 1,391,213</u>
Refundable deposits		
Subsidiaries		
Yuan Ding Co., Ltd.	\$ 33,251	\$ 33,251
Other subsidiaries	3,585	3,585
Associates	5,406	5,406
Other related parties		
Da Ju Fiber Co., Ltd.	<u>8,000</u>	<u>8,000</u>
	<u>\$ 50,242</u>	<u>\$ 50,242</u>
Notes and accounts payable to related parties		
Subsidiaries		
Oriental Petrochemical (Taiwan) Corporation	\$ 876,872	\$ 495,955
Other subsidiaries	347,626	151,288
Associates	103,155	84,844
Other related parties	<u>8,072</u>	<u>11,818</u>
	<u>\$ 1,335,725</u>	<u>\$ 743,905</u>
Deferred credit - gain on related-party transactions		
Sale of securities		
Subsidiaries		
Yuan Ding Investment Co., Ltd. (Note a)	\$ 30,256	\$ 30,256
Others subsidiary (Note b)	2,567	2,653
Other related parties (Note c)	2,579	2,579
Disposal of property, plant and equipment (Note d)		
Subsidiary		
Far Eastern Polytex (Vietnam) Ltd.	<u>10,023</u>	<u>10,857</u>
	<u>\$ 45,425</u>	<u>\$ 46,345</u>

(Continued)

### Bank deposits

	<u>December 31</u>	
	<u>2021</u>	<u>2020</u>
Far Eastern International Bank	\$ <u>800,183</u>	\$ <u>3,755,437</u>

The Company had bank deposits and time deposits in Far Eastern International Bank. The interest income was \$5,101 thousand and \$5,660 thousand for the years ended December 31, 2021 and 2020, respectively.

### Financial assets (liabilities) at FVTPL - current

	<u>December 31</u>	
	<u>2021</u>	<u>2020</u>
Far Eastern International Bank	\$ <u>1,947</u>	\$ <u>(4,290)</u>

The Company signed forward exchange contracts and combined foreign exchange options with Far Eastern International Bank. The (loss) gain of financial (liabilities) assets at FVTPL was \$34,868 thousand and \$(46,663) thousand for the years ended December 31, 2021 and 2020, respectively.

### Financing to related parties

Loans to related parties:

	<u>December 31</u>			
	<u>2021</u>		<u>2020</u>	
	<u>Other Receivable</u>	<u>Interest Receivable</u>	<u>Other Receivable</u>	<u>Interest Receivable</u>
Subsidiaries	\$ <u>-</u>	\$ <u>-</u>	\$ <u>660,000</u>	\$ <u>88</u>

The interest income from loans to subsidiaries was \$2,062 thousand and \$88 thousand for the years ended December 31, 2021 and 2020, respectively.

The interest expense from loans from associate was and \$127 thousand for the years ended December 31, 2020.

In 2021 and 2020, the Company bought machinery and construction from subsidiaries for \$23,383 thousand and \$40,456 thousand, respectively. As of December 31, 2021 and 2020, the payables on these purchases had been paid.

In 2021 and 2020, the Company bought machinery, software equipment and construction from other related party for \$1,501 thousand and \$6,815 thousand. As of December 31, 2021 and 2020, the payables on these purchases had been paid.

In 2021, the Company sold machinery and equipment to subsidiaries Oriental Resources Development Co., Ltd. and Far Eastern Ishizuka Green Pet Corporation for \$184 thousand and \$2,245 thousand, respectively. And the Company recognized gain on disposal of machinery and equipment of \$4 thousand and \$138 thousand, respectively.

(Continued)

In 2021, the Company participated in the issuance of common stock for cash of subsidiaries, Ding Ding Hotel Co., Ltd. and Far Eastern Textile Ltd.; the investment amounted to \$7,391 thousand and \$12,000 thousand after the acquisition of the new shares; the Company's ownership in Ding Ding Hotel Co., Ltd. and Far Eastern Textile Ltd. was 0.74% and 100%, respectively.

In 2021 and 2020, the Company invested in 100%-owned foreign subsidiary, Far Eastern Investment (Holding) Ltd.; the amounts were \$1,955,422 thousand (or US\$70,000 thousand) and \$961,014 thousand (or US\$32,000 thousand), respectively.

In 2020, the Company sold machinery and equipment to subsidiaries Oriental Green Materials Limited and Far Eastern Industries (Shanghai) Ltd. amounting to \$15,443 thousand and \$3,231 thousand, respectively. And the Company recognized gain on disposal of machinery and equipment amounting to \$7,450 thousand and \$80 thousand, respectively.

In 2020, the Company invested in 100%-owned foreign subsidiary, FE Oriental Investment Holding (Singapore) Pte. Ltd. amounting to \$147,400 thousand (or US\$5,000 thousand).

Note:

- a. In 1994, the Company sold the following shares to Yuan Ding Investment Corporation and recognized deferred incomes on these sales: Yu Yuan Investment Co., Ltd.'s shares for \$30,256 thousand.
- b. The deferred income was made by selling the shares of New Century InfoComm Tech Corporation to Yuan Cing Infocomm Tech Co., Ltd. in 2010 (dissolved on its merger with Far Eastone Telecommunication Co., Ltd. on March 1, 2011). The amortization is according to the difference of New Century InfoComm Tech Corporation's net assets between fair value and book value and durable service life on the selling date.
- c. The deferred income was made by selling the shares of Oriental Petrochemical (Taiwan) Corporation to Yue Ding Industry Co., Ltd. in March 2008.
- d. The Company sold the production equipment to its subsidiary Far Eastern Polytex (Vietnam) Ltd. in 2017. The sales price was \$638,977 thousand and deferred the gain on disposal of equipment \$12,528 thousand (recognized as deferred credit - gain on related-party accounts), and amortized the deferred credit according to the useful lives for \$834 thousand and \$836 thousand, respectively in 2021 and 2020.
- e. The terms of sales to and purchases from the related parties were based on agreements.

(Concluded)

## FAR EASTERN NEW CENTURY CORPORATION AND INVESTEES

FINANCING PROVIDED TO OTHERS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Maximum Amounts Allowed for the Period	Amounts Allowed for Ending Period	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
0	Far Eastern New Century Corporation	Far Eastern Resources Development Co., Ltd.	Receivables from related parties	Yes	\$ 2,500,000	\$ -	\$ -	0.594	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 10,302,437	\$ 103,024,368	Amounts allowed for ending period (Note B); maximum amounts allowed for the period (Note F)
		Oriental Green Materials Limited	Receivables from related parties	Yes	1,300,000	-	-	-	2	-	For revolving fund	-	Promissory note	-	10,302,437	103,024,368	Amounts allowed for ending period (Note B); maximum amounts allowed for the period (Note F)
1	Yuan Ding Investment Co., Ltd.	Yuan Tong Investment Co., Ltd.	Receivables from related parties	Yes	500,000	500,000	-	0.9009-0.9416	2	-	For revolving fund	-	Promissory note	-	4,438,204	22,191,018	Amounts allowed for ending period (Note C); maximum amounts allowed for the period (Note F)
		Kai Yuan International Investment Co., Ltd.	Receivables from related parties	Yes	600,000	600,000	-	0.9009-0.9416	2	-	For revolving fund	-	Promissory note	-	4,438,204	22,191,018	Amounts allowed for ending period (Note C); maximum amounts allowed for the period (Note F)
		An Ho Garment Co., Ltd.	Receivables from related parties	Yes	400,000	400,000	170,000	0.8976-0.9416	2	-	For revolving fund	-	Promissory note	-	4,438,204	22,191,018	Amounts allowed for ending period (Note C); maximum amounts allowed for the period (Note F)
		Ding Yuan International Investment Co., Ltd.	Receivables from related parties	Yes	600,000	600,000	145,000	0.8976-0.9416	2	-	For revolving fund	-	Promissory note	-	4,438,204	22,191,018	Amounts allowed for ending period (Note C); maximum amounts allowed for the period (Note F)
		Yu Ding Industry Co., Ltd.	Receivables from related parties	Yes	810,000	810,000	300,000	0.8976-0.9416	2	-	For revolving fund	-	Promissory note	-	4,438,204	22,191,018	Amounts allowed for ending period (Note C); maximum amounts allowed for the period (Note F)
		Da Ju Fiber Co., Ltd.	Receivables from related parties	Yes	1,130,000	1,130,000	530,000	0.8976-0.9416	2	-	For revolving fund	-	Promissory note	-	4,438,204	22,191,018	Amounts allowed for ending period (Note C); maximum amounts allowed for the period (Note F)
		Far Eastern Resources Development Co., Ltd.	Receivables from related parties	Yes	1,000,000	800,000	-	-	2	-	For revolving fund	-	Promissory note	-	4,438,204	22,191,018	Amounts allowed for ending period (Note C); maximum amounts allowed for the period (Note F)
		Oriental Green Materials Limited	Receivables from related parties	Yes	400,000	400,000	-	-	2	-	For revolving fund	-	Promissory note	-	4,438,204	22,191,018	Amounts allowed for ending period (Note C); maximum amounts allowed for the period (Note F)
		Oriental Resources Development Ltd.	Receivables from related parties	Yes	50,000	50,000	-	-	2	-	For revolving fund	-	Promissory note	-	4,438,204	22,191,018	Amounts allowed for ending period (Note C); maximum amounts allowed for the period (Note F)
2	Yuan Tong Investment Co., Ltd.	Far Eastern Apparel Co., Ltd.	Receivables from related parties	Yes	740,000	400,000	-	1.0186-1.0494	2	-	For revolving fund	-	Promissory note	-	917,729	4,588,644	Amounts allowed for ending period (Note C); maximum amounts allowed for the period (Note F)

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Maximum Amounts Allowed for the Period	Amounts Allowed for Ending Period	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
3	New Century InfoComm Tech Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Receivables from related parties	Yes	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	0.7337-0.7580	1	\$ 2,292,544	-	\$ -	-	\$ -	\$ 2,298,925	\$ 13,463,890	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note F)
		Far EasTone Telecommunications Co., Ltd.	Receivables from related parties	Yes	9,200,000	9,200,000	9,200,000	0.7137-0.7580	2	-	For revolving fund	-	-	-	10,771,112	13,463,890	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note F)
4	Yuan Ding Co., Ltd.	Ding Ding Integrated Marketing Service Co., Ltd.	Receivables from related parties	Yes	200,000	-	-	0.8046-0.8875	2	-	For revolving fund	-	Promissory note	-	1,556,744	3,891,860	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Note F)
		Ding Ding Hotel Co., Ltd.	Receivables from related parties	Yes	800,000	600,000	-	0.8219-0.8875	2	-	For revolving fund	-	Promissory note	-	1,556,744	3,891,860	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Note F)
5	Far Eastern Investment (Holding) Ltd.	Far Eastern New Apparel (Vietnam) Ltd.	Receivables from affiliates	Yes	553,000	553,000	-	-	2	-	For revolving fund	-	Promissory note	-	14,139,180	42,417,539	Amounts allowed for ending period (Note F); maximum amounts allowed for the period (Note H)
		FE New Century Industry (Singapore) Pte. Ltd.	Receivables from affiliates	Yes	138,400	-	-	-	2	-	For revolving fund	-	Promissory note	-	14,139,180	42,417,539	Amounts allowed for ending period (Note F); maximum amounts allowed for the period (Note H)
		FILSYN Corporation	Receivables from affiliates	Yes	249,120	249,120	-	-	2	-	For revolving fund	-	Promissory note	-	11,311,344	11,311,344	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note E)
		FYN Green PET Corporation	Receivables from affiliates	Yes	83,040	83,040	-	-	2	-	For revolving fund	-	Promissory note	-	11,311,344	11,311,344	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note E)
6	Far Eastern Polytex (Holding) Ltd.	Sino Belgium (Holding) Ltd.	Receivables from affiliates	Yes	166,080	166,080	152,240	-	2	-	For revolving fund	-	Promissory note	-	3,747,061	3,747,061	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note E)
7	FEDP (Holding) Ltd.	Sino Belgium (Holding) Ltd.	Receivables from affiliates	Yes	166,080	-	-	-	2	-	For revolving fund	-	Promissory note	-	603,192	603,192	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note E)
8	APG Polytech USA Holdings, Inc.	Phoenix Technologies International, LLC	Receivables from affiliates	Yes	138,400	138,400	-	-	2	-	For revolving fund	-	Promissory note	-	8,851,052	26,553,157	Amounts allowed for ending period (Note F); maximum amounts allowed for the period (Note H)
9	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	2,389,200	2,389,200	2,173,620	2.60-2.87	2	-	For revolving fund	-	Promissory note	-	3,315,797	7,368,437	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note I)
10	Far Eastern Apparel (Suzhou) Co., Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	1,429,176	1,298,856	575,358	2.60	2	-	For revolving fund	-	Promissory note	-	1,371,235	3,047,189	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note I)

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Maximum Amounts Allowed for the Period	Amounts Allowed for Ending Period	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
11	Far Eastern Industries (Suzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	\$ 1,346,640	\$ 551,688	\$ 551,289	2.60	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 1,421,227	\$ 3,158,282	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note I)
		Sino Belgium Beer (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	781,920	781,920	764,544	2.60	2	-	For revolving fund	-	Promissory note	-	1,421,227	3,158,282	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note I)
12	Oriental Industries (Suzhou) Ltd.	Far Eastern Innovation Apparel (Suzhou) Co., Ltd.	Other receivables - loans to related parties	Yes	434,400	217,200	-	-	2	-	For revolving fund	-	Promissory note	-	5,741,162	12,758,137	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note I)
		Far Eastern Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	1,303,200	43,440	-	-	2	-	For revolving fund	-	Promissory note	-	5,741,162	12,758,137	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note I)
		Far Eastern Industries (Wuxi) Ltd.	Other receivables - loans to related parties	Yes	868,800	217,200	-	-	2	-	For revolving fund	-	Promissory note	-	5,741,162	12,758,137	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note I)
		Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	434,400	217,200	-	-	2	-	For revolving fund	-	Promissory note	-	5,741,162	12,758,137	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note I)
		Sino Belgium Beer (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	1,086,000	43,440	5,220	2.81-2.91	2	-	For revolving fund	-	Promissory note	-	5,741,162	12,758,137	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note I)
		Far Eastern Union Petrochemical (Yangzhou) Corporation	Other receivables - loans to related parties	Yes	390,960	390,960	390,960	3.30-3.47	2	-	For revolving fund	-	Promissory note	-	2,551,627	2,551,627	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note E)
13	Far Eastern Industries (Wuxi) Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	868,800	217,200	-	2.60	2	-	For revolving fund	-	Promissory note	-	2,584,616	5,743,591	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note I)
14	Suzhou An Ho Apparel Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	39,096	39,096	39,096	2.60	2	-	For revolving fund	-	Promissory note	-	50,862	113,028	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note I)
15	Far Eastern Innovation Apparel (Suzhou) Co., Ltd.	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	456,120	173,760	173,760	2.60	2	-	For revolving fund	-	Promissory note	-	977,145	2,171,432	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note I)
		Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	955,680	955,680	886,289	2.60	2	-	For revolving fund	-	Promissory note	-	977,145	2,171,432	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note I)
16	Far Eastern Industries (Shanghai) Ltd.	Far Eastern Union Petrochemical (Yangzhou) Corporation	Other receivables - loans to related parties	Yes	1,737,600	868,800	868,800	3.31-3.43	2	-	For revolving fund	-	Promissory note	-	3,435,726	3,435,726	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note E)
17	Far Eastern New Century (China) Investment Co., Ltd.	Oriental Petrochemical (Shanghai) Corporation	Other receivables - loans to related parties	Yes	86,880	86,880	86,880	1.21	2	-	For revolving fund	-	Promissory note	-	1,487,356	1,487,356	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note E)

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Maximum Amounts Allowed for the Period	Amounts Allowed for Ending Period	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
18	Far Eastern Industries (Yangzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	\$ 304,080	\$ 304,080	\$ 304,080	2.50	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 1,242,519	\$ 2,761,154	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note I) Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note E)
		Far Eastern Union Petrochemical (Yangzhou) Corporation	Other receivables - loans to related parties	Yes	521,280	521,280	521,280	2.50	2	-	For revolving fund	-	Promissory note	-	552,231	552,231	

Notes: A. Reasons for financing are as follows:

1. Business relationship.
2. For short-term financing.

- B. The limitation is 5% of the net value of the financier based on audited financial statements as of December 31, 2021.
- C. The limitation is 10% of the net value of the financier based on audited financial statements as of December 31, 2021.
- D. The limitation is 20% of the net value of the financier based on audited financial statements as of December 31, 2021.
- E. The limitation is 40% of the net value of the financier based on audited financial statements as of December 31, 2021.
- F. The limitation is 50% of the net value of the financier based on audited financial statements as of December 31, 2021.
- G. The limitation is 90% of the net value of the financier based on audited financial statements as of December 31, 2021.
- H. The limitation is 150% of the net value of the financier based on audited financial statements as of December 31, 2021.
- I. The limitation is 200% of the net value of the financier based on audited financial statements as of December 31, 2021.
- J. The limitation is business transaction amount.

(Concluded)

## FAR EASTERN NEW CENTURY CORPORATION AND INVESTEEES

ENDORSEMENTS/GUARANTEES PROVIDED  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limits on Each Counterparty's Endorsement/Guarantee Amounts	Maximum Amounts Allowed for the Period	Outstanding Endorsement/Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/Guaranteed by Collateral	Ratio of Accumulated Endorsements/Guarantees to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/Guarantee Limit	Endorsements/Guarantees Given by Parent on Behalf of Subsidiaries (Note M)	Endorsements/Guarantees Given by Subsidiaries on Behalf of Parent (Note M)	Endorsements/Guarantees Given on Behalf of Companies in Mainland China (Note M)	Note
		Name	Relationship											
1	Yuan Ding Investment Co., Ltd.	Da Ju Fiber Co., Ltd.	(Note A)	\$ 22,191,017	\$ 288,000	\$ 288,000	\$ 134,000	\$ -	0.65	\$ 44,382,035	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note E); maximum amounts allowed for the period (Note F)
		APG Polytech, LLC	(Note B)	20,604,873	6,534,515	1,494,720 (Note M)	221,440	-	3.37	20,604,873	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note G); maximum amounts allowed for the period (Note H)
		APG Polytech USA Holdings, Inc.	(Note B)	20,604,873	2,111,590	2,048,320 (Note M)	-	-	4.62	20,604,873	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note G); maximum amounts allowed for the period (Note H)
		Phoenix Technologies International, LLC	(Note B)	20,604,873	1,384,000	1,384,000	739,056	-	3.12	20,604,873	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note G); maximum amounts allowed for the period (Note H)
2	Far Eastern Resources Development Co., Ltd.	Far Eastern New Century Corporation	(Note C)	13,469,400	5,158,332	106,448	-	106,448	0.05	26,938,801	-	Yes	-	Limits on each counterparty's endorsement/guarantee amounts (Note E); maximum amounts allowed for the period (Note F)
3	Yuan Ding Co., Ltd.	Ding Ding Hotel Co., Ltd.	(Note D)	3,891,860	1,800,000	1,800,000	665,000	350,000	0.87	7,783,720	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note E); maximum amounts allowed for the period (Note F)
		Ding Ding Integrated Marketing Service Co., Ltd.	(Note D)	3,891,860	200,000	200,000	-	-	0.10	7,783,720	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note E); maximum amounts allowed for the period (Note F)
4	Far Eastern Investment (Holding) Ltd.	APG Polytech, LLC	(Note D)	103,024,367	1,992,978	1,389,536	678,777	-	0.67	204,048,735	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note I); maximum amounts allowed for the period (Note J)
		APG Polytech USA Holdings, Inc.	(Note D)	103,024,367	6,274,144	5,959,504	415,200	-	2.89	206,048,735	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note I); maximum amounts allowed for the period (Note J)
5	APG Polytech USA Holdings, Inc.	APG Polytech, LLC	(Note D)	103,024,367	55,620	55,620	9,235	-	0.03	206,048,735	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note I); maximum amounts allowed for the period (Note J)

Notes: A. Companies that are endorsed and guaranteed by all capital shareholders based on their shareholding ratio due to a joint investment relationship.

B. Companies in which the Company directly or indirectly holds more than 90% of the voting shares.

C. Companies that directly and indirectly hold more than 50% of the voting rights in the Company.

D. Companies in which the Company directly or indirectly holds more than 50% of the voting shares.

E. The amount of the collateral/guarantees is based on 50% of the net value of the guarantor from the latest audited financial statements.

F. The amount of the collateral/guarantees is based on the net value of the guarantor from the latest audited financial statements.

G. The amount of the collateral/guarantees is based on the lower of 10% of the net value of the ultimate parent company, and 50% of the net value of Yuan Ding Investment Co., Ltd. from the latest audited financial statements.

H. The amount of the collateral/guarantees is based on the lower of 10% of the net value of the ultimate parent company, and the net value of Yuan Ding Investment Co., Ltd. from the latest audited financial statements.

I. The amount of the collateral/guarantees is based on 50% of the net value of the ultimate parent company from the latest audited financial statements.

J. The amount of the collateral/guarantees is based on the net value of the ultimate parent company from the latest audited financial statements.

(Continued)

- K. The ratio of accumulated endorsements/guarantees to net equity in latest financial statements is calculated in accordance with Regulations Governing Loaning of Funds and Marketing of Endorsements/Guarantees by Public Companies.
- L. There will be a “Yes” if the situation meets any with endorsement/guarantee given by parent on behalf of subsidiaries, endorsement/guarantee given by subsidiaries on behalf of parent and endorsement/guarantee given on behalf of companies in mainland China.
- M. Endorsement/guarantee in the amount of \$44,000 was provided by Yuan Ding Investment Co., Ltd. and co-used by APG Polytech, LLC. and APG USA Holdings, Inc.

(Concluded)

## FAR EASTERN NEW CENTURY CORPORATION AND INVESTEEES

## MARKETABLE SECURITIES HELD

DECEMBER 31, 2021

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Shares or Units (All Common Stock Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note H)	
Far Eastern New Century Corporation	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	750,511	\$ 19,942,978	21.17	\$ 33,247,652	19,900 thousand shares pledged or mortgaged as collateral for loans.  (Note F)
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	241,770	5,053,729	17.06	5,185,960	
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method	81,216	1,190,073	9.17	1,819,239	
	Everest Textile Corporation	(Note A)	Investments accounted for using the equity method	108	1,166	0.02	1,042	
	Oriental Securities Corporation	(Note A)	Investments accounted for using the equity method	141,961	2,101,272	19.65	-	
	Pacific Liu Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	135,000	2,042,479	16.83	-	
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	91,903	1,209,972	2.62	987,956	
	Yuan Ding Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	1,822,822	43,790,144	99.40	-	
	Far Eastern Resources Development Co., Ltd.	(Note A)	Investments accounted for using the equity method	775,836	106,789,756	100.00	-	
	Far Eastern Polytex (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	168	9,415,124	100.00	-	
	Far Eastern Polychem Industries Ltd.	(Note A)	Investments accounted for using the equity method	830,815	7,683,110	73.04	-	
	Yuan Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	742,184	8,871,338	100.00	-	
	Kai Yuan International Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	369,417	5,720,430	100.00	-	
	Far Eastern Investment (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	5,461	28,278,359	100.00	-	
	PET Far Eastern (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	397	4,056,695	91.95	-	
	Oriental Petrochemical (Taiwan) Corporation	(Note A)	Investments accounted for using the equity method	1,712,218	7,683,250	75.56	-	
	Far Eastern Construction Co., Ltd.	(Note A)	Investments accounted for using the equity method	245,829	10,420,022	65.11	-	
	Yuan Ding Co., Ltd.	(Note A)	Investments accounted for using the equity method	186,929	3,201,935	37.13	-	
	An Ho Garment Co., Ltd.	(Note A)	Investments accounted for using the equity method	76,165	2,182,745	100.00	-	
	Ding Yuan International Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	256,906	3,285,246	100.00	-	
FEDP (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	244	760,474	50.43	-		
Fu Kwok Knitting & Garment Co., Ltd.	(Note A)	Investments accounted for using the equity method	4,000	254,514	100.00	-		
Ding Ding Hotel Co., Ltd.	(Note A)	Investments accounted for using the equity method	769	8,984	0.74	-		
Far Eastern Textile Ltd.	(Note A)	Investments accounted for using the equity method	1,300	13,345	100.00	-		
FE Oriental Investment Holding (Singapore) Pte. Ltd.	(Note A)	Investments accounted for using the equity method	50	161,991	100.00	-		
Yuan Ding Investment Co., Ltd.	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	54,022	2,302,354	1.52	2,393,153	8,807 thousand shares pledged or mortgaged as collateral for loans.
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method	70,818	1,213,818	8.00	1,586,316	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	139,785	3,340,833	9.87	2,998,388	
	Everest Textile Corporation	(Note A)	Investments accounted for using the equity method	164,614	1,484,595	23.70	1,585,230	
	Far Eastone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	1,066,658	21,255,149	32.73	68,906,082	
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	125,030	1,645,508	3.56	1,344,071	
	Far Eastern Polychem Industries Ltd.	(Note A)	Investments accounted for using the equity method	306,644	2,835,935	26.96	-	
	Far Eastern Apparel (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	111	4,776,297	100.00	-	
	Da Ju Fiber Co., Ltd.	(Note A)	Investments accounted for using the equity method	68,975	2,444,058	41.86	-	
	Far Eastern Apparel Co., Ltd.	(Note A)	Investments accounted for using the equity method	44,772	216,395	100.00	-	
	Yuan Faun Co., Ltd.	(Note A)	Investments accounted for using the equity method	6,675	200,249	100.00	-	
	Yue Ming Corporation	(Note A)	Investments accounted for using the equity method	4,745	60,817	45.50	-	
	Yuan Ding Leasing Corporation	(Note A)	Investments accounted for using the equity method	36,706	398,361	46.20	-	
	Far Eastern Fibertech Co., Ltd.	(Note A)	Investments accounted for using the equity method	91,000	1,477,768	100.00	-	
	Oriental Resources Development Co., Ltd.	(Note A)	Investments accounted for using the equity method	5,739	136,185	100.00	-	
	Liquid Air Far East Co., Ltd.	(Note A)	Investments accounted for using the equity method	86,615	3,002,641	35.00	-	
Freudenberg Far Eastern Spunweb Co., Ltd.	(Note A)	Investments accounted for using the equity method	33,003	573,396	29.80	-		

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Shares or Units (All Common Stock Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note H)	
	Oriental Securities Corporation	(Note A)	Investments accounted for using the equity method	187,470	\$ 2,881,573	25.96	\$ -	31,600 thousand shares pledged or mortgaged as collateral for loans. 10,000 thousand shares pledged or mortgaged as collateral for loans.
	Yuan Ding Co., Ltd.	(Note A)	Investments accounted for using the equity method	64,759	1,120,252	12.86	-	
	Far Eastern International Leasing Corporation	(Note A)	Investments accounted for using the equity method	75,268	949,137	16.87	-	(Note F)
	Oriental Textile (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	110	8,462,639	100.00	-	
	Pacific Liu Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	119,653	1,724,098	14.92	-	
	Yu Yuan Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	98,198	1,043,459	18.96	-	
	Far Eastern General Contractor Inc.	(Note A)	Investments accounted for using the equity method	1,490	27,456	1.00	-	
	Oriental Petrochemical (Taiwan) Corporation	(Note A)	Investments accounted for using the equity method	117,746	546,408	5.20	-	
	Oriental Green Materials Limited	(Note A)	Investments accounted for using the equity method	59,936	678,459	100.00	-	
	Chung Nan Textile Co., Ltd.	(Note L)	Financial asset at FVTOCI - non-current	2,985	123,513	5.27	123,513	
	Overseas Investment and Development Co., Ltd.	-	Financial asset at FVTOCI - non-current	1,000	8,230	1.11	8,230	
	Universal Venture Capital Investment Corporation	-	Financial asset at FVTOCI - non-current	1,400	12,306	1.16	12,306	
	China Investment and Development Co., Ltd.	(Note L)	Financial asset at FVTOCI - non-current	1,287	16,422	0.80	16,422	
	Taiwan Stock Exchange Corporation	-	Financial asset at FVTOCI - non-current	1,310	82,863	0.16	82,863	
	Oriental Securities Investment Consultant Co., Ltd.	(Note I)	Financial asset at FVTOCI - non-current	1	11	-	11	
	Dah Chung Bills Finance Corporation	-	Financial asset at FVTOCI - non-current	2,311	34,195	0.50	34,195	
	U-Ming Marine Transport Corporation	(Note B)	Financial asset at FVTOCI - non-current	8,869	535,687	1.05	535,687	
	Financial assets under asset management contracts (Note E)	-						
	Yuanta S&P GSCI Gold ER Futures ETF	-	Financial assets at fair value through profit or loss - current	380	9,063	-	9,063	
	Yuanta FTSE4Good TIP Taiwan ESG ETF	-	Financial assets at fair value through profit or loss - current	550	19,751	-	19,751	
	Tong Ho Steel Enterprise Corporation	-	Financial assets at fair value through profit or loss - current	60	4,026	-	4,026	
	Ta Chen International, Inc	-	Financial assets at fair value through profit or loss - current	180	8,325	-	8,325	
	Yulon Motor Co., Ltd.	-	Financial assets at fair value through profit or loss - current	200	8,380	-	8,380	
	United Microelectronics Corporation	-	Financial assets at fair value through profit or loss - current	130	8,450	-	8,450	
	Taiwan Semiconductor Manufacturing Co., Ltd.	-	Financial assets at fair value through profit or loss - current	50	30,750	-	30,750	
	Realtek Semiconductor Corporation	-	Financial assets at fair value through profit or loss - current	20	11,600	-	11,600	
	Media Tek Inc.	-	Financial assets at fair value through profit or loss - current	9	10,710	-	10,710	
	Hwaku Development Co., Ltd.	-	Financial assets at fair value through profit or loss - current	120	10,968	-	10,968	
	EVA Airways Corporation	-	Financial assets at fair value through profit or loss - current	70	9,975	-	9,975	
	China Airlines, Limited	-	Financial assets at fair value through profit or loss - current	600	16,530	-	16,530	
	Taishin Financial Holding Co., Ltd.	-	Financial assets at fair value through profit or loss - current	600	11,370	-	11,370	
	Novatek Microelectronics Corp.	-	Financial assets at fair value through profit or loss - current	15	8,085	-	8,085	
	Unimicron Technology Corporation	-	Financial assets at fair value through profit or loss - current	30	6,930	-	6,930	
	Lotes Co., Ltd.	-	Financial assets at fair value through profit or loss - current	12	9,132	-	9,132	
	Jentech Precision Industrial Co., Ltd.	-	Financial assets at fair value through profit or loss - current	21	8,568	-	8,568	
	ASMedia Technology Inc.	-	Financial assets at fair value through profit or loss - current	5	9,100	-	9,100	
	Sino-American Silicon Products Inc.	-	Financial assets at fair value through profit or loss - current	45	10,620	-	10,620	
	Genesys Logic Inc.	-	Financial assets at fair value through profit or loss - current	65	13,097	-	13,097	
	Wafer Works Corporation	-	Financial assets at fair value through profit or loss - current	70	5,985	-	5,985	
	Oriental Petrochemical (Taiwan) Corporation	-	Financial assets at fair value through profit or loss - current	0.03	3,000,000	-	-	
	2020 First Term Unsecured Privately Placed Corporate Bonds							

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Shares or Units (All Common Stock Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note H)	
Far Eastern Investment (Holding) Ltd.	Filsyn Corporation	(Note A)	Investments accounted for using the equity method	45,066	\$ -	21.85	\$ -	
	PET Far Eastern (M) Sdn. Bhd.	(Note A)	Investments accounted for using the equity method	Common stock 5,000	-	20.00	-	
				Preferred stock 3,000				
	Com2B	(Note A)	Investments accounted for using the equity method	9,000	801,007	100.00	-	
	Far Eastern Apparel (Vietnam) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	141,311	100.00	-	
	Worldwide Polychem (HK) Ltd.	(Note A)	Investments accounted for using the equity method	2,700	109,670	100.00	-	
	Opas Fund Segregated Portfolio Company	(Note A)	Investments accounted for using the equity method	(Note G)	1,544	34.00	-	
	Far Eastern Polytex (Vietnam) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	9,554,071	100.00	-	
	Far Eastern New Apparel (Vietnam) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	414,889	100.00	-	
	Magna View Sdn. Bhd.	(Note A)	Investments accounted for using the equity method	3,000	149,523	100.00	-	
	Malaysia Garment Manufactures Pte. Ltd.	(Note A)	Investments accounted for using the equity method	30	437,031	37.92	-	
	Drive Catalyst SPC	(Note A)	Investments accounted for using the equity method	(Note G)	482	34.00	-	
	APG Polytech USA Holdings, Inc.	(Note A)	Investments accounted for using the equity method	6	17,702,104	100.00	-	
	Drive Catalyst SPC-SP Tranche One	(Note A)	Investments accounted for using the equity method	4	111,714	25.00	-	
	Drive Catalyst SPC-SP Tranche Three	(Note A)	Investments accounted for using the equity method	8	236,331	25.00	-	
	Drive Catalyst SPC-SP Tranche Two	(Note A)	Investments accounted for using the equity method	4	116,887	25.00	-	
	Far Eastern International Garments	(Note A)	Other liabilities - other	59	(11,402)	41.00	-	
	Cemtex Apparel Inc.	(Note A)	Other liabilities - other	90	(10,580)	50.00	-	
	Opas Fund Segregated Portfolio Tranche A	(Note K)	Financial assets at fair value through profit or loss - current	4	145,828	-	145,828	
	Opas Fund Segregated Portfolio Tranche B	(Note K)	Financial assets at fair value through profit or loss - current	5	186,198	-	186,198	
Opas Fund Segregated Portfolio Tranche C	(Note K)	Financial assets at fair value through profit or loss - current	5	307,347	-	307,347		
APG Polytech USA Holdings, Inc.	Corpus Christi Polymers LLC	(Note N)	Investments accounted for using the equity method	(Note G)	11,768,125	33.33	-	
	APG Polytech, LLC	(Note A)	Investments accounted for using the equity method	(Note G)	4,114,262	100.00	-	
	Phoenix Technologies International, LLC	(Note A)	Investments accounted for using the equity method	(Note G)	257,422	100.00	-	
Magna View Sdn. Bhd.	PET Far Eastern (M) Sdn. Bhd.	(Note A)	Investments accounted for using the equity method	Common stock	149,281	50.00	-	
				Preferred stock 3,000				
Ding Yuan International Investment Co., Ltd.	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	12,369	474,866	0.35	547,934	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	11,983	277,725	0.85	257,035	
	Everest Textile Corporation	(Note A)	Investments accounted for using the equity method	6,447	61,954	0.93	62,084	
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method	27,365	637,191	3.09	612,987	
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	920	40,567	0.03	59,410	
	Pacific Liu Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	18,000	253,883	2.24	-	(Note F)
	Yu Ding Industry Co., Ltd.	(Note A)	Investments accounted for using the equity method	16,320	445,994	13.20	-	
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	92,907	1,222,002	2.64	998,749	5,000 thousand shares pledged or mortgaged as collateral for loans.
	U-Ming Marine Transport Corporation	(Note C)	Financial asset at FVTOCI - non-current	1,684	101,714	0.20	101,714	
Kai Yuan International Investment Co., Ltd.	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	25,312	1,021,426	0.71	1,121,343	
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	35,558	1,110,165	1.09	2,297,049	13,950 thousand shares pledged or mortgaged as collateral for loans.
	Everest Textile Corporation	(Note A)	Investments accounted for using the equity method	4,211	44,631	0.61	40,552	
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method	32,474	636,245	3.67	727,421	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	20,672	595,100	1.46	443,418	
	Kowloon Cement Corporation	(Note A)	Investments accounted for using the equity method	1,127	446,736	49.00	-	
	Far Eastern International Leasing Corporation	(Note A)	Investments accounted for using the equity method	74,970	950,075	16.80	-	
	Pacific Liu Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	18,000	254,084	2.24	-	(Note F)
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	112,793	1,484,241	3.21	1,212,523	
U-Ming Marine Transport Corporation	(Note C)	Financial asset at FVTOCI - non-current	1,375	83,050	0.16	83,050		

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Shares or Units (All Common Stock Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note H)	
Far Eastern Polychem Industries Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	\$ 7,527,871	87.64	\$ -	
	PET Far Eastern (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	35	355,154	8.05	-	
	FEDP (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	240	747,506	49.57	-	
	Far Eastern Industries (Yangzhou) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	1,380,577	100.00	-	
	Far Eastern Ishizuka Green Pet Corporation	(Note A)	Investments accounted for using the equity method	3,578	1,307,740	90.00	-	
	Nippon Parison Co., Ltd.	-	Financial asset at FVTOCI - non-current	4	134,812	10.00	134,812	
Far Eastern Construction Co., Ltd.	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	17,726	622,021	0.50	785,267	
	Far Eastern General Contractor Inc.	(Note A)	Investments accounted for using the equity method	147,413	2,524,301	98.95	-	
	U-Ming Marine Transport Corporation	(Note C)	Financial asset at FVTOCI - current	1,590	96,023	0.19	96,023	
Far Eastern Apparel (Holding) Ltd.	Far Eastern Apparel (Suzhou) Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	585,974	38.46	-	
	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	3,684,219	100.00	-	
	Far Eastern Innovation Apparel (Suzhou) Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	1,085,716	100.00	-	
	Opas Fund Segregated Portfolio Tranche B	(Note K)	Financial assets at fair value through profit or loss - current	4	145,146	-	145,146	
	Opas Fund Segregated Portfolio Tranche C	(Note K)	Financial assets at fair value through profit or loss - current	4	253,081	-	253,081	
Far Eastern Apparel Co., Ltd.	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	469	16,601	0.01	20,777	
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	90	7,153	9.00	5,814	
	Yu Ding Industry Co., Ltd.	(Note A)	Investments accounted for using the equity method	12	45,088	0.09	-	
Far Eastern General Contractor Inc.	Far Eastern Technical Consultants Co., Ltd.	(Note A)	Investments accounted for using the equity method	450	7,153	9.00	-	
	U-Ming Marine Transport Corporation	(Note C)	Financial asset at FVTOCI - current	746	45,088	0.09	45,088	
	Kaohsiung Rapid Transit Corporation	(Note K)	Financial asset at FVTOCI - non-current	9,687	48,823	3.48	48,823	
	Ya-Li Precast Prestressed Concrete Industries Corporation	(Note I)	Financial asset at FVTOCI - non-current	3,106	17,839	16.03	17,839	
	Jih Sun Money Market	-	Financial assets at fair value through profit or loss - current	1,484	22,241	-	22,241	
	CTBC Hwa-Win Money Market Fund	-	Financial assets at fair value through profit or loss - current	11,878	132,171	-	132,171	
	Capital Money Market Fund	-	Financial assets at fair value through profit or loss - current	6,998	114,039	-	114,039	
	Hwa Nan Phoenix Money Market Fund	-	Financial assets at fair value through profit or loss - current	9,933	163,098	-	163,098	
Malaysia Garment Manufactures Pte. Ltd.	Filsyn Corporation	(Note A)	Investments accounted for using the equity method	20,513	-	9.95	-	
	Arpeggio International Resources Corporation	(Note A)	Investments accounted for using the equity method	(Note G)	-	40.00	-	
	PT Malaysia Garment Bintan	(Note A)	Other liabilities - other	(Note G)	(37)	99.00	-	
An Ho Garment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	40,818	991,113	1.25	2,636,816	8,200 thousand shares pledged or mortgaged as collateral for loans.  (Note F)
	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	6,094	260,546	0.17	269,950	
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method	11,204	248,877	1.26	250,970	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	370	11,942	0.03	7,932	
	Oriental Securities Corporation	(Note A)	Investments accounted for using the equity method	8,754	123,937	1.21	-	
	Yu Ding Industry Co., Ltd.	(Note A)	Investments accounted for using the equity method	19,373	430,992	15.66	-	
	Pacific Liu Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	9,681	141,950	1.21	-	
	Yuan Ding Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	5,502	175,807	0.30	-	
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	23,135	304,597	0.66	248,704	
Yuan Faun Co., Ltd.	Yuan Cheng Human Resources Consultant Corporation	(Note A)	Investments accounted for using the equity method	745	12,314	55.19	-	
	Yi Tong Fiber Co., Ltd.	-	Financial asset at FVTOCI - non-current	3,154	93,638	3.56	93,638	
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	4,903	64,577	0.14	52,701	
Fu Kwok Knitting & Garment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	520	18,693	0.02	33,592	

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Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Shares or Units (All Common Stock Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note H)	
Yuan Tong Investment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	100,237	\$ 2,606,635	3.08	\$ 6,475,312	29,700 thousand shares pledged or mortgaged as collateral for loans.  (Note F)
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	77,735	2,188,476	5.49	1,667,406	
	Everest Textile Corporation	(Note A)	Investments accounted for using the equity method	5,394	58,109	0.78	51,948	
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method	49,905	1,633,224	5.63	1,117,881	
	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	32,465	1,367,022	0.92	1,438,217	
	Pacific Liu Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	18,000	252,886	2.24	-	
	Far Eastern Electronic Toll Collection Co., Ltd.	(Note A)	Investments accounted for using the equity method	35,934	550,768	11.98	-	
	Liquid Air Far East Co., Ltd.	(Note A)	Investments accounted for using the equity method	1	43	-	-	
	Sino Belgium (Holding) Ltd.	(Note A)	Other liabilities - other	36	(818,678)	90.88	-	
	Freudenberg Far Eastern Spunweb Co., Ltd.	(Note A)	Investments accounted for using the equity method	3	53	-	-	
	Malaysia Garment Manufactures Pte. Ltd.	(Note A)	Investments accounted for using the equity method	10	149,826	13.00	-	
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	112,567	1,480,777	3.20	1,210,096	
	Ding Shen Investment Co., Ltd.	(Note M)	Financial asset at FVTOCI - non-current	40,329	344,406	18.00	344,406	
	Bockhold N.V - stock	-	Financial asset at FVTOCI - non-current	1	256,260	12.51	256,260	
	Financial assets under asset management contracts (Note E)							
	Yuanta Taiwan 50 ETF	-	Financial assets at fair value through profit or loss - current	81	11,786	-	11,786	
	Tong Ho Steel Enterprise Corporation	-	Financial assets at fair value through profit or loss - current	180	12,078	-	12,078	
	Ta Chen International, Inc	-	Financial assets at fair value through profit or loss - current	150	6,938	-	6,938	
	Taiwan Semiconductor Manufacturing Co., Ltd.	-	Financial assets at fair value through profit or loss - current	63	38,745	-	38,745	
	Realtek Semiconductor Corporation	-	Financial assets at fair value through profit or loss - current	18	10,440	-	10,440	
	Media Tek Inc.	-	Financial assets at fair value through profit or loss - current	9	10,710	-	10,710	
	Hwaku Development Co., Ltd.	-	Financial assets at fair value through profit or loss - current	75	6,855	-	6,855	
	China Airlines, Limited	-	Financial assets at fair value through profit or loss - current	270	7,438	-	7,438	
	EVA Airways Corporation	-	Financial assets at fair value through profit or loss - current	270	7,546	-	7,546	
	Taishin Financial Holding Co., Ltd.	-	Financial assets at fair value through profit or loss - current	450	8,527	-	8,527	
	First Financial Holdings Co., Ltd.	-	Financial assets at fair value through profit or loss - current	540	13,230	-	13,230	
	Unimicron Technology Corporation	-	Financial assets at fair value through profit or loss - current	60	13,860	-	13,860	
	Lotes Co., Ltd.	-	Financial assets at fair value through profit or loss - current	18	13,698	-	13,698	
	Phison Electronics Corp.	-	Financial assets at fair value through profit or loss - current	3	1,536	-	1,536	
Far Eastern Apparel (Suzhou) Co., Ltd.	Suzhou An Ho Apparel Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	56,514	100.00	-	
PET Far Eastern (Holding) Ltd.	Oriental Petrochemical (Shanghai) Corporation	(Note A)	Investments accounted for using the equity method	(Note G)	1,823,509	54.72	-	
	Far Eastern Union Petrochemical (Yangzhou) Corporation	(Note A)	Investments accounted for using the equity method	(Note G)	3,081,595	44.20	-	
Oriental Textile (Holding) Ltd.	Far Eastern Industries (Wuxi) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	2,871,795	100.00	-	
	Oriental Industries (Suzhou) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	6,379,069	100.00	-	
	Opas Fund Segregated Portfolio Tranche A	(Note K)	Financial assets at fair value through profit or loss - current	8	305,572	-	305,572	
	Opas Fund Segregated Portfolio Tranche C	(Note K)	Financial assets at fair value through profit or loss - current	5	356,513	-	356,513	
FEDP (Holding) Ltd.	Far Eastern Industries (Suzhou) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	1,303,824	100.00	-	
FE Oriental Investment Holding (Singapore) Pte. Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	(Note A)	Investments accounted for using the equity method	49	159,811	100.00	-	
	Oriental Investment Holding (Netherlands) B.V.	(Note A)	Investments accounted for using the equity method	-	-	100.00	-	
Oriental Investment Holding (Netherlands) B.V.	Oriental Martens (Netherlands) B.V.	(Note A)	Investments accounted for using the equity method	-	-	100.00	-	

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Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Shares or Units (All Common Stock Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note H)	
Far Eastern Polytex (Holding) Ltd.	Wuhan Far Eastern New Material Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	\$ 941,637	100.00	\$ -	
	Far Eastern Apparel (Suzhou) Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	937,620	61.54	-	
	Far Eastern New Century (China) Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	3,718,389	100.00	-	
	Far Eastern Yihua Petrochemical (Yangzhou) Corporation	(Note A)	Investments accounted for using the equity method	(Note G)	3,815,870	60.00	-	
Far Eastern New Century (China) Investment Co., Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	1,061,667	12.36	-	
	Shanghai Yuan Zi Information Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	58,047	100.00	-	
	Oriental Petrochemical (Shanghai) Corporation	(Note A)	Investments accounted for using the equity method	(Note G)	187,469	6.63	-	
Sino Belgium (Holding) Ltd.	Yuan Ding Enterprise (Shanghai) Limited	(Note A)	Investments accounted for using the equity method	(Note G)	2,712,437	40.00	-	
	Sino Belgium Beer (Suzhou) Ltd.	(Note A)	Other liabilities - other	(Note G)	(757,695)	100.00	-	
Oriental Petrochemical (Shanghai) Corporation	Martens Beers (Shanghai) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	6,052	100.00	-	
	Shanghai Far Eastern Petrochemical Logistic Corporation	(Note A)	Investments accounted for using the equity method	(Note G)	149,896	100.00	-	
Far Eastern Industries (Yangzhou) Ltd.	Harvest Money Market A	-	Financial assets at fair value through profit or loss - current	1,006	4,371	-	4,371	
Far Eastern Yihua Petrochemical (Yangzhou) Corporation	Harvest Money Market A	-	Financial assets at fair value through profit or loss - current	625,412	2,716,788	-	2,716,788	
Yuan Ding Co., Ltd.	YDT Technology International Co., Ltd.	(Note A)	Investments accounted for using the equity method	13,992	267,642	100.00	-	
	Ding Ding Integrated Marketing Service Co., Ltd.	(Note A)	Investments accounted for using the equity method	21,787	148,459	60.00	-	
	Far Eastern Technical Consultants Co., Ltd.	(Note A)	Investments accounted for using the equity method	4,550	71,113	91.00	-	
	YDC (Virgin Islands) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	10,798	17.70	-	
	Yuanshi Digital Technology Co., Ltd.	(Note A)	Other liabilities - other	1,499	(3,932)	1.35	-	
	FET Consulting Engineers Co., Ltd.	(Note A)	Investments accounted for using the equity method	2,500	46,754	100.00	-	
	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	5,329	217,164	0.15	236,059	
	Far Eastone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	4,164	105,078	0.13	268,962	
	Yu Yuan Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	129,637	2,164,434	25.02	-	
	Yue Ming Corporation	(Note A)	Investments accounted for using the equity method	104	531	1.00	-	
	Yu Ding Industry Co., Ltd.	(Note A)	Investments accounted for using the equity method	3,206	70,907	2.59	-	
	FEDS Asia Pacific Development Co., Ltd.	(Note A)	Investments accounted for using the equity method	10,650	132,390	5.00	-	
	Far Eastern Electronic Toll Collection Co., Ltd.	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	44,796	681,097	14.93	-
Yuan Hsin Digital Payment Co., Ltd.		(Note A)	Investments accounted for using the equity method	8,746	115,239	0.25	94,019	
Ding Ding Hotel Co., Ltd.		(Note A)	Investments accounted for using the equity method	11,052	84,440	16.22	-	
Far Eastern New Century Corporation		(Note D)	Financial assets at fair value through profit or loss - current	779	22,836	-	22,836	
Ding Ding Integrated Marketing Service Co., Ltd.		(Note A)	Other liabilities - other	5	(13)	-	-	
Yuan Hsin Digital Payment Co., Ltd.		(Note A)	Investments accounted for using the equity method	21,180	161,801	31.08	-	
Ding Ding Integrated Marketing Service Co., Ltd.	DDIM (Virgin Islands) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	19,967	46.13	-	
	Pacific SOGO Department Stores Co., Ltd.	(Note J)	Financial asset at FVTOCI - non-current	1	37	-	37	
Far Eastern Technical Consultants Co., Ltd.	Cosmos Foreign Exchange Intl. Co., Ltd.	-	Financial asset at FVTOCI - non-current	480	9,638	4.00	9,638	
FET Consulting Engineers Co., Ltd.	DDIM (Virgin Islands) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	23,317	53.87	-	
YDC (Virgin Islands) Ltd.	Yuan Ding Integrated Information Service (Shanghai) Inc.	(Note A)	Investments accounted for using the equity method	(Note G)	199	0.46	-	
	Speedy (Shanghai) digital Tech. Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	59,701	100.00	-	

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Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Shares or Units (All Common Stock Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note H)	
DDIM (Virgin Islands) Ltd.	Yuan Ding Integrated Information Service (Shanghai) Inc.	(Note A)	Investments accounted for using the equity method	(Note G)	\$ 43,143	99.54	\$ -	
YDT Technology International Co., Ltd.	Everest Textile Corporation	(Note A)	Investments accounted for using the equity method	101	842	0.01	971	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	2,764	98,716	0.20	59,285	
	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	61	2,453	-	2,681	
	YDC (Virgin Islands) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	50,205	82.30	-	
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	3,076	40,812	0.09	33,062	
	Oriental Securities Investment Consultant Co., Ltd.	(Note J)	Financial asset at FVTOCI - non-current	1	11	-	11	
Far Eastern Electronic Toll Collection Co., Ltd.	FETC International Co., Ltd.	(Note A)	Investments accounted for using the equity method	20,000	79,757	100.00	-	
	Millerful No.1 REIT	-	Financial asset at FVTOCI - non-current	47,010	487,029	-	487,029	
	Subordinated perpetual corporate bonds of Cathy Life Insurance Co., Ltd.	-	Financial assets at amortized cost	5,000	500,000	-	-	5,000 thousand shares pledged or mortgaged as collateral for loans.
FETC International Co., Ltd.	FETC International (Thailand) Co., Ltd.	(Note A)	Investments accounted for using the equity method	8,200	58,386	100.00	-	
Far EasTone Telecommunications Co., Ltd.	New Century InfoComm Tech Co., Ltd.	(Note A)	Investments accounted for using the equity method	2,100,000	28,436,062	100.00	-	
	ARCOA Communication Co., Ltd.	(Note A)	Investments accounted for using the equity method	82,762	698,742	61.63	-	
	KGEx.com Co., Ltd.	(Note A)	Investments accounted for using the equity method	68,897	902,594	99.99	-	
	Yuanshi Digital Technology Co., Ltd.	(Note A)	Other liabilities - other	107,004	(280,137)	96.18	-	
	Yuan Cing Co., Ltd.	(Note A)	Investments accounted for using the equity method	2,000	40,705	100.00	-	
	Far Eastern Info Service (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	1	4,883	100.00	-	
	Far EasTone Property Insurance Agent Co., Ltd.	(Note A)	Investments accounted for using the equity method	500	83,443	100.00	-	
	Far Eastern Electronic Toll Collection Co., Ltd.	(Note A)	Investments accounted for using the equity method	118,251	1,403,595	39.42	-	
	Ding Ding Integrated Marketing Service Co., Ltd.	(Note A)	Investments accounted for using the equity method	5,447	36,924	15.00	-	
	Yuan Hsin Digital Payment Co., Ltd.	(Note A)	Investments accounted for using the equity method	12,342	94,628	18.11	-	
	App Works Fund II Co., Ltd.	(Note L)	Investments accounted for using the equity method	5,355	138,461	11.11	138,461	
	CDIB Capital Innovation Accelerator Co., Ltd.	(Note L)	Financial asset at FVTOCI - non-current	9,000	105,191	10.71	105,191	
	LINE Bank Taiwan Limited	-	Financial asset at FVTOCI - non-current	50,000	396,910	5.00	396,910	
	LI TV (Taiwan) Inc	-	Financial asset at FVTOCI - non-current	1,250	50,000	2.50	50,000	
	Asia Pacific Telecom Co., Ltd.	-	Financial asset at FVTOCI - non-current	500,000	4,110,000	11.58	4,110,000	
ARCOA Communication Co., Ltd.	DataExpress Infotech Co., Ltd.	(Note A)	Investments accounted for using the equity method	15,285	278,594	70.00	-	
	THI consultants	(Note L)	Financial asset at FVTOCI - non-current	1,214	12,190	18.32	12,190	
	Web Point Co., Ltd.	-	Financial asset at FVTOCI - non-current	161	1,618	0.63	1,618	
New Century InfoComm Tech Co., Ltd.	New Diligent Co., Ltd.	(Note A)	Investments accounted for using the equity method	54,000	81,531	100.00	-	
	Information Security Service Digital United Inc.	(Note A)	Investments accounted for using the equity method	11,195	138,226	100.00	-	
	Digital United (Cayman) Ltd.	(Note A)	Investments accounted for using the equity method	10,320	334,376	100.00	-	
	Yuanshi Digital Technology Co., Ltd.	(Note A)	Other liabilities - other	750	(1,963)	0.67	-	
	Ding Ding Integrated Marketing Service Co., Ltd.	(Note A)	Investments accounted for using the equity method	1,816	12,308	5.00	-	
	Prime EcoPower Co., Ltd.	(Note A)	Investments accounted for using the equity method	16,000	125,451	100.00	-	
	Drive Catalyst SPC-SP Tranche One	(Note A)	Investments accounted for using the equity method	4	111,666	25.00	-	
	Drive Catalyst SPC-SP Tranche Two	(Note A)	Investments accounted for using the equity method	4	116,861	25.00	-	
	Drive Catalyst SPC-SP Tranche Three	(Note A)	Investments accounted for using the equity method	8	236,449	25.00	-	
	Nextlink Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	3,430	455,473	70.00	-	
	Ju An Long-Age Co., Ltd.	(Note A)	Investments accounted for using the equity method	1,000	15,861	25.00	-	
	Yuan Hsin Digital Payment Co., Ltd.	(Note A)	Investments accounted for using the equity method	4,236	32,476	6.22	-	
	Kaohsiung Rapid Transit Corporation	(Note K)	Financial asset at FVTOCI - non-current	8,858	44,645	3.18	44,645	
	Bank Pro E-service Technology Co., Ltd.	-	Financial asset at FVTOCI - non-current	600	4,500	3.33	4,500	
	Changing.ai Inc.	-	Financial asset at FVTOCI - non-current	500	8,944	2.50	8,944	
	Opas Fund Segregated Portfolio Tranche A	(Note K)	Financial assets at fair value through profit or loss - current	13	505,428	-	505,428	
	Opas Fund Segregated Portfolio Tranche B	(Note K)	Financial assets at fair value through profit or loss - current	5	193,746	-	193,746	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Shares or Units (All Common Stock Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note H)	
New Diligent Co., Ltd.	Sino Lead Enterprise Limited	(Note A)	Investments accounted for using the equity method	30	\$ 321	100.00	\$ -	
	Far East New Diligent Company Ltd.	(Note A)	Investments accounted for using the equity method	-	19,593	100.00	-	
	New Diligent Hong Kong Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	2,106	100.00	-	
DataExpress Infotech Co., Ltd.	Home Master Technology Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	42,860	100.00	-	
Nextlink Technology Co., Ltd.	Microfusion Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	2,900	47,314	100.00	-	
	Nextlink (HK) Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	-	36,568	100.00	-	
	Microfusion (HK) Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	-	2,825	100.00	-	
Digital United (Cayman) Ltd.	Digital United Information Technology (Shanghai) Ltd.	(Note A)	Other liabilities - other	(Note G)	11,311	100.00	-	
	TBCASoft, Inc.	-	Financial asset at FVTOCI - non-current	727	187,394	4.87	187,394	
Nextlink (HK) Technology Co., Ltd.	Nextlink (Shanghai) Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	1,987	70.00	-	

Notes: A. Equity-method investee.

B. Investor and investee have the same chairman.

C. The chairman of investee is the chairman of FENC.

D. Parent company.

E. Financial assets under asset management contracts can be sold in the open market investee, Oriental Securities Investment Consultant Co., Ltd.

F. The investor opened a trust account in Shanghai Bank in Taipei on September 26, 2002 to acquire the ownership of Pacific Liu Tung Investment Co., Ltd.

G. Company limited.

H. The fair value of unlisted equity investments held by the Group was not disclosed due to it cannot be reliably measured.

I. The subsidiary of the invested company accounted for using the equity method.

J. The subsidiary of FENC's associate.

K. Related party in substance.

L. The investor is the corporate director of the investee.

M. The investor is the corporate supervisor of the investee.

N. Joint operation entity.

O. Oriental Investment Holding (Netherlands) was established and registered on January 23, 2020, but as of December 31, 2021, the relevant investment funds have not been remitted.

P. Oriental Martens (Netherlands) B.V. was established and registered on February 12, 2020, but as of December 31, 2021, the relevant investment funds have not been remitted.

(Concluded)

## FAR EASTERN NEW CENTURY CORPORATION AND INVESTEEES

MARKETABLE SECURITIES ACQUIRED AND DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal			Investment Income under the Equity Method	Ending Balance		
					Shares (Thousands)/ Thousand Units	Amount	Shares (Thousands)/ Thousand Units	Amount	Shares (Thousands)/ Thousand Units	Price	Book Value		Disposal Gain	Shares (Thousands)/ Thousand Units	Amount
Far Eastern New Century Corporation	Far Eastern Investment (Holding) Ltd.'s common stock	Investments accounted for using the equity method	Cash capital increase	(Note A)	5,072	\$ 25,734,569	389	\$ 1,955,422	-	\$ -	\$ -	\$ -	\$ 588,368	5,461	\$ 28,278,359
Yuan Ding Investment Co., Ltd.	Everest Textile Corporation's common stock	Investments accounted for using the equity method	Cash capital increase	(Note B)	128,618	831,947	65,055	650,551	29,059	-	-	-	2,097	164,614	1,484,595
Far Eastern Investment (Holding) Ltd.	Far Eastern Polytex (Vietnam) Ltd.	Investments accounted for using the equity method	Cash capital increase	(Note A)	(Note C)	US\$ 262,696	(Note C)	US\$ 68,700	-	-	-	-	US\$ 13,766	(Note C)	US\$ 345,162
	Far Eastern New Apparel (Vietnam) Ltd.	Investments accounted for using the equity method	Cash capital increase	(Note A)	(Note C)	US\$ 5,257	(Note C)	US\$ 15,000	-	-	-	-	US\$ (5,268)	(Note C)	US\$ 14,989
	APG Polytech USA Holdings, Inc.'s common stock	Investments accounted for using the equity method	Cash capital increase	(Note A)	5	US\$ 500,212	1	US\$ 100,000	-	-	-	-	US\$ 39,315	6	US\$ 639,527
APG Polytech USA Holdings, Inc.	Corpus Christi Polymers LLC	Investments accounted for using the equity method	Cash capital increase	(Note D)	(Note C)	US\$ 416,190	(Note C)	US\$ 11,033	-	-	-	-	US\$ (2,074)	(Note C)	US\$ 425,149
Far Eastern General Contractor Inc	CTBC Hwa-Win Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	20,707	230,002	29,419	327,000	38,248	425,124	424,940	184	109 (Note E)	11,878	132,171
Yuan Tong Investment Co., Ltd.	Far Eastern Department Stores Co., Ltd.'s common stock	Investments accounted for using the equity method	-	(Note B)	59,073	1,776,669	18,662	421,963	-	-	-	-	(10,156)	77,735	2,188,476
Yuan Ding Co., Ltd.	Ding Ding Hotel Co., Ltd.'s common stock	Investments accounted for using the equity method	Cash capital increase	(Note A)	102,509	81,826	98,522	985,217	98,522	-	-	-	(813,107)	102,509	253,936
Far EasTone Telecommunications Co.,	Asia Pacific Telecom Co., Ltd.'s common stock through private placement	Financial assets at fair value through other comprehensive income - noncurrent	Cash capital increase	-	-	-	500,000	5,000,000	-	-	-	-	(890,000) (Note F)	500,000	4,110,000

Notes: A. Subsidiary.

B. Associates.

C. Company limited.

D. Joint operation entity.

E. Gain on financial asset at FVTPL.

F. Unrealized gain on financial asset at FVTOCI.

**FAR EASTERN NEW CENTURY CORPORATION AND INVESTEEES**

**ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Buyer	Property	Event Date	Transaction Amount	Payment Status	Counterparty	Relationship	Information on Previous Title Transfer If Counterparty Is A Related Party				Pricing Reference	Purpose of Acquisition	Other Terms
							Property Owner	Relationship	Transaction Date	Amount			
Far Eastern Construction Co., Ltd.	Land in Xinyi District, Taipei City	October 2021	\$813,984	Paid in full	John Hsu	Other related parties	S.L. Hsu-Chu	First Class Relatives of directors of the consolidated corporation	October 2013	Inherit	Valuation report	Development and use	None

**FAR EASTERN NEW CENTURY CORPORATION AND INVESTEES**

**DISPOSAL OF INDIVIDUAL REAL ESTATE AT PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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

<b>Seller</b>	<b>Property</b>	<b>Event Date</b>	<b>Original Acquisition Date</b>	<b>Carrying Amount</b>	<b>Transaction Amount</b>	<b>Collection</b>	<b>Gain (Loss) on Disposal</b>	<b>Counterparty</b>	<b>Relationship</b>	<b>Purpose of Disposal</b>	<b>Price Reference</b>	<b>Other Terms</b>
New Century Infocomm Tech Co., Ltd.	Part of the real estate and equipment in Neihu District, Taipei City	July 2021	June 2001	\$ 1,857,022	\$ 3,242,924	All received	\$ 1,281,483 (Note 1)	Media Tek Inc.	None	Activate assets	Valuation report	None

Note: Related expenses were deducted from the gain on disposal.

## FAR EASTERN NEW CENTURY CORPORATION AND INVESTEEES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transactions		Notes Payable or Receivable		Accounts Payable or Receivable		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	Ending Balance	% of Total	
Far Eastern New Century Corporation	Worldwide Polychem (HK) Limited	(Note A)	Sale	\$ (3,863,170)	(8)	Based on contract	-	-	\$ -	-	\$ 1,731,885	23	
	Far Eastern Industries (Shanghai) Ltd.	(Note A)	Sale	(1,540,727)	(3)	Based on contract	-	-	-	-	255,639	3	
	Far Eastern Polytex (Vietnam) Ltd.	(Note A)	Sale	(648,435)	(1)	Based on contract	-	-	-	-	165,100	2	
	Far Eastern Ishizuka Green Pet Corporation	(Note A)	Sale	(381,855)	(1)	Based on contract	-	-	-	-	26,157	-	
	Far Eastern Ishizuka Green Pet Corporation	(Note A)	Purchase	497,682	1	Based on contract	-	-	-	-	(67,506)	(2)	
	Far Eastern Apparel (Vietnam) Ltd.	(Note A)	Sale	(154,492)	-	Based on contract	-	-	-	-	41,832	1	
	Freudenberg Far Eastern Spunweb Co., Ltd.	(Note D)	Sale	(508,692)	(1)	Based on contract	-	-	-	-	69,053	1	
	Everest Textile Corporation	(Note D)	Sale	(254,754)	(1)	Based on contract	-	-	-	-	30,548	-	
	Oriental Petrochemical (Taiwan) Corporation	(Note A)	Purchase	13,844,409	36	Based on contract	-	-	-	-	(876,872)	(29)	
	Oriental Green Materials Limited	(Note A)	Purchase	1,320,106	3	Based on contract	-	-	-	-	(135,540)	(5)	
	Oriental Industries (Suzhou) Ltd.	(Note A)	Purchase	115,584	-	Based on contract	-	-	-	-	(32,968)	(1)	
	Oriental Union Chemical Corporation	(Note D)	Purchase	1,562,845	4	Based on contract	-	-	-	-	(103,155)	(3)	
	Oriental Petrochemical (Taiwan) Corporation	Far Eastern New Century Corporation	(Note B)	Sale	(13,844,409)	(42)	Based on contract	-	-	-	-	876,872	24
Far Eastern Polytex (Vietnam) Ltd.		(Note C)	Sale	(5,738,676)	(18)	Based on contract	-	-	-	-	1,177,238	32	
Far Eastern Industries (Shanghai) Ltd.		(Note C)	Sale	(493,676)	(2)	Based on contract	-	-	-	-	291,474	8	
Liquid Air Far East Co., Ltd.		(Note D)	Purchase	102,903	-	Based on contract	-	-	-	-	(25,711)	(1)	
Oriental Green Materials Limited	Far Eastern New Century Corporation	(Note B)	Sale	(1,320,106)	(96)	Based on contract	-	-	-	-	135,540	99	
Far Eastern General Contractor Inc.	Far Eastern Construction Co., Ltd.	(Note C)	Construction revenue	(550,397)	(7)	Based on contract	-	-	-	-	124,057	18	
	Far Eastern Resources Development Co., Ltd.	(Note C)	Construction revenue	(420,005)	(5)	Based on contract	-	-	-	-	-	-	
	Chubei New Century Shopping Mall Co., Ltd.	(Note E)	Construction revenue	(105,723)	(1)	Based on contract	-	-	-	-	-	-	
	Asia Eastern School Legal Person	(Note I)	Construction revenue	(130,034)	(2)	Based on contract	-	-	-	-	12,015	2	
	Ya Tung Ready-mixed Concrete Corporation	(Note E)	Purchase	334,650	5	Based on contract	-	-	(30,689)	(5)	(30,264)	(2)	
	Ya-Li Precast Prestressed Concrete Industries Corporation	(Note E)	Purchase	115,116	2	Based on contract	-	-	(5,265)	(1)	(13,564)	(1)	
Far Eastern Construction Co., Ltd.	Far Eastern General Contractor Inc.	(Note C)	Purchase	575,788	43	Based on contract	-	-	-	-	(124,057)	(42)	
Far Eastern Fibertech Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Sale	(398,901)	(15)	Based on contract	-	-	-	-	64,999	27	
	Everest Textile Corporation	(Note D)	Sale	(326,715)	(12)	Based on contract	-	-	-	-	34,395	14	
FETC International Co., Ltd.	Far Eastern Electronic Toll Collection Co., Ltd.	(Note C)	Sale	(273,023)	(74)	Based on contract	-	-	-	-	92,240	71	
Oriental Petrochemical (Shanghai) Corporation	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Sale	(7,914,085)	(63)	Based on contract	-	-	104,429	23	187,620	100	
	Shanghai Far Eastern Petrochemical Logistic Corporation	(Note C)	Purchase	101,467	1	Based on contract	-	-	-	-	(50,426)	(3)	
Far Eastern Dyeing & Finishing (Suzhou) Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	(Note C)	Sale	(3,457,660)	(61)	Based on contract	-	-	-	-	530,317	52	
	Far Eastern Apparel (Suzhou) Ltd.	(Note C)	Sale	(507,260)	(9)	Based on contract	-	-	-	-	95,736	9	
	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Purchase	752,205	15	Based on contract	-	-	-	-	(152,146)	(17)	
Far Eastern Apparel (Suzhou) Ltd.	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note C)	Purchase	507,260	23	Based on contract	-	-	-	-	(95,736)	(25)	
	FE New Century Industrial (Singapore) Pte. Ltd.	(Note C)	Sale	(637,815)	(27)	Based on contract	-	-	-	-	110,888	30	

(Continued)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transactions		Notes Payable or Receivable		Accounts Payable or Receivable		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	Ending Balance	% of Total	
Far Eastern Industries (Shanghai) Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	(Note C)	Sale	\$ (1,815,196)	(8)	Based on contract	-	-	\$ -	-	\$ 546,286	22	
	Wuhan Far Eastern New Material Ltd.	(Note C)	Sale	(792,033)	(4)	Based on contract	-	-	-	-	139,219	5	
	Wuhan Far Eastern New Material Ltd.	(Note C)	Purchase	490,123	2	Based on contract	-	-	-	-	(117,141)	(7)	
	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note C)	Sale	(752,205)	(3)	Based on contract	-	-	-	-	152,146	6	
	Oriental Industries (Suzhou) Ltd.	(Note C)	Sale	(467,346)	(2)	Based on contract	-	-	-	-	21,083	1	
	Far Eastern Polytex (Vietnam) Ltd.	(Note B)	Sale	(197,251)	(1)	Based on contract	-	-	-	-	64,608	3	
	Far Eastern New Century Corporation	(Note C)	Purchase	1,540,727	7	Based on contract	-	-	-	-	(255,639)	(16)	
	Oriental Petrochemical (Taiwan) Corporation	(Note C)	Purchase	493,676	2	Based on contract	-	-	-	-	(291,474)	(18)	
	Far Eastern Fibertech Ltd.	(Note C)	Purchase	398,901	2	Based on contract	-	-	-	-	(64,999)	(4)	
	Oriental Petrochemical (Shanghai) Corporation	(Note C)	Purchase	7,914,085	38	Based on contract	-	-	(104,429)	(9)	(187,620)	(12)	
	Far Eastern Union Petrochemical (Yangzhou) Corporation (Note)	(Note D)	Purchase	173,373	1	Based on contract	-	-	-	-	-	-	
Wuhan Far Eastern New Material Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Sale	(490,123)	(38)	Based on contract	-	-	-	-	117,141	48	
	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Purchase	792,033	68	Based on contract	-	-	-	-	(139,219)	(90)	
	FE New Century Industrial (Singapore) Pte. Ltd.	(Note C)	Sale	(111,905)	(9)	Based on contract	-	-	-	-	39,134	16	
Oriental Industries (Suzhou) Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	(Note C)	Sale	(201,651)	(2)	Based on contract	-	-	-	-	101,642	6	
	Far Eastern New Century Corporation	(Note B)	Sale	(115,584)	(1)	Based on contract	-	-	-	-	32,968	2	
	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Purchase	467,346	6	Based on contract	-	-	-	-	(21,083)	(4)	
Shanghai Far Eastern Petrochemical Logistic Corporation	Oriental Petrochemical (Shanghai) Corporation	(Note C)	Sale	(101,467)	(81)	Based on contract	-	-	-	-	50,426	90	
Far Eastern Polytex (Vietnam) Ltd.	Worldwide Polychem (HK) Limited	(Note C)	Sale	(2,400,101)	(14)	Based on contract	-	-	-	-	1,244,497	39	
	APG Polytech, LLC	(Note C)	Sale	(267,356)	(2)	Based on contract	-	-	-	-	264,217	8	
	Far Eastern Apparel (Vietnam) Ltd.	(Note C)	Sale	(239,050)	(1)	Based on contract	-	-	-	-	43,164	1	
	Far Eastern New Apparel (Vietnam) Ltd.	(Note C)	Sale	(203,378)	(1)	Based on contract	-	-	-	-	18,670	1	
	Far Eastern New Century Corporation	(Note B)	Purchase	648,435	4	Based on contract	-	-	-	-	(165,100)	(7)	
	Oriental Petrochemical (Shanghai) Corporation	(Note C)	Purchase	5,738,676	37	Based on contract	-	-	-	-	(1,177,238)	(51)	
	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Purchase	197,251	1	Based on contract	-	-	-	-	(64,608)	(3)	
Far Eastern Apparel (Vietnam) Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	(Note C)	Sale	(1,766,328)	(67)	Based on contract	-	-	-	-	364,747	69	
	FE New Century Industrial (Singapore) Pte. Ltd.	(Note C)	Purchase	732,830	28	Based on contract	-	-	-	-	(287,266)	(68)	
	Far Eastern New Century Corporation	(Note B)	Purchase	154,492	6	Based on contract	-	-	-	-	(41,832)	(10)	
	Far Eastern Polytex (Vietnam) Ltd.	(Note C)	Purchase	239,050	9	Based on contract	-	-	-	-	(43,164)	(10)	
Far Eastern New Apparel (Vietnam) Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	(Note C)	Sale	(1,394,660)	(92)	Based on contract	-	-	-	-	209,773	79	
	FE New Century Industrial (Singapore) Pte. Ltd.	(Note C)	Purchase	165,932	11	Based on contract	-	-	-	-	(18,225)	(45)	
	Far Eastern Polytex (Vietnam) Ltd.	(Note C)	Purchase	203,378	13	Based on contract	-	-	-	-	(18,670)	(46)	
FE New Century Industrial (Singapore) Pte. Ltd.	Pet Far Eastern (M) Sdn. Bhd.	(Note C)	Sale	(770,319)	(8)	Based on contract	-	-	-	-	169,128	12	
	Far Eastern Apparel (Vietnam) Ltd.	(Note C)	Sale	(732,830)	(8)	Based on contract	-	-	-	-	287,266	21	
	Far Eastern Apparel (Vietnam) Ltd.	(Note C)	Purchase	1,766,328	19	Based on contract	-	-	-	-	(364,747)	(19)	
	Far Eastern New Apparel (Vietnam) Ltd.	(Note C)	Sale	(165,932)	(2)	Based on contract	-	-	-	-	18,225	1	
	Far Eastern New Apparel (Vietnam) Ltd.	(Note C)	Purchase	1,394,660	15	Based on contract	-	-	-	-	(209,773)	(11)	
	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note C)	Purchase	3,457,660	37	Based on contract	-	-	-	-	(530,317)	(38)	
	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Purchase	1,815,196	19	Based on contract	-	-	-	-	(546,286)	(29)	
	Far Eastern Apparel (Suzhou) Ltd.	(Note C)	Purchase	637,815	7	Based on contract	-	-	-	-	(110,888)	(8)	
	Wuhan Far Eastern New Material Ltd.	(Note C)	Purchase	111,905	1	Based on contract	-	-	-	-	(39,134)	(2)	
Oriental Industries (Suzhou) Ltd.	(Note C)	Purchase	201,651	2	Based on contract	-	-	-	-	(101,642)	(7)		
Far Eastern Ishizuka Green Pet Corporation	Far Eastern New Century Corporation	(Note B)	Sale	(497,682)	(15)	Based on contract	-	-	-	-	67,506	19	
	Far Eastern New Century Corporation	(Note B)	Purchase	381,855	15	Based on contract	-	-	-	-	(26,157)	(11)	
Worldwide Polychem (HK) Limited	Phoenix Technologies International, LLC	(Note C)	Sale	(289,145)	(5)	Based on contract	-	-	-	-	18,089	2	
	Far Eastern New Century Corporation	(Note B)	Purchase	3,863,170	62	Based on contract	-	-	-	-	(1,731,885)	(58)	
	Far Eastern Polytex (Vietnam) Ltd.	(Note C)	Purchase	2,400,101	38	Based on contract	-	-	-	-	(1,244,497)	(42)	

(Continued)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transactions		Notes Payable or Receivable		Accounts Payable or Receivable		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	Ending Balance	% of Total	
Phoenix Technologies International, LLC	APG Polytech, LLC	(Note C)	Sale	\$ (114,923)	(12)	Based on contract	-	-	\$ -	-	\$ 13,425	12	
	Worldwide Polychem (HK) Limited	(Note C)	Purchase	289,145	27	Based on contract	-	-	-	-	(18,089)	(24)	
APG Polytech, LLC	Far Eastern Polytex (Vietnam) Ltd.	(Note C)	Purchase	267,356	3	Based on contract	-	-	-	-	(264,217)	(23)	
	Phoenix Technologies International, LLC	(Note C)	Purchase	114,923	1	Based on contract	-	-	-	-	(13,425)	(1)	
Pet Far Eastern (M) Sdn. Bhd.	FE New Century Industrial (Singapore) Pte. Ltd.	(Note C)	Purchase	770,319	87	Based on contract	-	-	-	-	(169,128)	(100)	
Far EasTone Telecommunications Co., Ltd.	ARCOA Communication Co., Ltd.	(Note C)	Cost of sales and marketing expenses	6,773,686	13	Based on contract	-	-	-	-	(558,920)	(3)	
	ARCOA Communication Co., Ltd.	(Note C)	Operating revenue	(981,828)	(2)	Based on contract	-	-	-	-	245,441	4	(Note H)
	New Century InfoComm Tech Co., Ltd.	(Note C)	Cost of sales	2,139,527	5	Based on contract	-	-	-	-	(504,895)	(2)	(Note F)
	New Century InfoComm Tech Co., Ltd.	(Note C)	Operating revenue	(159,398)	-	Based on contract	-	-	-	-	12,530	-	
	DataExpress Infotech Co., Ltd.	(Note C)	Cost of sales and marketing expenses	224,881	-	Based on contract	-	-	-	-	(50,098)	-	
	Yuanshi Digital Technology Co., Ltd.	(Note C)	Operating revenue	(804,332)	(1)	Based on contract	-	-	-	-	27,627	-	(Note H)
	Far EasTone Property Insurance Agent Co., Ltd.	(Note C)	Operating revenue	(325,773)	(1)	Based on contract	-	-	-	-	95,397	1	
New Century InfoComm Tech Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note C)	Operating revenue	(2,139,527)	(22)	Based on contract	-	-	-	-	504,895	30	(Note G)
	Far EasTone Telecommunications Co., Ltd.	(Note C)	Cost of sales	159,398	3	Based on contract	-	-	-	-	(12,530)	(2)	
	KGEx.com Co., Ltd.	(Note C)	Cost of sales and rent expenses	135,262	2	Based on contract	-	-	-	-	(25,775)	(2)	
ARCOA Communication Co., Ltd.	Far Eastern International Bank	(Note D)	Operating revenue	(104,788)	1)	Based on contract	-	-	-	-	25,988	2	
	Far EasTone Telecommunications Co., Ltd.	(Note C)	Operating revenue	(6,773,686)	(64)	Based on contract	-	-	-	-	558,920	53	
	Far EasTone Telecommunications Co., Ltd.	(Note C)	Cost of sales	981,828	10	Based on contract	-	-	-	-	(245,441)	(20)	(Note H)
	Yuanshi Digital Technology Co., Ltd.	(Note C)	Operating revenue	(137,169)	(1)	Based on contract	-	-	-	-	173,031	16	
KGEx.com Co., Ltd.	Home Master Technology Ltd.	(Note C)	Operating revenue	(996,371)	(9)	Based on contract	-	-	-	-	113,073	11	
	New Century InfoComm Tech Co., Ltd.	(Note C)	Operating revenue	(135,262)	(26)	Based on contract	-	-	-	-	25,775	49	
DataExpress Infotech Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note C)	Operating revenue	(224,881)	(4)	Based on contract	-	-	-	-	50,098	10	
	Yuanshi Digital Technology Co., Ltd.	(Note C)	Operating revenue	(101,262)	(2)	Based on contract	-	-	-	-	-	-	(Note H)
	Home Master Technology Ltd.	(Note C)	Operating revenue	(103,632)	(2)	Based on contract	-	-	-	-	22,760	5	
Yuanshi Digital Technology Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note C)	Cost of sales	804,332	31	Based on contract	-	-	-	-	(27,627)	(7)	(Note H)
	ARCOA Communication Co., Ltd.	(Note C)	Cost of sales	137,169	5	Based on contract	-	-	-	-	(173,031)	(46)	(Note H)
	DataExpress Infotech Co., Ltd.	(Note C)	Cost of sales	101,262	4	Based on contract	-	-	-	-	-	-	(Note H)
Home Master Technology Ltd.	ARCOA Communication Co., Ltd.	(Note C)	Cost of sales	996,371	63	Based on contract	-	-	-	-	(113,073)	(72)	
	DataExpress Infotech Co., Ltd.	(Note C)	Cost of sales	103,632	7	Based on contract	-	-	-	-	(22,760)	(15)	
Far EasTone Property Insurance Agent Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note C)	Cost of sales	325,773	83	Based on contract	-	-	-	-	(95,397)	(90)	
Microfusion Technology	Nextlink (HK) Technology	(Note C)	Operating revenue	(103,126)	(13)	Based on contract	-	-	-	-	23,658	13	
Nextlink (HK) Technology	Microfusion Technology	(Note C)	Cost of sales	103,126	5	Based on contract	-	-	-	-	(23,658)	(5)	

Notes: A. Subsidiary.

B. Parent company.

C. Between subsidiaries

D. The consolidated company's investee which accounted for using the equity method.

E. The subsidiaries of the consolidated company's investee which accounted for using the equity method.

(Continued)

- F. All interconnection revenue, costs and collection of international direct dial revenue between the Company and NCIC were settled at net amounts and were included in accounts payable - related parties.
- G. Including international service revenue collected by Far EasTone for NCIC.
- H. Part of the revenue from Yuanshi Digital Technology Co., Ltd. is collected by ARCOA Communication Co., Ltd. on behalf of Far EasTone Telecommunications Co., Ltd. and DataExpress Infotech Co., Ltd.
- I. Related party in substance.

(Concluded)

**FAR EASTERN NEW CENTURY CORPORATION AND INVESTEEES**

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL**

**FOR THE YEAR ENDED DECEMBER 31, 2021**

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

Company Name	Related Party	Relationship	Ending Balance (Note 1)	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Far Eastern New Century Corporation	Worldwide Polychem (HK) Ltd.	(Note B)	\$ 1,731,885	3.04	\$ -	-	\$ 605,193	\$ -
	Far Eastern Industries (Shanghai) Ltd.	(Note B)	255,639	5.10	-	-	189,510	-
	Far Eastern Polytex (Vietnam) Ltd.	(Note B)	165,100	6.48	-	-	97,727	-
Oriental Petrochemical (Taiwan) Co., Ltd.	Far Eastern Polytex (Vietnam) Ltd.	(Note D)	1,177,238	6.23	-	-	1,084,950	-
	Far Eastern New Century Corporation	(Note C)	876,872	20.22	-	-	876,872	-
	Far Eastern Industries (Shanghai) Ltd.	(Note D)	291,474	2.90	-	-	184,709	-
Oriental Green Material Ltd.	Far Eastern New Century Corporation	(Note C)	135,540	11.95	-	-	135,540	-
Far Eastern General Contractor Inc.	Far Eastern Construction Co., Ltd.	(Note D)	124,057	(Note 6)	-	-	124,057	-
Far Eastern Industries (Shanghai) Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	(Note D)	546,286	2.89	-	-	299,361	-
	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note D)	152,146	5.20	-	-	69,500	-
	Wuhan Far Eastern New Material Ltd.	(Note D)	139,219	4.99	-	-	100,123	-
Far Eastern Dyeing & Finishing (Suzhou) Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	(Note D)	530,317	7.87	-	-	187,224	-
Oriental Petrochemical (Shanghai) Corporation	Far Eastern Industries (Shanghai) Ltd.	(Note D)	292,049	20.54	-	-	187,620	-
Wuhan Far Eastern New Material Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note D)	117,141	4.22	-	-	124	-
Far Eastern Apparel (Suzhou) Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	(Note D)	110,888	11.05	-	-	110,888	-
Oriental Industries (Suzhou) Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	(Note D)	101,642	2.32	-	-	52,055	-
Far Eastern Polytex (Vietnam) Ltd.	Worldwide Polychem (HK) Ltd.	(Note D)	1,244,497	2.32	-	-	330,582	-
	APG Polytech, LLC	(Note D)	264,217	8.10	-	-	264,217	-
Far Eastern Apparel (Vietnam) Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	(Note D)	364,747	4.51	-	-	170,029	-
Far Eastern New Apparel (Vietnam) Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	(Note D)	209,773	12.43	-	-	196,497	-
FE New Century Industrial (Singapore) Pte. Ltd.	Far Eastern Apparel (Vietnam) Ltd.	(Note D)	287,266	4.40	-	-	130,008	-
	Pet Far Eastern (M) Sdn. Bhd.	(Note D)	169,128	5.13	-	-	74,098	-

(Continued)

Company Name	Related Party	Relationship	Ending Balance (Note 1)	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Ding Ding Integrated Marketing Services Co., Ltd.	Pacific SOGO Department Stores Co., Ltd.	(Note E)	\$ 115,731	(Note 7)	\$ -	-	\$ 13,865	\$ -
Far EasTone Telecommunications Co., Ltd.	ARCOA Communication Co., Ltd.	(Note D)	247,941	7.91	-	-	180,840	-
New Century InfoComm Tech Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note D)	569,416	(Note 8)	-	-	467,748	-
ARCOA Communication Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note D)	558,920	9.45	-	-	558,920	-
	Yuanshi Digital Technology Co., Ltd.	(Note D)	173,031	6.41	-	-	172,877	-
	Home Master Technology Ltd.	(Note D)	113,150	4.50	-	-	28,794	-

Notes: A. This table does not include the receivables from loans to related parties. For more details, refer to Table 4.

B. Subsidiary.

C. Parent company.

D. Same ultimate parent company.

E. The consolidated company's investee and the subsidiary of the consolidated company's investee which were accounted for using the equity method.

F. The turnover rate was unavailable due to the fact that request for payment is made according to the progress of the construction contract, which is irrelevant to the construction revenue recognized according to the costs incurred relative to the total expected costs.

G. The turnover rate was unavailable due to the receivables were points collections and payments on behalf of others.

H. All interconnection revenue, costs and collection of revenue from international direct dialing between the Company and NCIC were settled in net amounts and included in accounts receivable/payable-related parties, and the turnover rate was unavailable.

(Concluded)

## FAR EASTERN NEW CENTURY CORPORATION AND INVESTEEES

NAMES, LOCATIONS, AND OTHER INFORMATION OF INVESTEEES OVER WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2021			Net Income (Loss) of the Investee	Share of Profit (Loss)	Notes
				December 31, 2021	December 31, 2020	Shares (Thousands)	% of Ownership	Carrying Amount			
Far Eastern New Century Corporation	Asia Cement Corporation	Taiwan	Cement production	\$ 2,652,282	\$ 2,652,282	750,511	21.17	\$ 19,942,978	\$ 15,068,221	\$ 2,970,459	Investment gain or loss recognized under the treasury shares method (Note A)
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	1,254,158	1,254,158	241,770	17.06	5,053,729	1,208,100	206,102	(Note A)
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	1,176,211	1,176,211	81,216	9.17	1,190,073	1,266,274	116,117	(Note A)
	Everest Textile Corporation	Taiwan	Chemical fiber production	1,689	1,689	108	0.02	1,166	181,871	36	(Note A)
	Oriental Securities Corporation	Taiwan	Brokering	159,823	159,823	141,961	19.65	2,101,272	294,527	57,875	(Note A)
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	810,000	810,000	135,000	16.83	2,042,479	904,270	152,189	(Notes A and E)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	805,598	805,598	91,903	2.62	1,209,972	2,939,122	95,332	Including the adjustments of the difference between cost and net worth obtained \$18,327 (Note A)
	Yuan Ding Investment Co., Ltd.	Taiwan	Investment	100,052	100,052	1,822,822	99.40	43,790,144	6,212,593	6,176,379	Including the adjustments of the difference of investment properties between parent-company-only and consolidated and the transactions between subsidiaries \$1,062 (Notes B and H)
	Far Eastern Resources Development Co., Ltd.	Taiwan	Real estate construction and sales	14,931,733	14,931,733	775,836	100.00	106,789,756	441,659	455,963	Including the adjustments of the transactions between subsidiaries \$14,304 (Note B)
	Far Eastern Polytex (Holding) Ltd.	Bermuda	Investment	10,382,911	10,382,911	168	100.00	9,415,124	(163,337)	(163,337)	(Note B)
	Far Eastern Polychem Industries Ltd.	Bermuda	Investment and sale of chemical fiber production	7,318,312	7,318,312	830,815	73.04	7,683,110	127,467	93,102	(Note B)
	Yuan Tong Investment Co., Ltd.	Taiwan	Investment	5,850,000	5,850,000	742,184	100.00	8,871,338	674,324	684,230	Including the adjustments of the transactions between subsidiaries \$9,906 (Note B)
	Kai Yuan International Investment Co., Ltd.	Taiwan	Investment	999,993	999,993	369,417	100.00	5,720,430	419,226	419,226	(Note B)
	Far Eastern Investment (Holding) Ltd.	Bermuda	Investment and sale of petrochemicals	26,303,433	24,348,011	5,461	100.00	28,278,359	1,135,954	1,135,954	(Note B)
	PET Far Eastern (Holding) Ltd.	Bermuda	Investment	6,626,110	6,626,110	397	91.95	4,056,695	(446,215)	(406,242)	Including discounted amortization \$4,053 (Note B)
	Oriental Petrochemical (Taiwan) Corporation	Taiwan	PTA production and sales	16,209,038	16,209,038	1,712,218	75.56	7,683,250	(1,866,804)	(1,375,834)	Including the adjustments of the difference of investment properties between parent-company-only and consolidated and the transactions between subsidiaries \$34,723 (Notes B and H)
	Far Eastern Construction Co., Ltd.	Taiwan	Real estate construction and sales	143,450	143,450	245,829	65.11	10,420,022	1,024,831	657,877	Including the adjustments of the transactions between subsidiaries \$(9,390) (Note B)
	Yuan Ding Co., Ltd.	Taiwan	Real estate leasing and hotel	857,511	857,511	186,929	37.13	3,201,935	(223,500)	(76,107)	(Notes B and I)
	An Ho Garment Co., Ltd.	Taiwan	Garment production and Investment	1,023	1,023	76,165	100.00	2,182,745	240,119	240,221	Including the adjustments of the transactions between subsidiaries \$102 (Note B)
	Ding Yuan International Investment Co., Ltd.	Taiwan	Investment	2,000,062	2,000,062	256,906	100.00	3,285,246	238,731	238,810	Including the adjustments of the transactions between subsidiaries \$79 (Note B)
FEDP (Holding) Ltd.	Bermuda	Investment	676,315	676,315	244	50.43	760,474	(290,824)	(146,663)	(Note B)	
Fu Kwok Knitting & Garment Co., Ltd.	Taiwan	Garment production	9,205	9,205	4,000	100.00	254,514	52,141	52,141	(Note B)	
Ding Ding Hotel Co., Ltd.	Taiwan	Hotel	408,433	401,042	769	0.74	8,984	(831,406)	(6,152)	(Note B)	
Far Eastern Textile Ltd.	Taiwan	Textile production	13,000	1,000	1,300	100.00	13,345	(375)	(375)	(Note B)	
FE Oriental Investment Holding (Singapore) Pte. Ltd.	Singapore	Investment	147,400	147,400	50	100.00	161,991	1,582	1,582	(Note B)	
Yuan Ding Investment Co., Ltd.	Asia Cement Corporation	Taiwan	Cement production	2,108,810	2,051,009	54,022	1.52	2,302,354	15,068,221	-	(Note A)
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	1,085,488	1,085,488	70,818	8.00	1,213,818	1,266,274	-	(Note A)
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	3,288,166	3,288,166	139,785	9.87	3,340,833	1,208,100	-	(Note A)
	Everest Textile Corporation	Taiwan	Chemical fiber production	1,120,654	470,103	164,614	23.70	1,484,595	181,871	-	(Note A)
	Far EastTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	2,723,598	2,723,598	1,066,658	32.73	21,255,149	9,123,795	-	(Note A)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	1,095,981	1,095,981	125,030	3.56	1,645,508	2,939,122	-	(Note A)
	Far Eastern Polychem Industries Ltd.	Bermuda	Investment and sale of chemical fiber production	1,392,692	1,392,692	306,644	26.96	2,835,935	127,467	-	(Note B)

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2021			Net Income (Loss) of the Investee	Share of Profit (Loss)	Notes	
				December 31, 2021	December 31, 2020	Shares (Thousands)	% of Ownership	Carrying Amount				
Far Eastern Investment (Holding) Ltd.	Far Eastern Apparel (Holding) Ltd.	Bermuda	Investment and sale of textile	\$ 2,179,442	\$ 2,179,442	111	100.00	\$ 4,776,297	\$ 481,379	-	(Note B)	
	Da Ju Fiber Co., Ltd.	Taiwan	Sale of polychemical products	263,790	263,790	68,975	41.86	2,444,058	368,146	-	(Note A)	
	Far Eastern Apparel Co., Ltd.	Taiwan	Sale of textiles, garments, and clothing	587,984	387,984	44,772	100.00	216,395	(55,010)	-	(Note B)	
	Yuan Faun Co., Ltd.	Taiwan	Production management consulting	63,671	51,671	6,675	100.00	200,249	6,732	-	(Note B)	
	Yue Ming Corporation	Taiwan	Trading	97,852	97,852	4,745	45.50	60,817	4,490	-	(Note A)	
	Yuan Ding Leasing Corporation	Taiwan	Real estate construction and sales	319,380	319,380	36,706	46.20	398,361	20,500	-	(Note A)	
	Far Eastern Fibertech Co., Ltd.	Taiwan	Nylon production	585,000	585,000	91,000	100.00	1,477,768	392,803	-	(Note B)	
	Oriental Resources Development Co., Ltd.	Taiwan	Medical materials manufacturing	13,475	13,475	5,739	100.00	136,185	67,544	-	(Note B)	
	Liquid Air Far East Co., Ltd.	Taiwan	Industrial gas production and sales	504,806	504,806	86,615	35.00	3,002,641	2,430,760	-	(Note A)	
	Freudenberg Far Eastern Spunweb Co., Ltd.	Taiwan	Production of nonwoven industrial fabrics	144,786	144,786	33,003	29.80	573,396	381,194	-	(Note A)	
	Oriental Securities Corporation	Taiwan	Brokering	255,424	255,424	187,470	25.96	2,881,573	294,527	-	(Note A)	
	Yuan Ding Co., Ltd.	Taiwan	Real estate leasing and hotel	188,846	188,846	64,759	12.86	1,120,252	(223,500)	-	(Note B)	
	Far Eastern International Leasing Corporation	Taiwan	Leasing	1,012,057	1,012,057	75,268	16.87	949,137	155,262	-	(Note A)	
	Oriental Textile (Holding) Ltd.	Bermuda	Investment and sale of textile	7,142,602	7,142,602	110	100.00	8,462,639	554,482	-	(Note B)	
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	796,491	796,491	119,653	14.92	1,724,098	904,270	-	(Notes A and E)	
	Yu Yuan Investment Co., Ltd.	Taiwan	Investment	673,704	673,704	98,198	18.96	1,043,459	761,867	-	(Note A)	
	Far Eastern General Contractor Inc.	Taiwan	Real estate construction	14,682	14,682	1,490	1.00	27,456	544,654	-	(Note B)	
	Oriental Petrochemical (Taiwan) Corporation	Taiwan	PTA production and sales	779,399	779,399	117,746	5.20	546,408	(1,866,804)	-	(Note B)	
	Oriental Green Materials Limited	Taiwan	waste recycling and processing	647,083	647,083	59,936	100.00	678,459	72,347	-	(Note B)	
	Far Eastern Investment (Holding) Ltd.	Filsyn Corporation	Philippines	Polychemical products	PESO 225,324	PESO 225,324	45,066	21.85	-	-	-	(Note A)
		PET Far Eastern (M) Sdn. Bhd.	Malaysia	Bottle production	MYR 8,000	MYR 8,000	(Note C)	50.00	149,281	29,298	-	(Note B)
		Com2B	Cayman Islands	E-business	US\$ 3,375	US\$ 3,375	9,000	20.00	-	-	-	(Note A)
		Far Eastern Apparel (Vietnam) Ltd.	Vietnam	Clothing production	US\$ 9,000	US\$ 9,000	(Note D)	100.00	801,007	(113,895)	-	(Note B)
		Worldwide Polychem (HK) Ltd.	Hong Kong	Foreign trade	US\$ 3,500	US\$ 3,500	2,700	100.00	141,311	35,134	-	(Note B)
		Opas Fund Segregated Portfolio Company	Cayman Islands	Investment	US\$ 51	US\$ 51	(Note D)	34.00	1,544	10	-	(Note A)
		Far Eastern Polytex (Vietnam) Ltd.	Vietnam	Chemical fiber and Textile production	US\$ 308,700	US\$ 240,000	(Note D)	100.00	9,554,071	385,570	-	(Note B)
		Far Eastern New Apparel (Vietnam) Ltd.	Vietnam	Garment production	US\$ 33,000	US\$ 18,000	(Note D)	100.00	414,889	(147,557)	-	(Note B)
		Magna View Sdn. Bhd.	Malaysia	Investment	US\$ 3,465	US\$ 3,465	3,000	100.00	149,523	14,548	-	(Note B)
		Malaysia Garment Manufactures Pte. Ltd.	Singapore	Garment production and Investment	US\$ 15,849	US\$ 15,849	30	37.92	437,031	(311)	-	(Note B)
		Drive Catalyst SPC	Cayman Islands	Investment	US\$ 17	US\$ 17	(Note D)	34.00	482	4	-	(Note A)
		APG Polytech USA Holdings, Inc.	America	Investment	US\$ 606,467	US\$ 506,467	6	100.00	17,702,104	1,101,175	-	(Note B)
		Drive Catalyst SPC-SP Tranche One	Cayman Islands	Investment	US\$ 4,000	US\$ 4,000	4	25.00	111,714	(332)	-	(Note A)
		Drive Catalyst SPC-SP Tranche Two	Cayman Islands	Investment	US\$ 4,000	-	4	25.00	116,887	25,833	-	(Note A)
	Drive Catalyst SPC-SP Tranche Three	Cayman Islands	Investment	US\$ 8,000	US\$ 4,000	8	25.00	236,331	425	-	(Note A)	
Far Eastern International Garments	Philippines	Garment production	US\$ 1	US\$ 1	59	41.00	(11,402)	-	-	(Note A)		
Cemtex Apparel Inc.	Philippines	Clothing O.E.M.	US\$ 1	US\$ 1	90	50.00	(10,580)	-	-	(Note A)		
APG Polytech USA Holdings, Inc.	Corpus Christi Polymers LLC	America	Petrochemical materials production and polychemical products production	US\$ 433,833	US\$ 422,800	(Note D)	33.33	11,768,125	(174,243)	-	(Note K)	
	APG Polytech, LLC	America	Polychemical products production	US\$ 90,000	US\$ 90,000	(Note D)	100.00	4,114,262	1,345,066	-	(Note B)	
	Phoenix Technologies International, LLC	America	Production and sale of recycled plastic resins and their waste and general industrial waste handling	US\$ 21,500	US\$ 16,500	(Note D)	100.00	257,422	(112,996)	-	(Note B)	
Magna View Sdn. Bhd.	PET Far Eastern (M) Sdn. Bhd.	Malaysia	Bottle production	MYR 8,000	MYR 8,000	(Note C)	50.00	149,281	29,298	-	(Note B)	
Ding Yuan International Investment Co., Ltd.	Asia Cement Corporation	Taiwan	Cement production	342,758	339,088	12,369	0.35	474,866	15,068,221	-	(Note A)	
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	258,946	258,946	11,983	0.85	277,725	1,208,100	-	(Note A)	
	Everest Textile Corporation	Taiwan	Chemical fiber production	92,860	34,561	6,447	0.93	61,954	181,871	-	(Note A)	
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	677,665	677,665	27,365	3.09	637,191	1,266,274	-	(Note A)	
	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	38,457	38,457	920	0.03	40,567	9,123,795	-	(Note B)	
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	90,000	90,000	18,000	2.24	253,883	904,270	-	(Notes A and E)	
	Yu Ding Industry Co., Ltd.	Taiwan	Department store operations	95,624	95,624	16,320	13.20	445,994	216,906	-	(Note A)	
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	814,399	814,399	92,907	2.64	1,222,002	2,939,122	-	(Note A)	
Kai Yuan International Investment Co., Ltd.	Asia Cement Corporation	Taiwan	Cement production	732,627	732,627	25,312	0.71	1,021,426	15,068,221	-	(Note A)	
	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	880,911	803,672	35,558	1.09	1,110,165	9,123,795	-	(Note B)	
	Everest Textile Corporation	Taiwan	Chemical fiber production	45,376	-	4,211	0.61	44,631	181,871	-	(Note A)	
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	742,702	742,702	32,474	3.67	636,245	1,266,274	-	(Note A)	
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	519,473	519,473	20,672	1.46	595,100	1,208,100	-	(Note A)	
	Kowloon Cement Corporation	Hong Kong	Cement production	226,896	226,896	1,127	49.00	446,736	23,510	-	(Note A)	
	Far Eastern International Leasing Corporation	Taiwan	Leasing	1,026,489	1,026,489	74,970	16.80	950,075	155,262	-	(Note A)	
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	90,000	90,000	18,000	2.24	254,084	904,270	-	(Notes A and E)	
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	988,714	988,714	112,793	3.21	1,484,241	2,939,122	-	(Note A)	

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2021			Net Income (Loss) of the Investee	Share of Profit (Loss)	Notes
				December 31, 2021	December 31, 2020	Shares (Thousands)	% of Ownership	Carrying Amount			
Far Eastern Polychem Industries Ltd.	PET Far Eastern (Holding) Ltd.	Bermuda	Investment	US\$ 17,622	US\$ 17,622	35	8.05	\$ 355,154	\$ (446,215)	\$ -	(Note B)
	FEDP (Holding) Ltd.	Bermuda	Investment	US\$ 29,240	US\$ 29,240	240	49.57	747,506	(290,824)	-	(Note B)
	Far Eastern Ishizuka Green Pet Corporation	Japan	Production and sale of recycled plastic resins and their waste and general industrial waste handling	JPY 2,991,678	JPY 2,991,678	3,578	90.00	1,307,740	369,565	-	(Note B)
Far Eastern Construction Co., Ltd.	Asia Cement Corporation	Taiwan	Cement production	216,959	216,959	17,726	0.50	622,021	15,068,221	-	(Note A)
	Far Eastern General Contractor Inc.	Taiwan	Real estate construction	271,587	271,587	147,413	98.95	2,524,301	544,654	-	(Note B)
Far Eastern Apparel Co., Ltd.	Asia Cement Corporation	Taiwan	Cement production	16,246	16,246	469	0.01	16,601	15,068,221	-	(Note A)
	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	6,353	6,353	90	-	5,964	9,123,795	-	(Note B)
	Yu Ding Industry Co., Ltd.	Taiwan	Department store operations	29	29	12	0.01	163	216,906	-	(Note A)
Far Eastern General Contractor Inc.	Far Eastern Technical Consultants Co., Ltd.	Taiwan	Real estate development business consulting and management	3,864	3,864	450	9.00	7,153	11,428	-	(Note B)
Malaysia Garment Manufactures Pte. Ltd.	Filsyn Corporation	Philippines	Polychemical products	PESO 102,565	PESO 102,565	20,513	9.95	-	-	-	(Note A)
	Arpeggio International Resources Corporation	Philippines	Industry investment	PESO 15,200	PESO 15,200	(Note D)	40.00	-	-	-	(Note A)
	PT Malaysia Garment Bintan	Indonesia	Garment production	SGD -	SGD -	(Note D)	99.00	(37)	-	-	(Note B)
An Ho Garment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	748,158	748,158	40,818	1.25	991,113	9,123,795	-	(Note B)
	Asia Cement Corporation	Taiwan	Cement production	206,551	206,551	6,094	0.17	260,546	15,068,221	-	(Note A)
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	287,121	287,121	11,204	1.26	248,877	1,266,274	-	(Note A)
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	10,483	10,483	370	0.03	11,942	1,208,100	-	(Note A)
	Oriental Securities Corporation	Taiwan	Brokering	122,732	122,420	8,754	1.21	123,937	294,527	-	(Note A)
	Yu Ding Industry Co., Ltd.	Taiwan	Department store operations	111,997	111,997	19,373	15.66	430,992	216,906	-	(Note A)
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	67,285	67,285	9,681	1.21	141,950	904,270	-	(Notes A and E)
	Yuan Ding Investment Co., Ltd.	Taiwan	Investment	148,994	148,994	5,502	0.30	175,807	6,212,593	-	(Note B)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	202,798	202,798	23,135	0.66	304,597	2,939,122	-	(Note A)
Yuan Faun Co., Ltd.	Yuan Cheng Human Resources Consultant Corporation	Taiwan	Personnel recruitment	7,214	7,214	745	55.19	12,314	1,483	-	(Note B)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	42,973	42,973	4,903	0.14	64,577	2,939,122	-	(Note A)
Fu Kwok Knitting & Garment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	19,663	19,663	520	0.02	18,693	9,123,795	-	(Note B)
Yuan Tong Investment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	2,246,035	2,246,035	100,237	3.08	2,606,635	9,123,795	-	(Note B)
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	2,054,200	1,632,237	77,735	5.49	2,188,476	1,208,100	-	(Note A)
	Everest Textile Corporation	Taiwan	Chemical fiber production	59,045	-	5,394	0.78	58,109	181,871	-	(Note A)
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	1,759,501	1,755,017	49,905	5.63	1,633,224	1,266,274	-	(Note A)
	Asia Cement Corporation	Taiwan	Cement production	1,067,775	1,067,775	32,465	0.92	1,367,022	15,068,221	-	(Note A)
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	90,000	90,000	18,000	2.24	252,886	904,270	-	(Notes A and E)
	Far Eastern Electronic Toll Collection Co., Ltd.	Taiwan	Electronic toll collection services	787,104	787,104	35,934	11.98	550,768	293,364	-	(Note B)
	Liquid Air Far East Co., Ltd.	Taiwan	Industrial gas production and sales	20	20	1	-	43	2,430,760	-	(Note A)
	Sino Belgium (Holding) Ltd.	Bermuda	Investment	2,255,510	2,255,510	36	90.88	(818,678)	(87,715)	-	(Note B)
	Freudenberg Far Eastern Spunweb Co., Ltd.	Taiwan	Production of nonwoven industrial fabrics	34	34	3	-	53	381,194	-	(Note A)
	Malaysia Garment Manufactures Pte. Ltd.	Singapore	Garment production and Investment	SGD 7,354	SGD 7,354	10	13.00	149,826	(311)	-	(Note B)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	986,735	986,735	112,567	3.20	1,480,777	2,939,122	-	(Note A)
FE Oriental Investment Holding (Singapore) Pte. Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	Singapore	Textile product sales	US\$ 4,900	US\$ 4,900	49	100.00	159,811	2,029	-	(Note B)
	Oriental Investment Holding (Netherlands) B.V.	Netherlands	Investment	-	-	-	100.00	-	-	-	(Notes B and L)
Oriental Investment Holding (Netherlands) B.V.	Oriental Martens (Netherlands) B.V.	Netherlands	Investment	-	-	-	100.00	-	-	-	(Notes B and M)
Yuan Ding Co., Ltd.	YDT Technology International Co., Ltd.	Taiwan	Electronic material and relevant by-product sales	100,000	100,000	13,992	100.00	267,642	11,893	-	(Note B)
	Ding Ding Integrated Marketing Service Co., Ltd.	Taiwan	Marketing	558,000	558,000	21,787	60.00	148,459	(16,349)	-	(Note B)
	Far Eastern Technical Consultants Co., Ltd.	Taiwan	Real estate development business consulting and management	45,182	45,182	4,550	91.00	71,113	11,428	-	(Note B)
	YDC (Virgin Islands) Ltd.	British Virgin Islands	Investment	US\$ 200	US\$ 200	(Note D)	17.70	10,798	3,688	-	(Note B)
	Yuanshi Digital Technology Co., Ltd.	Taiwan	Electronic information providing services	566,896	566,896	1,499	1.35	(3,932)	(222,069)	-	(Note B)
	FET Consulting Engineers Co., Ltd.	Taiwan	Business management consultants, piping engineering, cable installation, automatic equipment installation and investment business	342,701	342,701	2,500	100.00	46,754	(3,731)	-	(Note B)
Asia Cement Corporation	Asia Cement Corporation	Taiwan	Cement production	136,037	136,037	5,329	0.15	217,164	15,068,221	-	(Note A)
	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	100,412	100,412	4,164	0.13	105,078	9,123,795	-	(Note B)

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2021			Net Income (Loss) of the Investee	Share of Profit (Loss)	Notes
				December 31, 2021	December 31, 2020	Shares (Thousands)	% of Ownership	Carrying Amount			
	Yu Yuan Investment Co., Ltd.	Taiwan	Investment	\$ 411,187	\$ 411,187	129,637	25.02	\$ 2,164,434	\$ 761,867	\$ -	(Note A)
	Yue Ming Corporation	Taiwan	Trading	787	787	104	1.00	531	4,490	-	(Note A)
	Yu Ding Industry Co., Ltd.	Taiwan	Department store operations	22,676	22,676	3,206	2.59	70,907	216,906	-	(Note A)
	FEDS Asia Pacific Development Co., Ltd.	Taiwan	Department store operations	100,000	100,000	10,650	5.00	132,390	73,257	-	(Note A)
	Far Eastern Electronic Toll Collection Co., Ltd.	Taiwan	Electronic toll collection services	977,650	977,650	44,796	14.93	681,097	293,364	-	(Note B)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	76,665	76,665	8,746	0.25	115,239	2,939,122	-	(Note A)
	Yuan Hsin Digital Payment Co., Ltd.	Taiwan	Electronic stored value cards	428,239	400,000	11,052	16.22	84,440	(161,626)	-	(Note B)
	Ding Ding Hotel Co., Ltd.	Taiwan	Hotel	3,615,455	2,630,238	102,509	98.52	253,936	(831,406)	-	(Note B)
Ding Ding Integrated Marketing Service Co., Ltd.	Yuanshi Digital Technology Co., Ltd.	Taiwan	Electronic information providing services	1,828	1,828	5	-	(13)	(222,069)	-	(Note B)
	Yuan Hsin Digital Payment Co., Ltd.	Taiwan	Electronic stored value cards	500,200	500,200	21,180	31.08	161,801	(161,626)	-	(Note B)
	DDIM (Virgin Islands) Ltd.	British Virgin Islands	Investment	US\$ 11,000	US\$ 11,000	(Note D)	46.13	19,967	(6,899)	-	(Note B)
FET Consulting Engineers Co., Ltd.	DDIM (Virgin Islands) Ltd.	British Virgin Islands	Investment	384,970	384,970	(Note D)	53.87	23,317	(6,899)	-	(Note B)
YDT Technology International Co., Ltd.	Everest Textile Corporation	Taiwan	Chemical fiber production	2,451	2,451	101	0.01	842	181,871	-	(Note A)
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	51,673	51,673	2,764	0.20	98,716	1,208,100	-	(Note A)
	Asia Cement Corporation	Taiwan	Cement production	862	862	61	-	2,453	15,068,221	-	(Note A)
	YDC (Virgin Islands) Ltd.	British Virgin Islands	Investment	US\$ 930	US\$ 930	(Note D)	82.30	50,205	3,688	-	(Note B)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	26,960	26,960	3,076	0.09	40,812	2,939,122	-	(Note A)
Far Eastern Electronic Toll Collection Co., Ltd.	FETC International Co., Ltd.	Taiwan	Dispatched labor, procuring equipment, and sales agent services	200,000	200,000	20,000	100.00	79,757	39,256	-	(Note B)
FETC International Co., Ltd.	FETC International (Thailand) Co., Ltd.	Thailand	Dispatched labor, procuring equipment, and sales agent services	THB 82,000	THB 8,250	8,200	100.00	58,386	(9,239)	-	(Note B)
Far EasTone Telecommunications Co., Ltd.	New Century InfoComm Tech Co., Ltd.	Taiwan	Type I, II telecommunications services	22,249,283	22,249,283	2,100,000	100.00	28,436,062	4,044,557	-	(Note B)
	ARCOA Communication Co., Ltd.	Taiwan	Telecommunications services, sales of communications products and office equipment	1,305,802	1,305,802	82,762	61.63	698,742	179,883	-	(Note B)
	KGEx.com Co., Ltd.	Taiwan	Type II telecommunications services	2,340,472	2,340,472	68,897	99.99	902,594	143,712	-	(Note B)
	Yuanshi Digital Technology Co., Ltd.	Taiwan	Electronic information providing services	1,686,169	1,686,169	107,004	96.18	(280,137)	(222,069)	-	(Note B)
	Yuan Cing Co., Ltd.	Taiwan	Call center services	-	-	2,000	100.00	40,705	14,693	-	(Notes B and J)
	Far Eastern Info Service (Holding) Ltd.	Bermuda	Investment	92,616	92,616	1	100.00	4,883	109	-	(Note B)
	Yuan Bao Fintech Co., Ltd.	Taiwan	Type II telecommunications services	-	60,000	-	-	-	(6,574)	-	(Note B and N)
	Far EasTone Property Insurance Agent Co., Ltd.	Taiwan	Property insurance agent	5,000	5,000	500	100.00	83,443	72,481	-	(Note B)
	Far Eastern Electronic Toll Collection Co., Ltd.	Taiwan	Electronic toll collection services	2,542,396	2,542,396	118,251	39.42	1,403,595	293,364	-	(Note B)
	Ding Ding Integrated Marketing Service Co., Ltd.	Taiwan	Marketing	139,500	139,500	5,447	15.00	36,924	(16,349)	-	(Note B)
	Yuan Hsin Digital Payment Co., Ltd.	Taiwan	Electronic stored value cards	600,000	600,000	12,342	18.11	94,628	(161,626)	-	(Note B)
ARCOA Communication Co., Ltd.	DataExpress Infotech Co., Ltd.	Taiwan	Electronic information providing services	141,750	141,750	15,285	70.00	278,594	111,496	-	(Note B)
New Century InfoComm Tech Co., Ltd.	New Diligent Co., Ltd.	Taiwan	Investment	540,000	540,000	54,000	100.00	81,531	(390)	-	(Note B)
	Information Security Service Digital United Inc.	Taiwan	Security and monitoring service via internet	148,777	148,777	11,195	100.00	138,226	18,243	-	(Note B)
	Digital United (Cayman) Ltd.	Cayman Islands	Investment	317,446	317,446	10,320	100.00	334,376	4,266	-	(Note B)
	Yuanshi Digital Technology Co., Ltd.	Taiwan	Electronic information providing services	20,000	20,000	750	0.67	(1,963)	(222,069)	-	(Note B)
	Ding Ding Integrated Marketing Service Co., Ltd.	Taiwan	Marketing	46,500	46,500	1,816	5.00	12,308	(16,349)	-	(Note B)
	Prime EcoPower Co., Ltd.	Taiwan	Energy technology services	160,000	160,000	16,000	100.00	125,451	(1,979)	-	(Note B)
	Drive Catalyst SPC-SP Tranche One	Cayman Islands	Investment	123,220	123,220	4	25.00	111,666	(332)	-	(Note A)
	Drive Catalyst SPC-SP Tranche Two	Cayman Islands	Investment	114,140	-	4	25.00	116,861	25,833	-	(Note A)
	Drive Catalyst SPC-SP Tranche Three	Cayman Islands	Investment	236,440	122,300	8	25.00	236,449	425	-	(Note A)
	Nextlink Technology Co., Ltd.	Taiwan	Electronic information providing services	420,000	420,000	3,430	70.00	455,473	56,260	-	(Note B)
	JuAn Long-Age., Ltd.	Taiwan	Electronic information providing services	15,500	-	1,000	25.00	15,861	931	-	(Note B)
	Yuan Hsin Digital Payment Co., Ltd.	Taiwan	Electronic stored value cards	42,358	-	4,236	6.22	32,476	(161,626)	-	(Note B)
New Diligent Co., Ltd.	Sino Lead Enterprise Limited	Hong Kong	Telecommunication services	125	125	30	100.00	321	31	-	(Note B)
	Far East New Diligent Company Ltd.	British Virgin Islands	Investment	330,598	330,598	-	100.00	19,593	(321)	-	(Note B)
	New Diligent Hong Kong Co., Ltd.	Hong Kong	Investment	3,051	3,051	-	100.00	2,106	(186)	-	(Note B)
DataExpress Infotech Co., Ltd.	Home Master Technology Ltd.	Taiwan	Electronic information providing services	10,000	10,000	(Note D)	100.00	42,860	20,814	-	(Note B)
Nextlink Technology Co., Ltd.	Microfusion Technology Co., Ltd.	Taiwan	Electronic information providing services	17,000	17,000	2,900	100.00	47,314	17,105	-	(Note B)
	Nextlink (HK) Technology Co., Ltd.	Hong Kong	Electronic information providing services	973	973	-	100.00	36,568	28,616	-	(Note B)
	Microfusion (HK) Technology Co., Ltd.	Hong Kong	Electronic information providing services	1,494	1,494	-	100.00	2,825	1,762	-	(Note B)

(Continued)

- Notes:
- A. Equity-method investee.
  - B. Subsidiary.
  - C. Including 5,000 thousand common stock and 3,000 thousand preferred shares.
  - D. Company limited.
  - E. The investor opened a trust account in Shanghai Bank in Taipei on September 26, 2002 to acquire the ownership of Pacific Liu Tong Investment Co., Ltd.
  - F. Shares in thousands.
  - G. For investments in mainland China, refer to Table 13.
  - H. Under the “IFRSs Questions and Answers” issued by Taiwan Stock Exchange Corporation (TWSE), the Company recognized these items as investment properties in its parent-company-only financial statements and reclassified them to property, plant and equipment in the consolidated financial statements. The Company used the equity method and share of the profit or loss of associates to adjust the differences between the investment property amounts presented in the parent-company-only financial statements and the consolidated financial statements.
  - I. The effects from the adjustments of FENC shares which are held by Yuan Ding Co., Ltd. and the transactions between subsidiaries amounted to \$6,879 thousand.
  - J. The ending balance of the investment is zero in 2016 because the amount of reduction in capital was over the original investing value.
  - K. Joint operation entity
  - L. Oriental Investment Holding (Netherlands) was established and registered on January 23, 2020, but as of December 31, 2021, the relevant investment funds have not been remitted.
  - M. Oriental Martens (Netherlands) B.V. was established and registered on February 12, 2020, but as of December 31, 2021, the relevant investment funds have not been remitted.
  - N. Far EasTone Telecommunications Co., Ltd. merged with Yuan Bao Fintech Co., Ltd. on September 15, 2021. Far EasTone Telecommunications Co., Ltd. was the surviving company and Yuan Bao Fintech Co., Ltd. was the dissolved company.

(Concluded)

## FAR EASTERN NEW CENTURY CORPORATION AND INVESTEEES

INVESTMENTS IN MAINLAND CHINA  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(In Thousands of New Taiwan Dollars, Renminbi and U.S. Dollars)

Investee Company	Main Businesses and Products	Paid-in Capital (Note T)	Method of Investment (Note A)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2021	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of December 31, 2021 (Note B)	Accumulated Repatriation of Investment Income as of December 31, 2021	Note
					Outflow	Inflow							
Far Eastern Industries (Shanghai) Ltd.	Manufacture and sales of PET staple, PET filament, polyester top, PET performs, draw textured yarn, spinning yarn, knit fabrics, woven fabrics, knit garments and woven garments	\$ 8,168,455 (RMB 1,880,399 thousand)	2	\$ 3,700,967	\$ -	\$ -	\$ 3,700,967	\$ 33,598	100.00	\$ 33,598	\$ 8,589,538	\$ 853,493	Notes D and E
Far Eastern Apparel (Suzhou) Co., Ltd.	Production and marketing of knit garments, woven garments, non-knit garments, and nonwoven garments and accessories	888,683 (RMB 204,577 thousand)	2	1,010,901	-	-	1,010,901	(65,609)	100.00	(65,509)	1,523,594	233,172	Notes F and G
Far Eastern Innovation Apparel (Suzhou) Co., Ltd.	Production and marketing of knit garments, woven garments, non-knit garments, and nonwoven garments and accessories	1,032,215 (RMB 237,619 thousand)	3	-	-	-	-	16,988	100.00	16,988	1,085,716	-	
Far Eastern Industries (Wuxi) Ltd.	Production and marketing of combed cotton yarn, 60/40 poly/cotton blended yarn, 65/35 poly/cotton blended yarn, spun yarn, woven fabrics, grieve woven fabrics, print woven fabrics, piece dyed woven fabrics and bleached woven fabrics	2,091,508 (RMB 481,471 thousand)	2	2,018,430	-	-	2,018,430	73,877	100.00	73,877	2,817,795	313,458	Notes H and I
Oriental Petrochemical (Shanghai) Corporation	Manufacture and distribution of PTA and its by-products	7,791,353 (RMB 1,793,590 thousand)	2	3,791,007	-	-	3,791,007	(1,209,099)	61.35	(741,782)	2,010,978	1,064,005	Note J
Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Manufacture and sales of weaving, dyeing and finishing of novelty fabrics, high-value engineered textiles industrial woven fabrics and scraps	1,604,122 (RMB 369,273 thousand)	2	1,342,854	-	-	1,342,854	401,883	100.00	401,833	3,684,219	159,799	Notes H and R
Far Eastern Industries (Suzhou) Ltd.	Production and marketing of PET staple, PET filament, polyester top, PET performs, draw textured yarn, spinning yarn, knit fabrics, woven fabrics, knit garments and woven garments	1,713,142 (RMB 394,370 thousand)	2	1,765,319	-	-	1,765,319	20,370	100.00	20,730	1,303,824	-	Note K
Wuhan Far Eastern New Material Ltd.	Manufacture and sales of PET sheets, chips, and filaments PET performs and garments and its by-products	743,031 (RMB 171,048 thousand)	2	724,110	-	-	724,110	7,396	100.00	7,396	941,637	-	

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital (Note T)	Method of Investment (Note A)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2021	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of December 31, 2021 (Note B)	Accumulated Repatriation of Investment Income as of December 31, 2021	Note
					Outflow	Inflow							
Oriental Industries (Suzhou) Ltd.	Production and marketing of polyester chips, partially oriented yarn, fully oriented yarn, and polyester yarn	\$ 4,756,014 (RMB 1,094,847 thousand)	2	\$ 4,957,248	\$ -	\$ -	\$ 4,957,248	\$ 408,237	100.00	\$ 408,237	\$ 6,379,069	\$ -	Note H
Far Eastern New Century (China) Investment Co., Ltd.	Investment	4,648,304 (RMB 1,070,052 thousand)	2	4,794,027	-	-	4,794,027	(129,922)	100.00	(129,922)	3,718,389	-	
Sino Belgium Beer (Suzhou) Ltd.	Beer brewing	1,655,751 (RMB 381,158 thousand)	2	1,763,952	-	-	1,763,952	(26,523)	100.00	(26,523)	(757,695)	-	Note L
Martens Beers (Shanghai) Ltd.	Beer brewing	324,307 (RMB 74,656 thousand)	2	231,475	-	-	231,475	(8,751)	100.00	(8,751)	6,052	-	Note L
Far Eastern Yihua Petrochemical (Yangzhou) Corporation	PA and its by-product production and sale	6,313,358 (RMB 1,453,351 thousand)	2	4,181,323	-	-	4,181,323	718	60.00	431	3,815,870	-	
Far Eastern Industries (Yangzhou) Ltd.	PA and its by-product production	1,341,872 (RMB 308,902 thousand)	2	1,436,190	-	-	1,436,190	6,884	100.00	6,884	1,380,577	-	
Far Eastern Union Petrochemical (Yangzhou) Corporation	PA and its by-product production	8,216,076 (RMB 1,891,362 thousand)	2	2,983,397	-	-	2,983,397	649,263	44.20	286,974	3,081,595	-	
Shanghai Yuan Zi Information Technology Co., Ltd.	Software development, equipment maintenance and consulting	55,212 (RMB 12,710 thousand)	3	-	-	-	-	299	100.00	299	58,047	-	
Shanghai Far Eastern Petrochemical Logistic Corporation	Transportation	82,536 (RMB 19,000 thousand)	3	-	-	-	-	4,635	100.00	4,635	149,896	-	
Suzhou An Ho Apparel Ltd.	Garment production	4,344 (RMB 1,000 thousand)	3	-	-	-	-	1,035	100.00	1,035	59,701	-	
Yuan Ding Enterprise (Shanghai) Limited	Liquid oxygen, oxygen, nitrogen and hydrogen warehousing	7,660,318 (RMB 1,763,425 thousand)	3	-	-	-	-	(161,323)	40.00	(65,429)	2,712,437	-	
Yuan Ding Integrated Information Service (Shanghai) Inc.	Computer software and internet software design and development	654,416 (RMB 150,648 thousand)	2	598,270	-	-	598,270	(6,863)	100.00	(6,863)	43,342	-	Note M
Speedy (Shanghai) digital Tech. Co., Ltd.	Intelligent control equipment and security monitoring products and services	28,407 (RMB 6,539 thousand)	2	24,220	-	-	24,220	3,787	100.00	3,787	59,701	-	Note N

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital (Note T)	Method of Investment (Note A)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2021	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of December 31, 2021 (Note B)	Accumulated Repatriation of Investment Income as of December 31, 2021	Note
					Outflow	Inflow							
Digital United Information Technology (Shanghai) Ltd.	Research and design of computer systems	\$ 85,808 (US\$ 3,100 thousand)	2	\$ 85,808	\$ -	\$ -	\$ 85,808	\$ 5,365	100.00	\$ 5,365	\$ 6,653	\$ -	Note O
Nextlink (Shanghai) Technology Co., Ltd.	Computer software, data processing and provision of network information services	1,993 (US\$ 72 thousand)	2	1,993	-	-	1,993	756	70.00	756	2,133	-	Note P

Investee Company	Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2021	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
Far Eastern New Century Corporation (Note S and T)	\$ 22,653,879	\$ 23,380,678	\$ -

Notes: A. Investment types are classified as follows:

- 1 The investment was made directly in China.
- 2 The investment was made through a company registered in a third region. Companies which registered in a third region are: Far Eastern Polychem Industries Ltd., PET Far Eastern (Holding) Ltd., Far Eastern Apparel (Holding) Ltd., Oriental Textile (Holding) Ltd., FEDP (Holding) Ltd., Far Eastern Polytex (Holding) Ltd., Sino Belgium (Holding) Ltd., YDC (Virgin Islands) Ltd., DDIM (Virgin Islands) Ltd., Far Eastern Info Service (Holding) Ltd., Digital United (Cayman) Ltd., Nextlink Technology Co., Ltd. and Far East New Diligent Company Ltd.
- 3 Other types.

B. Recognition of gains or losses was based on the following two information:

1. Financial statements of these companies, which were audited by an international accounting firm with a cooperative relationship with an ROC accounting firm: Far Eastern Industries (Shanghai) Ltd., Far Eastern Apparel (Suzhou) Co., Ltd., Far Eastern Industries (Wuxi) Ltd., Oriental Petrochemical (Shanghai) Corporation, Far Eastern Dyeing and Finishing (Suzhou) Ltd., Wuhan Far Eastern New Material Ltd., Oriental Industries (Suzhou) Ltd., and Far Eastern Union Petrochemical (Yangzhou) Corporation.
2. Others: Far Eastern Industries (Suzhou) Ltd., Far Eastern Innovation Apparel (Suzhou) Co., Ltd., Far Eastern New Century (China) Investment Co., Ltd., Sino Belgium Beer (Suzhou) Ltd., Martens Beers (Shanghai) Ltd., Far Eastern Industries (Yangzhou) Ltd., Far Eastern Yihua Petrochemical (Yangzhou) Corporation, Shanghai Yuan Zi Information Technology Co., Ltd., Shanghai Far Eastern Petrochemical Logistic Corporation, Suzhou An Ho Apparel Ltd., Yuan Ding Enterprise (Shanghai) Limited, Yuan Ding Integrated Information Service (Shanghai) Inc., Digital United Information Technology (Shanghai) Ltd., Far Eastern Tech-Info Ltd. (Shanghai), Speedy (Shanghai) digital Tech. Co., Ltd., and Nextlink (Shanghai) Technology Co., Ltd.

C. The ending balance of long term investment.

D. As of December 31, 2021, the accumulated outflow of investment from Taiwan was NT\$3,700,967 thousand which NT\$3,134,807 thousand where from the Company and the other was from Yuan Ding Investment Co., Ltd.

E. As of December 31, 2021, the remitted amount of profit of investment was the total cash dividend of Far Eastern Polychem Industries Ltd. received by FENC and Yuan Ding Investment Co., Ltd.

F. As of December 31, 2021, the accumulated outflow of investment from Taiwan was NT\$1,010,901 thousand which NT\$509,725 thousand was remitted by FENC the other was by Yuan Ding Investment Co., Ltd.

G. As of December 31, 2021, the profit of investment was cash dividend paid by Far Eastern Apparel (Suzhou) Co., Ltd. which remitted through FENC subsidiaries, Far Eastern Polytex (Holding) Ltd. and Far Eastern Apparel (Holding) Ltd.

H. As of December 31, 2021, the accumulated outflow of investment from Taiwan was remitted by Yuan Ding Investment Co., Ltd.

I. As of December 31, 2021, the profit of investment was cash dividend paid by Far Eastern Industries (Wuxi) Ltd. remitted through a FENC's subsidiary, Oriental Textile (Holding) Ltd.

J. As of December 31, 2021, the profit of investment was cash dividend paid by Oriental Petrochemical (Shanghai) Corporation remitted through FENC's subsidiaries, PET Far Eastern (Holding) Ltd. and Far Eastern Polytex (Holding) Ltd.

K. As of December 31, 2021, the accumulated outflow of investment from Taiwan was NT\$1,765,319 thousand which NT\$1,099,293 thousand was remitted by FENC, and the other was by subsidiaries, Yuan Ding Investment Co., Ltd. and Yuan Tong Investment Co., Ltd.

L. As of December 31, 2021, the accumulated outflow of investment from Taiwan was remitted by a FENC's subsidiary, Yuan Tong Investment Co., Ltd.

(Continued)

- M. As of December 31, 2021, the accumulated outflow of investment from Taiwan was remitted by FENC's subsidiaries, YDT Technology International Co., Ltd., FET Consulting Engineers Co., Ltd. and Ding Ding Integrated Marketing Service Co., Ltd.
- N. As of December 31, 2021, the accumulated outflow of investment from Taiwan was remitted by a FENC's subsidiary, YDT Technology International Co., Ltd.
- O. As of December 31, 2021, the accumulated outflow of investment from Taiwan was remitted by a FENC's subsidiary, New Century InfoComm Tech Co., Ltd.
- P. As of December 31, 2021, the accumulated outflow of investment from Taiwan was remitted by a FENC's subsidiary, Nextlink Technology Co., Ltd.
- Q. As of December 31, 2021, the profit from investment was cash dividend paid by Far Eastern Dyeing & Finishing (Suzhou) Ltd. which remitted through a FENC subsidiary, Far Eastern Apparel (Holding) Ltd.
- R. Investment amounts authorized by the Investment Commission of the MOEA include US\$843,627 thousand, and the original investment RMB6,695 thousand from Far Eastern Polytex (Holding) Ltd. which approved by Investment Commission under the Ministry of Economic Affairs were calculated based on the ending exchange rates of US\$1:27.68 and RMB1:4.344.
- S. Based on MOEA Approval Letter No. 10920434850, there is no limitation on the amount of the Company's investment in China.
- T. The paid-in capital was calculated based on the ending exchange rate of RMB1:4.344 and US\$1:27.68.

(Concluded)

## FAR EASTERN NEW CENTURY CORPORATION AND INVESTEEES

INVESTMENTS IN MAINLAND CHINA - INVESTMENT TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(In Thousands of U.S. Dollars)

Investee Company	Authorized by Investment Commission, MOEA					Investment Type			
	Investor Company	Date	MOEA Approval Letter No.	Through Investor Company in Third Area	Investment Amount (US\$)	Investor Company's Own Capital	Investor Company in Third Area Using Dividends Received from Investee (US\$)	Financed from Financial Institutions in Third Area (US\$)	Investor Company in Third Area Using Its Own Capital to Invest (US\$)
Far Eastern Industries (Shanghai) Ltd.	Far Eastern New Century Corporation	1996.07.09	No. 84015136	Far Eastern Polychem Industries Ltd.	\$ 6,000	\$ 6,000			
	Yuan Ding Investment Co., Ltd.			Far Eastern Polychem Industries Ltd.	24,000	24,000			
	Far Eastern New Century Corporation	2004.12.29	No. 093032400	Far Eastern Polychem Industries Ltd.	1,712		\$ 1,712		
	Far Eastern New Century Corporation	2004.12.30	No. 093032090	Far Eastern Polychem Industries Ltd.	1,540			\$ 1,540	
	Far Eastern New Century Corporation	2004.11.03	No. 093032240	Far Eastern Polychem Industries Ltd.	3,879		3,879		
	Yuan Ding Investment Co., Ltd.	2004.12.29	No. 093032402	Far Eastern Polychem Industries Ltd.	7,014		7,014		
	Yuan Ding Investment Co., Ltd.	2004.11.02	No. 093032239	Far Eastern Polychem Industries Ltd.	15,898		15,898		
	Yuan Ding Investment Co., Ltd.	2004.12.29	No. 093032089	Far Eastern Polychem Industries Ltd.	6,313			6,313	
	Far Eastern New Century Corporation	2006.11.01	No. 09500287850	Far Eastern Polychem Industries Ltd.	31,779	31,779			
	Far Eastern New Century Corporation	2008.06.27	No. 09700163440	Far Eastern Polychem Industries Ltd.	56,000	56,000			
	Far Eastern New Century Corporation	2008.04.18	No. 09700045490	Far Eastern Polychem Industries Ltd.	4,800	4,800			
					8,198				
					(Note E)				
		Far Eastern New Century Corporation	2010.04.19	No. 09900142680 (Note D)	Far Eastern Polychem Industries Ltd.	11,500	11,500		
Far Eastern Apparel (Suzhou) Co., Ltd.	Yuan Ding Investment Co., Ltd.	1996.10.16	No. 85016219	Far Eastern Apparel (Holding) Ltd.	10,000	10,000			
	Yuan Ding Investment Co., Ltd.	2003.10.30	No. 092033299	Far Eastern Apparel (Holding) Ltd.	5,000	5,000			
	Far Eastern New Century Corporation	2006.05.23	No. 09500112650	Far Eastern Polytex (Holding) Ltd.	11,000	11,000			
	Far Eastern New Century Corporation	2008.03.31	No. 09700038490	Far Eastern Polytex (Holding) Ltd.	5,000	5,000			
Far Eastern Innovation Apparel (Suzhou) Co., Ltd.	Yuan Ding Investment Co., Ltd.	2018.07.16	No. 10730028260	Far Eastern Apparel (Holding) Ltd.	35,000				\$ 35,000
Far Eastern Industries (Wuxi) Ltd.	Yuan Ding Investment Co., Ltd.	2002.06.21	No. 091011903	Oriental Textile (Holding) Ltd.	19,960	19,960			
	Yuan Ding Investment Co., Ltd.	2005.11.03	No. 094024169	Oriental Textile (Holding) Ltd.	40,000	40,000			
Oriental Petrochemical (Shanghai) Corporation	Far Eastern New Century Corporation	2009.11.17	No. 09800408170 (Note B)	Far Eastern Polychem Industries Ltd.	1,228				1,228
	Yuan Ding Investment Co., Ltd.	2009.11.17	No. 09800408160 (Note C)	PET Far Eastern (Holding) Ltd.	6,592				6,592
	Far Eastern New Century Corporation	2008.06.27	No. 09700163430	PET Far Eastern (Holding) Ltd.	49,500	49,500			
	Far Eastern New Century Corporation	2008.04.18	No. 09700045500	Far Eastern Polychem Industries Ltd.	4,800	4,800			
				PET Far Eastern (Holding) Ltd.	2,936				
				(Note F)					
	Far Eastern New Century Corporation	2009.12.25	No. 09800456740	PET Far Eastern (Holding) Ltd.	41,171	41,171			
	Far Eastern New Century Corporation	2017.09.18	No. 10630056570	PET Far Eastern (Holding) Ltd.	27,000	27,000			
Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Yuan Ding Investment Co., Ltd.	2003.10.31	No. 092033525	Far Eastern Apparel (Holding) Ltd.	20,000	20,000			
	Yuan Ding Investment Co., Ltd.	2008.10.13	No. 09700348610	Far Eastern Apparel (Holding) Ltd.	30,000	30,000			
Far Eastern Industries (Suzhou) Ltd.	Yuan Ding Investment Co., Ltd.	2002.11.26	No. 091035216	Far Eastern Polychem Industries Ltd.	9,352				9,352
	Far Eastern New Century Corporation	2004.10.11	No. 093025506	FEDP (Holding) Ltd.	1,569			1,569	
	Far Eastern New Century Corporation	2004.10.14	No. 093030298	Far Eastern Polychem Industries Ltd.	713				713
	Far Eastern New Century Corporation	2010.10.12	No. 09900403430 (Note H)	FEDP (Holding) Ltd.	5,288	5,288			

(Continued)

Investee Company	Authorized by Investment Commission, MOEA					Investment Type			
	Investor Company	Date	MOEA Approval Letter No.	Through Investor Company in Third Area	Investment Amount (US\$)	Investor Company's Own Capital	Investor Company in Third Area Using Dividends Received from Investee (US\$)	Financed from Financial Institutions in Third Area (US\$)	Investor Company in Third Area Using Its Own Capital to Invest (US\$)
Oriental Industries (Suzhou) Ltd.	Far Eastern New Century Corporation	2006.11.01	No. 09500287850	Far Eastern Polychem Industries Ltd. FEDP (Holding) Ltd.	\$ 4,524	\$ 4,524			
	Far Eastern New Century Corporation	2008.04.18	No. 09700045510	Far Eastern Polychem Industries Ltd. FEDP (Holding) Ltd.	4,800 754 (Note G)	4,800			
	Far Eastern New Century Corporation	2010.12.29	No. 09900470520 (Note I)	FEDP (Holding) Ltd.	18,224	18,224			
	Yuan Ding Investment Co., Ltd.	2005.08.01	No. 094015006	Oriental Textile (Holding) Ltd.	19,800	19,800			
	Yuan Ding Investment Co., Ltd.	2006.02.09	No. 094037416	Oriental Textile (Holding) Ltd.	30,200	30,200			
	Yuan Ding Investment Co., Ltd.	2007.10.02	No. 09600280400	Oriental Textile (Holding) Ltd.	23,000	23,000			
	Yuan Ding Investment Co., Ltd.	2008.09.01	No. 09700172130	Oriental Textile (Holding) Ltd.	32,500	32,500			
	Yuan Ding Investment Co., Ltd.	2013.04.29	No. 10200127470	Oriental Textile (Holding) Ltd.	8,000	8,000			
Wuhan Far Eastern New Material Ltd.	Yuan Ding Investment Co., Ltd.	2014.09.11	No. 10300223190 (Note K)	Oriental Textile (Holding) Ltd.	43,000	43,000			
	Far Eastern New Century Corporation	2006.05.19	No. 09500090070	Far Eastern Polytex (Holding) Ltd.	12,000	12,000			
	Far Eastern New Century Corporation	2009.06.29	No. 09800135640	Far Eastern Polytex (Holding) Ltd.	10,000	10,000			
Far Eastern New Century (China) Investment Co., Ltd. (Note A)	Far Eastern New Century Corporation	2010.12.21	No. 09900470530	Far Eastern Polytex (Holding) Ltd.	RMB 6,695				RMB 6,695
	Far Eastern New Century Corporation	2006.08.01	No. 09500124430	Far Eastern Polytex (Holding) Ltd.	48,000	48,000			
Sino Belgium Beer (Suzhou) Ltd.	Far Eastern New Century Corporation	2007.08.02	No. 09600248620	Far Eastern Polytex (Holding) Ltd.	18,000	18,000			
	Yuan Tong Investment Co., Ltd.	2008.02.21	No. 09600451060	Sino Belgium (Holding) Ltd.	12,000	12,000			
	Yuan Tong Investment Co., Ltd.	2014.04.24	No. 10300091010 (Note L)	Sino Belgium (Holding) Ltd.	16,000	16,000			
	Yuan Tong Investment Co., Ltd.	2014.12.19	No. 10300249370 (Note O)	Sino Belgium (Holding) Ltd.	10,000	10,000			
Martens Beers (Shanghai) Ltd.	Yuan Tong Investment Co., Ltd.	2008.12.10	No. 09700456110	Sino Belgium (Holding) Ltd.	3,800	3,800			
	Yuan Tong Investment Co., Ltd.	2010.07.29	No. 09900284200	Bockhold N.V. Martens HK Ltd.	4,304				4,304
		2014.04.24	No. 10300091010 (Note L)	Sino Belgium (Holding) Ltd.	1,500	1,500			
	Yuan Tong Investment Co., Ltd.	2013.11.28	No. 10200451570 (Note N)	Sino Belgium (Holding) Ltd.	1,100	1,100			
	Yuan Tong Investment Co., Ltd.	2014.12.19	No. 10300249370 (Note O)	Sino Belgium (Holding) Ltd.	1,000	1,000			
Far Eastern Tech-Info Ltd. (Shanghai)	Far Eastone Telecommunications Co., Ltd.	2004.08.26	No. 093018811	Far Eastern Info Service (Holding) Limited	2,500	2,500			
Far Eastern Yihua Petrochemical (Yangzhou) Corporation	Far Eastern New Century Corporation	2011.06.23	No. 10000021360 (Note J)	Far Eastern Polytex (Holding) Ltd.	166,000	166,000			
Far Eastern Industries (Yangzhou) Ltd.	Far Eastern New Century Corporation	2012.03.30	No. 10100043080	Far Eastern Polychem Industries Ltd.	49,000	49,000			
Far Eastern Union Petrochemical (Yangzhou) Corporation	Far Eastern New Century Corporation	2012.08.31	No. 10300210860 (Note M)	PET Far Eastern (Holding) Ltd.	66,000	66,000			
	Far Eastern New Century Corporation	2020.08.20	No. 10900223750 (Note T)	PET Far Eastern (Holding) Ltd.	9,250	9,250			
	Far Eastern New Century Corporation	2020.11.23	No. 10900267610 (Note U)	PET Far Eastern (Holding) Ltd.	32,824	32,824			
Yuan Ding Enterprise (Shanghai) Limited	Far Eastern New Century Corporation	2013.11.08	No. 10200399280	Far Eastern Polytex (Holding) Ltd. Far Eastern New Century (China) Investment Co., Ltd.	1,000	1,000			
	Far Eastern New Century Corporation	2019.08.02	No. 10800190930 (Note S)	Far Eastern Polytex (Holding) Ltd. Far Eastern New Century (China) Investment Co., Ltd.	74,335	74,335			
	Far Eastern New Century Corporation	2019.11.26	No. 10800217150	Far Eastern Polytex (Holding) Ltd. Far Eastern New Century (China) Investment Co., Ltd.	32,000	32,000			
Tong Da Air Industry (Yangzhou) Co., Ltd.	Far Eastern New Century Corporation	2014.09.05	No. 10300203670 (Note P)	PET Far Eastern (Holding) Ltd.	33,500	33,500			

(Continued)

Investee Company	Authorized by Investment Commission, MOEA					Investment Type			
	Investor Company	Date	MOEA Approval Letter No.	Through Investor Company in Third Area	Investment Amount (US\$)	Investor Company's Own Capital	Investor Company in Third Area Using Dividends Received from Investee (US\$)	Financed from Financial Institutions in Third Area (US\$)	Investor Company in Third Area Using Its Own Capital to Invest (US\$)
Yuan Ding Integrated Information Service (Shanghai) Inc.	YDT Technology International Co., Ltd.	2011.10.19	No. 10000429550	YDC (Virgin Islands) Ltd.	\$ 110	\$ 110			
	FET Consulting Engineers Co., Ltd.	2011.11.03	No. 10000439470	DDIM (Virgin Islands) Ltd.	8,100	8,100			
	Ding Ding Integrated Marketing Service Co., Ltd.	2015.08.11	No. 10400179060	DDIM (Virgin Islands) Ltd.	1,100	1,100			
Speedy (Shanghai) digital Tech. Co., Ltd.	YDT Technology International Co., Ltd.	2004.02.11	No. 093003471	YDC (Virgin Islands) Ltd.	300	300			
		2005.02.05	No. 094003122	YDC (Virgin Islands) Ltd.	500	500			
Far Eastern Tech-Info Ltd. (Shanghai)	Far Eastone Telecommunications Co., Ltd.	2004.08.26	No. 093018811	Far Eastern Info Service (Holding) Ltd.	2,500	2,500			
		2014.01.29	No. 10300022990	Far East New Diligent Company Ltd.	3,500	3,500			
Far Eastern Tech-Info Ltd. (Shanghai)	New Century InfoComm Tech Co., Ltd.	2002.10.07	No. 091041498	Digital United (Cayman) Ltd.	3,100				\$ 3,100
		2013.08.09	No. 10200302730	Digital United (Cayman) Ltd.	1,000	1,000			
Digital United Information Technology (Shanghai) Ltd.	Nextlink Technology Co., Ltd.	2019.03.28	No. 10830010930	Nextlink (HK) Technology Co., Ltd.	72	72			
New Diligence Corporation (Shanghai)	New Diligent Co., Ltd.	2007.08.08	No. 09600261870	New Diligent Co., Ltd. (Note Q)	1,127	1,127			
Far Eastern New Century Information Technology (Beijing) Limited	New Diligent Co., Ltd.	2012.11.19	No. 10100496420	Far East New Diligent Company Ltd. (Note R)	10,300	10,300			
Far Eastern Innovation Apparel (Anhui) Co., Ltd.	Far Eastern New Century Corporation	2021.09.02	No. 11000195650	Far Eastern Polytex (Holding) Ltd. (Note V)	8,739		\$ 8,739		
	Yuan Ding Investment Co., Ltd.	2021.09.02	No. 11000195640	Far Eastern Apparel (Holding) Ltd. (Note W)	5,651		5,651		

Notes: A. Far Eastern New Century (China) Investment Co., Ltd. invested US\$30,000 thousand in Far Eastern Industries (Shanghai) Ltd. and US\$16,000 thousand in Oriental Petrochemical (Shanghai) Corporation, and the other US\$2,000 thousand was held by Far Eastern New Century (China) Investment Co., Ltd.

B. Document No. 092035971 had been canceled and replaced with document No. 09800408170.

C. Document No. 092035970 had been canceled and replaced with document No. 09800408160.

D. The approved amount of US\$12,000 thousand on September 18, 2009 as stated in document No. 09800283970, had been changed to US\$11,500 thousand and updated to document No. 09900142680 on April 19, 2010 while completed the-review process.

E. The shares offered for the privatization of FEPI had antidilutive effects; thus, FEPI's ownership and amount invested in Far Eastern Industry (Shanghai) Ltd. increased.

F. The shares offered for the privatization of FEPI had antidilutive effects; thus, FEPI's ownership and amount invested in Oriental Petrochemical (Shanghai) Corporation increased.

G. The shares offered for the privatization of FEPI had antidilutive effects; thus, FEPI's ownership and amount invested in Far Eastern Industries (Suzhou) Ltd. increased.

H. Under the original investment scheme, the investment in Far Eastern Industry (Suzhou) Ltd. was made indirectly through Far Eastern Polytex (Holding) Ltd. and FEDP (Holding) Ltd., under the approval stated in Letter No. 09600059830 of the Ministry of Economic Affairs (MOEA). After a scheme modification, this investment was made indirectly only through FEDP (Holding) Ltd. under the MOEA's approval (Letter No. 09900403430).

I. After obtaining MOEA approval (No. 09900470520), FENC received FEDP (Holding) Ltd. from Yuan Tong Investment Co., Ltd., for US\$18,224 thousand (MOEA approval No. 09600243260).

J. After modifying MOEA approval from No. 1000021360 to No. 11100012810, FENC's subsidiary, Far Eastern Polytex (Holding) Ltd., amended to indirectly invest US\$138,000 thousand in Far Eastern Yihua Petrochemical (Yangzhou) Corporation. After obtaining MOEA approval (No. 11100014610), FENC's subsidiary, Far Eastern Polytex (Holding) Ltd., indirectly invest US\$12,000 in Far Eastern Yihua Petrochemical (Yangzhou) Corporation.

K. After modifying MOEA approval from No. 10300140570 to No. 10300223190, FENC's subsidiary, Yuan Ding Investment Co., Ltd. amended to invest US\$43,000 thousand indirectly or equivalent RMB through its subsidiary, Oriental Textile (Holding) Ltd. in Far Eastern Industries (Suzhou) Ltd.

L. After modifying MOEA approval from No. 10000446910 to No. 10300091010, FENC's subsidiary, Yuan Tong Investment Co., Ltd. amended to invest US\$16,000 and US\$17,500 indirectly through its subsidiary, Sino Belgium (Holding) Corporation, in Sino Belgium Beer (Suzhou) Ltd. and Martens Beers (Shanghai) Ltd.

(Continued)

- M. After modifying MOEA approval from No. 10100115020 to No. 10300210860, FENC amended to invest US\$66,000 thousand, and invested through its subsidiary, PET Far Eastern (Holding) Ltd., in Far Eastern Union Petrochemical (Yangzhou) Corporation.
- N. After obtaining MOEA approval (No. 10200451570), FENC's subsidiary, Yuan Tong Investment Co., Ltd., indirectly invest US\$1,100 thousand through its subsidiary, Sino Belgium (Holding) Corporation, in Martens Beers (Shanghai) Ltd.
- O. After obtaining MOEA approval (No. 10300249370), FENC's subsidiary Yuan Tong Investment Co., Ltd. indirectly invest US\$10,000 thousand and US\$1,000 thousand through its subsidiary, Sino Belgium (Holding) Corporation, in Sino Belgium Beer (Suzhou) Ltd. and Martens Beers (Shanghai) Ltd.
- P. After modifying MOEA approval from No. 10200478110 to No. 10300203670, FENC amended its indirect investment to US\$33,500 thousand, and invested through its subsidiary, PET Far Eastern (Holding) Ltd., indirectly in Tong Da Air Industry (Yangzhou) Co., Ltd. In 2020, Tong Da Air Industry (Yangzhou) Co., Ltd., Far Eastern Union Petrochemical (Yangzhou) Corporation and Oriental Union Chemical Corporation's subsidiary Oriental Petrochemical (Yangzhou) Corporation dissolved by absorption and merger, however, the balance has not yet been cancelled to the MOEA.
- Q. The dissolution of this investment had been approved by the local government on April 13, 2010. On June 27, 2012, the remittance of the remaining shares of US\$73 thousand was made. MOEA approved the cancellation of the amount, the balance has not been cancelled to the MOEA.
- R. The dissolution of this investment had been approved by the local government, but the balance has not been cancelled to the MOEA.
- S. After modifying MOEA approval from No. 10600282650 to No. 10800015840, FENC invested US\$82,340 thousand through its subsidiary, Far Eastern Polytex (Holding) Ltd., indirectly in Far Eastern New Century (China) Investment Co., Ltd., then capitalized to Yuan Ding Enterprise (Shanghai) Limited. On August 2, 2019, the remitted amount had been changed to US\$74,335 thousand and updated to document No. 10800190930.
- T. After obtaining MOEA approval (No. 10900223750), FENC's subsidiary, PET Far Eastern (Holding) Ltd., indirectly invest US\$9,250 thousand in Far Eastern Union Petrochemical (Yangzhou) Corporation.
- U. After obtaining MOEA approval (No. 11000095860), FENC's subsidiary, PET Far Eastern (Holding) Ltd., indirectly invest US\$32,824 thousand in Far Eastern Union Petrochemical (Yangzhou) Corporation.
- V. The Company was approved to indirectly invest in Far Eastern Innovation Apparel (Anhui) Co., Ltd. in Mainland China through Far Eastern Polytex (Holding) Ltd., by obtaining MOEA approval (No. 11000195650), but as of December 30, 2021, the relevant investment funds have not been remitted.
- W. Yuan Ding Investment Co., Ltd. was approved to indirectly invest in Far Eastern Innovation Apparel (Anhui) Co., Ltd. in Mainland China through Far Eastern Polytex (Holding) Ltd., by obtaining MOEA approval (No. 11000195640), but as of December 30, 2021, the relevant investment funds have not been remitted.

(Concluded)

**FAR EASTERN NEW CENTURY CORPORATION**

**INFORMATION OF MAJOR SHAREHOLDERS  
DECEMBER 31, 2021**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Asia Cement Corporation	1,272,277,085	23.77

Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preferred shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note 2: If a shareholder delivers the shareholdings to the trust, the above information will be disclosed by the individual trustor who opened the trust account. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, please refer to Market Observation Post System.

# FAR EASTERN NEW CENTURY CORPORATION

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**FAR EASTERN NEW CENTURY CORPORATION****STATEMENT OF CASH AND CASH EQUIVALENTS****DECEMBER 31, 2021****(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)**

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<b>Item</b>	<b>Maturity</b>	<b>Annual Rate (%)</b>	<b>Amount</b>
Cash			
Cash on hand			\$ 2,000
Petty cash			<u>4,302</u>
Cash in banks			
Checking accounts			11,121,025
Demand deposits (Note A)			<u>2,661,150</u>
			<u>13,782,175</u>
Cash equivalents			
Repurchase of commercial paper	2021.12.24-2022.01.13	0.31-0.315	<u>4,099,378</u>
			<u>\$ 17,887,855</u>

Note A: Including US\$23,731 thousand, JPY874,370 thousand, RMB18,669 thousand and EUR3,812 thousand.

Note B: Based on the exchange rate of US\$1:NT\$27.68, JPY1:NT\$0.2405, RMB1:NT\$4.344 and EUR1:NT\$31.32, respectively.

**FAR EASTERN NEW CENTURY CORPORATION**

**STATEMENT OF NOTES AND ACCOUNTS RECEIVABLE**

**DECEMBER 31, 2021**

**(In Thousands of New Taiwan Dollars)**

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<b>Client Name</b>	<b>Amount</b>
Worldwide Polychem (HK) Ltd.	\$ 1,731,885
Others (Note)	<u>6,076,384</u>
	7,808,269
Less: Allowance for doubtful accounts	<u>58,996</u>
Notes and accounts receivable, net	<u>\$ 7,749,273</u>

Note: The amount from each client which included in others does not exceed 5% of the account balance.

**FAR EASTERN NEW CENTURY CORPORATION****STATEMENT OF INVENTORIES****DECEMBER 31, 2021****(In Thousands of New Taiwan Dollars)**

<b>Item</b>	<b>Amount</b>	
	<b>Cost</b>	<b>Market Value (Note)</b>
Finished goods	\$ 1,941,650	\$ 1,774,614
Work in progress	2,434,272	2,581,791
Raw materials	2,092,962	1,983,966
Supplies	463,367	413,541
Materials in transit	<u>252,674</u>	<u>252,674</u>
	7,184,925	<u>\$ 7,006,586</u>
Less: Allowance for valuation loss	<u>528,772</u>	
Inventories, net	<u>\$ 6,656,153</u>	

Note: Market value is net realizable value.

## FAR EASTERN NEW CENTURY CORPORATION

STATEMENT OF CHANGES IN EQUITY METHOD INVESTMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(In Thousands of New Taiwan Dollars, Except Par Value and Unit Price is in New Taiwan Dollars)

Investees	Par Value	Balance, January 1, 2021		Annual Changes				Increase (Decrease) in Using the Equity Method Amount (Note A)	Balance, December 31, 2021			Market Value or Net Assets Value		Pledged Shares (In Thousands) (Note B)	Notes	
		Shares (In Thousands)	Amount	Shares (In Thousands)	Amount	Shares (In Thousands)	Amount		Shares (In Thousands)	%	Amount	Unit Price (NT\$)	Total Amount			
<b>Shares</b>																
Investments accounted for using the equity method																
Publicly traded companies																
Asia Cement Corporation	\$ 10	750,511	\$ 19,555,827	-	\$ -	-	\$ -	\$ 387,151	750,511	21.17	\$ 19,942,978	\$ 44.30	\$ 33,247,652	19,900	(Notes C and D)	
Far Eastern Department Stores Co., Ltd.	10	241,770	5,078,558	-	-	-	-	(24,829)	241,770	17.06	5,053,729	21.45	5,185,960	-	(Notes C and D)	
Far Eastern International Bank	10	90,180	1,166,486	1,723	-	-	-	43,486	91,903	2.62	1,209,972	10.75	987,956	-	(Notes C, D and F)	
Oriental Union Chemical Corporation	10	81,216	1,095,081	-	-	-	-	94,992	81,216	9.17	1,190,073	22.40	1,819,239	-	(Notes C and D)	
Everest Textile Corporation	10	140	1,180	-	-	(32)	-	(14)	108	0.02	1,166	9.63	1,042	-	(Notes C, D and G)	
			<u>26,897,132</u>					<u>500,786</u>			<u>27,397,918</u>		<u>41,241,849</u>			
Private companies																
Far Eastern Resources Development Co., Ltd.	10	775,836	106,334,081	-	-	-	-	455,675	775,836	100.00	106,789,756		106,814,786	-	(Note D)	
Yuan Ding Investment Co., Ltd.	10	1,822,822	41,433,997	-	-	-	-	2,356,147	1,822,822	99.40	43,790,144		44,116,453	-	(Note D)	
Far Eastern Investment (Holding) Ltd.	US\$ 0.01	5,072	25,734,569	389	1,955,422	-	-	588,368	5,461	100.00	28,278,359		28,278,359	-	(Notes D and E)	
Far Eastern Construction Co., Ltd.	10	245,829	9,956,499	-	-	-	-	463,523	245,829	65.11	10,420,022		10,505,868	-	(Note D)	
Far Eastern Polytex (Holding) Ltd.	US\$ 0.01	168	9,647,375	-	-	-	-	(232,251)	168	100.00	9,415,124		9,418,823	-	(Note D)	
Oriental Petrochemical (Taiwan) Corporation	10	1,712,218	9,057,496	-	-	-	-	(1,374,246)	1,712,218	75.56	7,683,250		7,948,479	-	(Note D)	
Yuan Tong Investment Co., Ltd.	10	739,953	8,737,914	2,231	-	-	-	133,424	742,184	100.00	8,871,338		9,176,864	-	(Notes D and F)	
Far Eastern Polychem Industries Ltd.	HK\$ 0.0001	830,815	7,739,405	-	-	-	-	(56,295)	830,815	73.04	7,683,110		7,683,110	-	(Note D)	
Kai Yuan International Investment Co., Ltd.	10	367,143	5,582,758	2,274	-	-	-	137,672	369,417	100.00	5,720,430		5,720,570	-	(Notes D and F)	
PET Far Eastern (Holding) Ltd.	US\$ 0.01	397	4,497,126	-	-	-	-	(440,431)	397	91.95	4,056,695		4,056,695	-	(Note D)	
Yuan Ding Co., Ltd.	10	186,929	3,243,038	-	-	-	-	(41,103)	186,929	37.13	3,201,935		3,318,764	-	(Note D)	
Ding Yuan International Investment Co., Ltd.	10	255,031	3,088,477	1,875	-	-	-	196,769	256,906	100.00	3,285,246		3,305,664	-	(Notes D and F)	
An Ho Garment Co., Ltd.	10	75,704	2,109,554	461	-	-	-	73,191	76,165	100.00	2,182,745		2,258,047	-	(Notes D and F)	
Oriental Securities Corporation	10	141,961	2,024,150	-	-	-	-	77,122	141,961	19.65	2,101,272		2,093,081	-	(Note D)	
Pacific Liu Tong Investment Co., Ltd.	10	135,000	2,009,899	-	-	-	-	32,580	135,000	16.83	2,042,479		1,950,485	-	(Note D)	
FEDP (Holding) Ltd.	US\$ 0.01	244	913,226	-	-	-	-	(152,752)	244	50.43	760,474		760,474	-	(Note D)	
Fu Kwok Knitting & Garment Co., Ltd.	10	4,000	211,101	-	-	-	-	43,413	4,000	100.00	254,514		253,355	-	(Note D)	
FE Oriental Investment Holding (Singapore) Pte. Ltd.	US\$ 0.01	50	165,064	-	-	-	-	(3,073)	50	100.00	161,991		161,991	-	(Note D)	
Ding Ding Hotel Co., Ltd.	10	769	7,700	739	7,391	(739)	-	(6,107)	769	0.74	8,984		2,002	-	(Notes D, E and G)	
Far Eastern Textile Ltd.	10	100	1,720	1,200	12,000	-	-	(375)	1,300	100.00	13,345		13,345	-	(Notes D and E)	
			<u>242,495,149</u>		<u>1,974,813</u>			<u>2,251,251</u>			<u>246,721,213</u>		<u>247,837,215</u>			
			<u>\$ 269,392,281</u>		<u>\$ 1,974,813</u>		<u>\$ -</u>	<u>\$ 2,752,037</u>			<u>\$ 274,119,131</u>		<u>\$ 289,079,064</u>			

Note A: Including:

1. Current net profit of investee recognized based on the percentage of shares	\$ 11,578,885
2. Current cash dividends distributed by investee	(8,073,232)
3. Changes in capital surplus of investee	85,477
4. Changes in unappropriated earnings of investee	148,972
5. Changes in exchange differences arising on translation of foreign operations	(1,551,733)
6. Unrealized gain on financial assets at FVTOCI	254,421
7. Hedging instrument of investee	3,920
8. Changes in remeasurement of defined benefit plans of investee	21,396
9. Changes in gain on property revaluations of investee	282,879
10. Cash dividends distributed to subsidiaries	1,052
	<u>\$ 2,752,037</u>

Note B: Shares was provided to financial organization as collaterals for issuing long-term loans.

Note C: The market value is calculated based on the share's closing market price on December 31, 2021 from Taiwan Stock Exchange.

Note D: The amount is calculated by the percentage of holding shares based on the audited financial statement as of December 31, 2021.

Note E: There was an increase in shares or value because of purchasing the investee's shares or participating in cash issuance of new shares from the investee.

Note F: There was an increase in shares because the investee increase the capital from retain earnings.

Note G: There was a decrease in shares because the investee reduce the capital to upset the accumulate deficits.

**FAR EASTERN NEW CENTURY CORPORATION****STATEMENT OF SHORT-TERM LOANS****DECEMBER 31, 2021****(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)**

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<b>Type</b>	<b>Contract Period</b>	<b>Interest Rates (%)</b>	<b>Original Currency (In thousands of USD)</b>	<b>In New Taiwan Dollars</b>
Bank loans				
First Commercial Bank	2021.10.19-2022.03.30	0.78-0.84	\$ 14,733	\$ 407,817
Bank of America	2021.11.09-2022.04.19	0.77-0.78	2,265	62,692
Hua Nan Bank	2021.07.26-2022.03.22	0.78-0.80	8,202	227,021
DBS Bank	2021.09.01-2022.02.24	0.72-0.82	45,539	1,260,527
United Overseas Bank	2021.10.29-2022.02.25	0.77	136	3,761
Mitsubishi UFJ	2021.09.02-2022.03.01	0.69-0.81	35,871	992,921
Mizuho Bank	2021.11.22-2022.06.21	0.69	14,908	412,647
Taishin Bank	2021.09.09-2022.03.16	0.79	3,253	90,046
E.SUN Bank	2021.12.21-2022.01.21	0.67	11,396	<u>315,436</u>
				<u>\$ 3,772,868</u>

**FAR EASTERN NEW CENTURY CORPORATION****STATEMENT OF NOTES AND ACCOUNTS PAYABLE****DECEMBER 31, 2021****(In Thousands of New Taiwan Dollars)**

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<b>Vendor Name</b>	<b>Amount</b>
Nan Ya Plastics Corporation	\$ 242,828
Formosa Chemicals & Fibre Corp.	205,543
China American Petrochemical Co., Ltd.	163,113
XIN HENG RONG (HK) LIMITED	136,616
Usi Corporation	84,224
Others (Note)	<u>837,863</u>
	<u>\$ 1,670,187</u>

Note: The amount from each vendor in others does not exceed 5% of the account balance.

**FAR EASTERN NEW CENTURY CORPORATION**

**STATEMENT OF OTHER PAYABLES**

**DECEMBER 31, 2021**

**(In Thousands of New Taiwan Dollars)**

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<b>Item</b>	<b>Amount</b>
Director remuneration payable	\$ 1,361,132
Payroll and bonus payable	1,288,537
Export shipping payable	369,450
Employee compensation payable	345,347
Interest payable	310,991
Commission payable	271,998
Others (Note)	<u>1,154,184</u>
	<u>\$ 5,101,639</u>

Note: The amount from each item does not exceed 5% of the account balance.

## FAR EASTERN NEW CENTURY CORPORATION

STATEMENT OF LONG-TERM BORROWINGS  
DECEMBER 31, 2021

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

Type/Creditor Bank	Repayment (Note)	Interest Rate (%)	Original Currency	Balance		Total Amount	Collateral
				Expired in A Year	Expired after A Year		
Bank loans							
Secured loans							
Taiwan Cooperative Bank	2021.12.20-2024.06.24, lump sum repayment on maturity	0.8800	-	-	\$ 1,900,000	\$ 1,900,000	Building and land in Banqiao Xingya section, Zhongxiao section, Guanyin Guangxing section and Bade Yung-Feng section
Credit loans							
First Commercial Bank	2021.09.29-2023.03.29, lump sum repayment on maturity, interest payment monthly	0.8800	-	-	730,000	730,000	19,900 thousand of Asia Cement Corporation shares
Bank of Taiwan	2020.08.27-2024.02.27, lump sum repayment on maturity, interest payment monthly	0.8562	-	-	2,500,000	2,500,000	Building and land in Xinpu Far Eastern section and Shuichetou section
Bank of Taiwan	2021.11.19-2025.05.19, lump sum repayment on maturity, interest payment monthly	0.8562	-	-	700,000	700,000	
Mizuho Bank	2020.09.30-2023.09.30, lump sum repayment on maturity, interest payment monthly	0.8600	-	-	3,000,000	3,000,000	
Mizuho Bank	2021.12.27-2023.06.22, lump sum repayment on maturity	0.8500	-	-	2,000,000	2,000,000	
Crédit Agricole Corporate and Investment Bank	2021.12.29-2023.09.21, lump sum repayment on maturity	1.1949	-	-	1,000,000	1,000,000	
Sumitomo Mitsui Banking Corporation	2021.12.27-2023.05.26, lump sum repayment on maturity	0.6800	-	-	2,000,000	2,000,000	
The Bank of Tokyo-Mitsubishi UFJ	2021.12.29-2023.03.30, lump sum repayment on maturity	0.8100	-	-	1,500,000	1,500,000	
Bangkok Bank	2021.12.27-2023.03.17, lump sum repayment on maturity	1.2000	-	-	100,000	100,000	
Bank of Taiwan	2021.12.29-2023.10.21, lump sum repayment on maturity	1.1000	-	-	1,000,000	1,000,000	
Hua Nan Commercial Bank	2021.12.29-2023.12.29, lump sum repayment on maturity	1.1900	-	-	1,000,000	1,000,000	
Taiwan Cooperative Bank	2021.12.20-2024.06.24, lump sum repayment on maturity	0.8800	-	-	100,000	100,000	
Land Bank of Taiwan	2021.12.29-2023.11.23, lump sum repayment on maturity	1.2000	-	-	700,000	700,000	
Fubon Bank	2021.12.20-2023.09.02, lump sum repayment on maturity	0.877494	-	-	500,000	500,000	
E.SUN Commercial Bank	2021.12.27-2023.06.15, lump sum repayment on maturity	1.0000	-	-	100,000	100,000	
Chang Hwa Commercial Bank	2021.12.29-2023.12.29, lump sum repayment on maturity	1.3000	-	-	700,000	700,000	
Mega International Commercial Bank	2021.03.09-2023.08.26, lump sum repayment on maturity	0.821-0.824	US\$362 thousand	-	10,021	10,021	
Bank loan							
Commercial paper							
IBFC	2021.03.18-2023.03.24, Interest prepayment, lump sum repayment on maturity	0.9180	-	-	1,696,708	1,696,708	
IBFC	2021.09.08-2023.03.24, Interest prepayment, lump sum repayment on maturity	0.9180	-	-	1,299,804	1,299,804	
IBFC	2021.10.13-2023.04.22, Interest prepayment, lump sum repayment on maturity	0.9880	-	-	1,497,198	1,497,198	
IBFC	2021.10.13-2023.04.22, Interest prepayment, lump sum repayment on maturity	0.9980	-	-	599,820	599,820	
IBFC	2021.12.22-2025.06.27, Interest prepayment, lump sum repayment on maturity	0.6600	-	-	2,995,606	2,995,606	
IBFC	2021.12.23-2025.06.27, Interest prepayment, lump sum repayment on maturity	0.6600	-	-	2,496,293	2,496,293	
CBFC	2021.06.29-2025.06.27, Interest prepayment, lump sum repayment on maturity	0.6580	-	-	1,999,784	1,999,784	
E.SUN Commercial Bank	2021.12.23-2025.06.27, Interest prepayment, lump sum repayment on maturity	0.6600	-	-	1,497,776	1,497,776	
Ta Ching	2021.10.13-2023.09.19, Interest prepayment, lump sum repayment on maturity	0.9180	-	-	999,723	999,723	
Ta Ching	2021.10.15-2023.10.26, Interest prepayment, lump sum repayment on maturity	0.9780	-	-	899,686	899,686	
Grand Bills	2021.11.22-2023.09.21, Interest prepayment, lump sum repayment on maturity	1.0470	-	-	699,016	699,016	
TFC	2021.11.22-2023.09.21, Interest prepayment, lump sum repayment on maturity	1.0470	-	-	699,016	699,016	
Mega Bills	2021.12.17-2023.09.24, Interest prepayment, lump sum repayment on maturity	0.9180	-	-	1,999,346	1,999,346	
TFC	2021.12.13-2024.06.21, Interest prepayment, lump sum repayment on maturity	0.9080	-	-	1,497,388	1,497,388	
Commercial paper					20,877,164	20,877,164	
					\$ 40,417,185	\$ 40,417,185	

Note: Expiration date is the date for loans or cycle contracts.

## FAR EASTERN NEW CENTURY CORPORATION

STATEMENT OF BONDS PAYABLE  
DECEMBER 31, 2021  
(In Thousands of New Taiwan Dollars)

Period	Trustee	Maturity	Repayment	Annual Rate (%)	Original Currency	Issued Amount	Repayment Paid	Unamortized Bonds Discounts	Outstanding Balance		Collateral	
									Expired Within A Year	Expired After A Year		Total Amount
Ordinary Bonds No. 106-1	Unsecured	2017.05.17-2022.05.17	The bond is repayable at 50% of the total amount at the end of the fourth year and the other 50% at the end of the fifth year of bond issuance. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.	1.15		\$ 5,000,000	\$ 2,500,000	\$ 750	\$ 2,499,250	\$ -	\$ 2,499,250	-
No. 106-2	Unsecured	2018.01.08-2023.01.08	The bond is repayable in lump sum on maturity. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.	0.95		3,000,000	-	1,226	-	2,998,774	2,998,774	-
No. 107-1	Unsecured	2018.05.18-2023.05.18	The bond is repayable at 50% of the total amount at the end of the fourth year and the other 50% at the end of the fifth year of bond issuance. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.	0.92		6,000,000	-	3,306	2,999,093	2,997,601	5,996,694	-
No. 107-2	Unsecured	2018.07.18-2023.07.18	The bond is repayable at 50% of the total amount at the end of the fourth year and the other 50% at the end of the fifth year of bond issuance. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.	0.90		8,000,000	-	4,942	3,998,256	3,996,802	7,995,058	-
No. 108-1	Unsecured	2019.04.29-2024.04.29	The bond is repayable in lump sum on maturity. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.	0.93		8,000,000	-	7,444	-	7,992,556	7,992,556	-
No. 108-2	Unsecured	2019.08.08-2024.08.08	The bond is repayable in lump sum on maturity. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.	0.79		6,000,000	-	6,246	-	5,993,754	5,993,754	-
No. 109-1	Unsecured	2020.04.22-2025.04.22	The bond is repayable in lump sum on maturity. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.	0.66		6,000,000	-	7,941	-	5,992,059	5,992,059	-
No. 109-2-A	Unsecured	2020.06.10-2025.06.10	The bond is repayable in lump sum on maturity. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.	0.77		2,200,000	-	1,846	-	2,198,154	2,198,154	-
No. 109-2-B	Unsecured	2020.06.10-2027.06.10	The bond is repayable in lump sum on maturity. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.	0.85		3,000,000	-	3,979	-	2,996,021	2,996,021	-
No. 109-3	Unsecured	2020.09.17-2027.09.17	The bond is repayable in lump sum on maturity. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.	0.83		5,500,000	-	6,733	-	5,493,267	5,493,267	-
No. 109-4	Unsecured	2020.12.21-2025.12.21	The bond is repayable in lump sum on maturity. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.	0.54		3,800,000	-	4,529	-	3,795,471	3,795,471	-

(Continued)

Period	Trustee	Maturity	Repayment	Annual Rate (%)	Original Currency	Issued Amount	Repayment Paid	Unamortized Bonds Discounts	Outstanding Balance			Collateral
									Expired Within A Year	Expired After A Year	Total Amount	
No. 110-1	Unsecured	2021.04.28-2026.04.28	The bond is repayable in lump sum on maturity. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.	0.67		\$ 9,500,000	\$ -	\$ 12,323	\$ -	\$ 9,487,677	\$ 9,487,677	-
No. 110-2	Unsecured	2021.05.24-2026.05.24	The bond is repayable in lump sum on maturity. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.	0.52		1,200,000	-	1,582	-	1,198,418	1,198,418	-
No. 110-3	Unsecured	2021.09.27-2026.09.27	The bond is repayable in lump sum on maturity. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.	0.63		<u>6,500,000</u>	<u>-</u>	<u>9,243</u>	<u>-</u>	<u>6,490,757</u>	<u>6,490,757</u>	-
						<u>\$ 73,700,000</u>	<u>\$ 2,500,000</u>	<u>\$ 72,090</u>	<u>\$ 9,496,599</u>	<u>\$ 61,631,311</u>	<u>\$ 71,127,910</u>	

(Concluded)

**FAR EASTERN NEW CENTURY CORPORATION****STATEMENT OF OPERATING REVENUE****FOR THE YEAR ENDED DECEMBER 31, 2021****(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)**

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<b>Item</b>	<b>Quality</b>	<b>Amount</b>
Sales of goods		
PET	620,760 tones	\$ 20,737,007
Polyester cotton	170169 tones	7,299,455
Knitted fabrics	10,152 tones	2,783,364
DTY	36,552 tones	2,606,428
Others (Note)		<u>12,100,982</u>
		<u>\$ 45,527,236</u>

Note: The amount of each item does not exceed 5% of total revenue.

**FAR EASTERN NEW CENTURY CORPORATION****STATEMENT OF COST OF OPERATING REVENUE  
FOR THE YEAR ENDED DECEMBER 31, 2021****(In Thousands of New Taiwan Dollars)**

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<b>Item</b>	<b>Amount</b>
Cost of goods sold	
Raw material, beginning of year	\$ 1,393,708
Raw material purchased	29,490,801
Less: Raw materials, end of year	<u>(2,345,636)</u>
Raw materials consumption	<u>28,538,873</u>
Supplies consumption	<u>1,164,701</u>
Direct labor	<u>1,688,773</u>
Manufacturing expenses	
Depreciation	1,999,485
Payroll	1,682,191
Electricity	1,154,401
Outsourcing processing fees	1,141,542
Repair costs	695,789
Fuel expense	631,760
Others	<u>1,221,698</u>
	<u>8,526,866</u>
Manufacturing cost	39,919,213
Work in process, beginning of year	1,702,205
Work in process, end of year	<u>(2,434,272)</u>
Cost of finished goods	39,187,146
Finished goods, beginning of year	1,323,284
Finished goods, end of year	<u>(1,941,650)</u>
	38,568,780
Transferred cost to related parties	(411,994)
Write-down of inventories	121,694
Idle capacity	<u>314,057</u>
	<u>\$ 38,592,537</u>

## FAR EASTERN NEW CENTURY CORPORATION

### STATEMENT OF OPERATING EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2021 (In Thousands of New Taiwan Dollars)

Item	Selling Expenses	General and Administrative Expenses	Research and Development Expenses	Expected Credit Loss
Transportation expense	\$ 3,901,093	\$ -	\$ -	\$ -
Payroll and bonus expense	438,441	1,045,846	369,858	-
Contract fee	-	263,194	-	-
Remuneration of directors	-	180,847	-	-
Expected credit loss	-	-	-	22,361
Depreciation expense	-	163,759	88,018	-
Commission	293,968	-	-	-
Computer processing fees	-	119,846	-	-
Research and development expenses	-	-	72,524	-
Utility bills	-	-	36,781	-
Others (Note)	<u>214,886</u>	<u>132,523</u>	<u>145,692</u>	<u>-</u>
	<u>\$ 4,848,388</u>	<u>\$ 1,906,015</u>	<u>\$ 712,873</u>	<u>\$ 22,361</u>

Note: The amount of each item does not exceed 5% of the account balance.

## FAR EASTERN NEW CENTURY CORPORATION

### STATEMENT OF EMPLOYEE BENEFITS, DEPRECIATION AND AMORTIZATION EXPENSES FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

	2021			2020		
	Operating Costs	Operating Expenses	Total	Operating Costs	Operating Expenses	Total
Employee benefits expense						
Salary	\$ 2,966,096	\$ 1,854,145	\$ 4,820,241	\$ 2,901,353	\$ 1,510,355	\$ 4,411,708
Insurance	265,908	136,360	402,268	251,396	108,424	359,820
Pension expense	101,385	75,740	177,125	104,062	66,627	170,689
Remuneration of directors	-	182,267	182,267	-	147,233	147,233
Other employee benefits expense	<u>144,921</u>	<u>75,883</u>	<u>220,804</u>	<u>104,206</u>	<u>71,637</u>	<u>175,843</u>
	<u>\$ 3,478,310</u>	<u>\$ 2,324,395</u>	<u>\$ 5,802,705</u>	<u>\$ 3,361,017</u>	<u>\$ 1,904,276</u>	<u>\$ 5,265,293</u>
Depreciation expense	<u>\$ 1,999,485</u>	<u>\$ 312,063</u>	<u>\$ 2,311,548</u>	<u>\$ 2,019,262</u>	<u>\$ 337,738</u>	<u>\$ 2,357,000</u>
Amortization expense	<u>\$ 2,165</u>	<u>\$ 7,064</u>	<u>\$ 9,229</u>	<u>\$ 5,270</u>	<u>\$ 6,811</u>	<u>\$ 12,081</u>

Notes: 1. The average number of employees for this year and the previous year were 4,379 and 4,576 respectively, of which the number of directors who did not serve concurrently was 9 and 8 respectively.

2. a. The average employee benefit expenses for the year were \$1,286 thousand and \$1,120 thousand respectively. (Total employee benefit expenses - Total director's remuneration/Number of employees - Number of directors who are not part-time employees).
- b. The average employee salary expenses for the year were \$1,103 thousand and \$966 thousand respectively. (Total salary expenses/Number of employees - Number of directors who are not part-time employees).
- c. The average employee salary expense this year increased by 14% compared to last year. (Average employee salary expense of the current year - Average employee salary expense of the previous year/Average employee salary expense of the previous year).
3. a. Pursuant to the Company Act and Article 26 of the "Articles of Incorporation of Far Eastern New Century Corporation", 2% to 3.5% of profit of the current year should be distributed as employees' compensation and not more than 2.5% of profit of the current year should be distributed as directors' remuneration in the case where there are profits for the current year. However, the Company's accumulated losses shall have been covered. The Company may, by a resolution adopted by the board of directors, determine the actual ratio, amount, form (in the form of shares or in cash) and the number of shares distributable as employees' compensation; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting. The remuneration paid to independent directors is a fixed amount. The actual ratio and amount of the profit distributable as directors' remuneration shall also be determined by the board of directors in accordance with the "Board Performance Evaluation Rule", and a report of such distribution shall be submitted to the shareholders' meeting. The remuneration of directors, presidents, executive vice presidents, and managers was paid according to not only the peer standards but also the correlations with the personnel assessment, operational performance, and future risks. The remaining compensation is determined based on the business results of the whole company and each department; meanwhile, results of market survey on the general salary level of TWSE-listed companies and reports by professional consulting companies will also be used as references. In addition, the remuneration committee of the Company regularly (at least once a year) reviews and evaluates the remuneration policies, systems, standards and structures of directors and managers, and presents its recommendations to the board of directors for discussion in order to balance the Company's sustainability and risk control.
- b. The salary of employees includes monthly salary and remuneration paid by the company based on annual profitability. The Company determines the total amount of performance bonuses and remunerations based on the company's operating results and with reference to the level of domestic industry distribution. The amount each employee receives depends on their position, contribution, and performance.