

**NISHOKU TECHNOLOGY INC.
AND ITS SUBSIDIARIES**

CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2022 and 2021
(With Independent Auditors' Review Report Thereon)

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

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Independent Auditors' Review Report

To the Board of Directors of Nishoku Technology Inc.:

Introduction

We have reviewed the consolidated financial statements of Nishoku Technology Inc. and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as of September 30, 2022 and 2021, and the consolidated statements of comprehensive income, changes in equity and cash flows for the three months and nine months ended September 30, 2022 and 2021. Management are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued by the Financial Supervisory Commission of the Republic of China. Our responsibility is to issue a report on these consolidated interim financial statements based on our review.

Scope of Review

Except as described in basis of opinion, we conducted our reviews in accordance with Statement on Auditing Standard 65, "Engagements to Review Financial Statements". A review consists principally of inquiries of the Group's personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with the generally accepted auditing standards, the objective of which is the expression of an opinion regarding the consolidated interim financial statements taken as a whole. Accordingly, we do not express such an opinion.

Basis of opinion

Included in the accompanying consolidated interim financial statements are the financial statements of certain consolidated subsidiaries, which were not reviewed by independent accountants. These consolidated subsidiaries had total assets of \$120,622 thousand and \$153,727 thousand constituting 1% and 2% of the Group's consolidated total assets as of September 30, 2022 and 2021, respectively; total liabilities of \$2,469 thousand and \$46,647 thousand constituting 0% and 1% of the Group's consolidated total liabilities as of September 30, 2022 and 2021, respectively; comprehensive income of \$4,714 thousand and \$56 thousand and \$11,765 thousand and \$2,383 thousand constituting 2% and 0% and 2% and 0.45% of the Group's consolidated comprehensive income for the three months and nine months ended September 30, 2022 and 2021, respectively.

Conclusion

Based on our reviews, except for the effects of the adjustments, if any, as might have been determined to be necessary had the financial statements of some equity method investees as described in basis of opinion above been reviewed by independent accountants, we are not aware of any material modifications that should be

Notes to Readers

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made to the consolidated interim financial statements referred to in the first paragraph in order for them to be in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34 “ Interim Financial Reporting” endorsed by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the review resulting in this independent auditor’s report are Cheng-Chien Chen and Yong-Hua Huang.

KPMG

Taipei, Taiwan (Republic of China)

Oct. 28, 2022

Notes to Readers

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Reviewed only, not audited in accordance with generally accepted auditing standards
NISHOKU TECHNOLOGY INC. AND ITS SUBSIDIARIES
Consolidated Statements of Comprehensive Income

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For the three months and nine months ended September 30, 2022 and 2021

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

	Three months ended September 30,				Nine months ended September 30,			
	2022		2021		2022		2021	
	Amount	%	Amount	%	Amount	%	Amount	%
4110 Operation Revenues (notes 6(q))	\$ 1,158,670	102	1,080,037	102	2,968,552	102	3,709,533	102
4170 Less: Sales returns and allowance	24,275	2	18,047	2	55,473	2	68,734	2
Net Operating revenues	1,134,395	100	1,061,990	100	2,913,079	100	3,640,799	100
5000 Operating costs (notes 6(d), (f),(g) ,(l),12)	854,615	75	774,809	73	2,259,008	78	2,612,142	72
Gross profit from operations	279,780	25	287,181	27	654,071	22	1,028,657	28
6000 Operating expenses (notes 6(c), (f), (g) , (l) , (o),(r) and 12)								
6100 Selling expenses	16,352	1	15,269	1	43,246	1	48,765	1
6200 Administrative expenses	82,025	7	76,560	7	229,450	8	233,717	6
6300 Research and development expenses	28,505	3	22,270	2	73,486	3	71,068	2
6450 Expected credit loss (gain)	533	-	64	-	416	-	38	-
	127,415	11	114,163	10	346,598	12	353,588	9
Net operating income	152,365	14	173,018	17	307,473	10	675,069	19
Non-operating income and expenses:								
7010 Other income (notes 6(s))	19,544	2	9,209	1	45,769	2	44,282	1
7020 Other gains and losses, net (notes 6(t))	306,428	27	(3,468)	-	571,373	20	(67,484)	(2)
7050 Finance costs, net(notes 6(k))	(10,191)	(1)	(5,954)	(1)	(23,873)	(1)	(15,856)	-
Total non-operating income and expenses	315,781	28	(213)	-	593,269	21	(39,058)	(1)
7900 Profit from continuing operations before tax	468,146	42	172,805	17	900,742	31	636,011	18
7950 Less: Tax expense (note 6(m))	121,992	11	31,457	3	226,216	8	201,876	6
Profit	346,154	31	141,348	14	674,526	23	434,135	12
8300 Other comprehensive income:								
8360 Components of other comprehensive income that will be reclassified to profit or loss								
8361 Exchange differences on translation	47,614	4	(1,020)	-	179,366	6	(79,201)	(2)
8399 Income tax related to	(9,523)	(1)	204	-	(35,873)	(1)	15,840	-

See accompanying notes to consolidated financial statements.

		Three months ended September 30,				Nine months ended September 30,			
		2022		2021		2022		2021	
		Amount	%	Amount	%	Amount	%	Amount	%
	components of other comprehensive income that will be reclassified to profit or loss (note 6(m))								
8300	Other comprehensive income, net	38,091	3	(816)	-	143,493	5	(63,361)	(2)
8500	Total comprehensive income	\$ 384,245	34	140,532	14	818,019	28	370,774	10
	Profit, attributable to:								
8610	Profit, attributable to owners of parent	\$ 346,154	31	141,348	14	674,526	23	434,135	12
	Comprehensive income attributable to:								
8710	Comprehensive income, attributable to owners of parent	\$ 384,245	34	140,532	14	818,019	28	370,774	10
	Basic earnings per share								
9750	Basic earnings per share (NT dollars) (note 6(p))	\$ 5.52		2.26		10.76		6.94	
9850	Diluted earnings per share (NT dollars) (note 6(p))	\$ 5.50		2.25		10.69		6.91	

See accompanying notes to consolidated financial statements.

Reviewed only, not audited in accordance with generally accepted auditing standards
NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity
For the nine months ended September 30, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent									Total equity	
	Share capital		Retained earnings				Unappropriated retained earnings	Total other equity interest Exchange differences on translation of foreign financial statements	Unearned stock based employee compensation		Total equity attributable to owners of parent
	Ordinary shares	Advance receipts for share capital	Capital surplus	Legal reserve	Special reserve	Total equity					
Balance at January 1, 2021	\$ 624,462	2,993	968,882	538,129	337,817	2,295,422	(310,459)	-	4,457,246	4,457,246	
Profit for the nine months ended September 30, 2021	-	-	-	-	-	434,135	-	-	434,135	434,135	
Other comprehensive income for the nine months ended September 30, 2021	-	-	-	-	-	-	(63,361)	-	(63,361)	(63,361)	
Total comprehensive income for the nine months ended September 30, 2021	-	-	-	-	-	434,135	(63,361)	-	370,774	370,774	
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	-	72,136	-	(72,136)	-	-	-	-	
Cash dividends of ordinary share	-	-	-	-	-	(625,612)	-	-	(625,612)	(625,612)	
Special reserve appropriated	-	-	-	-	(27,358)	27,358	-	-	-	-	
Stock option compensation cost	-	-	429	-	-	-	-	-	429	429	
Issuance of shares exercise of employee stock option	1,150	3,783	6,498	-	-	-	-	-	11,431	11,431	
Balance at September 30, 2021	\$ 625,612	6,776	975,809	610,265	310,459	2,059,167	(373,820)	-	4,214,268	4,214,268	
Balance at January 1, 2022	\$ 626,712	-	981,485	610,265	310,459	2,231,720	(344,942)	-	4,415,699	4,415,699	
Profit for the nine months ended September 30, 2022	-	-	-	-	-	674,526	-	-	674,526	674,526	
Other comprehensive income for the nine months ended September 30, 2022	-	-	-	-	-	-	143,493	-	143,493	143,493	
Total comprehensive income for the nine months ended September 30, 2022	-	-	-	-	-	674,526	143,493	-	818,019	818,019	
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	-	60,669	-	(60,669)	-	-	-	-	
Special reserve appropriated	-	-	-	-	34,483	(34,483)	-	-	-	-	
Cash dividends of ordinary share	-	-	-	-	-	(532,748)	-	-	(532,748)	(532,748)	
Capital surplus at cash dividends	-	-	(31,338)	-	-	-	-	-	(31,338)	(31,338)	
Issuance of shares exercise of employee stock option	50	-	258	-	-	-	-	-	308	308	
Restricted stock awards for employees	3,720	-	23,361	-	-	-	-	(25,295)	1,786	1,786	
Balance at September 30, 2022	\$ 630,482	-	973,766	670,934	344,942	2,278,346	(201,449)	(25,295)	4,671,726	4,671,726	

See accompanying notes to consolidated financial statements.

Reviewed only, not audited in accordance with generally accepted auditing standards
NISHOKU TECHNOLOGY INC. AND ITS SUBSIDIARIES
Consolidated Statements of Cash Flows

For the nine months ended September 30, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	For the nine months ended	
	September 30,	
	2022	2021
Cash flows from (used in) operating activities:		
Profit before tax	\$ 900,742	636,011
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation and amortization	173,523	184,578
Expected credit loss recognized (reversal)	416	38
Interest expense	23,940	15,856
Interest income	(41,901)	(28,308)
Stock option compensation cost	-	429
Compensation cost of restricted stock awards for employees	1,786	-
Net loss on financial assets at fair value through profit or loss	23,430	2,940
Loss (gain) on disposal of property, plant and equipment	790	(7,332)
Recognition losses on inventory valuation and obsolescence	32,686	(14,222)
Other	-	402
Total adjustments to reconcile profit :	214,670	154,381
Changes in operating assets and liabilities:		
Changes in operating assets:		
Financial assets at fair value through profit or loss	(292,741)	21,538
Accounts notes and receivable	(4,789)	573,119
Inventories	(46,202)	40,597
Other current assets and other financial assets	9,595	(10,624)
Total changes in operating assets	(334,137)	624,630
Changes in operating liabilities:		
Notes and accounts payable	4,210	(309,844)
Other current liabilities	(8,638)	(133,491)
Total changes in operating liabilities	(4,428)	(443,335)
Total adjustments	(123,895)	335,676
Cash inflow(outflow) generated from operations	776,847	971,687
Interest received	38,388	28,260
Interest paid	(22,855)	(15,330)
Income taxes paid	(134,311)	(115,886)
Net cash flows from operating activities	658,069	868,731
Cash flows from (used in) investing activities:		
Acquisition of Non-current financial assets at fair value through profit or loss	(13,820)	(54,406)
Proceeds from disposal of Non-current financial assets at fair value through profit or loss	-	4,320
Acquisition of financial assets at amortized cost	(189,389)	(168,465)
Acquisition of property, plant and equipment	(225,968)	(141,522)
Proceeds from disposal of property, plant and equipment	10,313	22,823
Increase Refundable deposits	2,598	4,415
Decrease in other financial assets	(2,960)	(4,565)
Net cash flows used in investing activities	(419,226)	(337,400)
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term loans	(402,010)	729,880
Decrease in short-term notes and bills payable	(100,000)	-
Proceeds from (repayments of) long-term borrowings	350,000	50,000
Increase (decrease) in guarantee deposits received and others	104	2,460
Payment of lease liabilities	(24,017)	(30,063)
Cash dividends paid	(564,086)	(625,612)
Exercise of employee share options	308	11,431
Net cash flows generated by (used in) financing activities	(739,701)	138,096

See accompanying notes to consolidated financial statements.

	For the nine months ended	
	September 30,	
	2022	2021
Effect of exchange rate changes on cash and cash equivalents	116,021	(47,957)
Net Increase (decrease)in cash and cash equivalents	(384,837)	621,470
Cash and cash equivalents at beginning of period	3,999,433	2,626,650
Cash and cash equivalents at end of period	\$ 3,614,596	3,248,120

Reviewed only, not audited in accordance with generally accepted auditing standards

NISHOKU TECHNOLOGY INC. AND ITS SUBSIDIARIES

Notes to the Consolidated Financial Statements

September 30, 2022 and 2021

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

(1) Company history

NISHOKU TECHNOLOGY INC. (the “Company”) was incorporated in year 1980, as a company limited by shares and registered under the Ministry of Economic Affairs, ROC. The Company conducted an IPO on the Taiwan Stock Exchange (TWSE) on October 5, 2011. The Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”) primarily are involved in the manufacture and sale of plastic injection mold, tooling manufacturing and general import and export trade, please refer to note 14.

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

These consolidated interim financial statements were authorized for issuance by the board of directors on October 28, 2022.

(3) New standards, amendments and interpretations adopted:

- a. Impact of the International Financial Reporting Standards (“IFRSs”) endorsed by the Financial Supervisory Commission, R.O.C. (“FSC”) which have already taken effect.

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

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

- b. The impact of IFRS issued by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2023, would not have a significant impact on its consolidated financial statements:

- Amendments to IAS 1 “Disclosure of Accounting Policies”
- Amendments to IAS 8 “Definition of Accounting Estimates”
- Amendments to IAS 12 “Deferred income tax relating to assets and liabilities arising from a single transaction”

- c. The impact of IFRS issued by IASB but not yet endorsed by the FSC

As of the date, the following IFRSs that have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC.

(Continued)

NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

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

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “ Insurance Contracts”
- Amendments to IAS 1 “Classification of Liabilities as Current or Noncurrent”
- Amendments to IFRS 17 "Comparative information on initial application of IFRS 17 and IFRS 9"

(4) Summary of significant accounting policies:

a. Statement of compliance

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

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

Except the following accounting policies mentioned below, the significant accounting policies adopted in the consolidated interim financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2021. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2021.

b. Basis of consolidation

Principles of preparation of the consolidated interim financial statements are the same as those of the consolidated financial statements for the year ended December 31, 2021. For the related information, please refer to note 4(c) of the consolidated financial statements for the year ended December 31, 2021. The financial statements of insignificant consolidated subsidiaries, NISHOKU BOUEKI were not reviewed by independent accountants, and the financial statements of insignificant consolidated subsidiaries, SAME SRART (Anguilla), were reviewed by independent accountants for the nine months ended September 30, 2022..

c. Income Tax

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

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period by the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense for the current period (and allocated to current and deferred taxes based

NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

on its proportionate size).

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

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

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

In preparing the consolidated financial statements, critical accounting judgments and key sources of estimation uncertainty used by management in the application of accounting policies are consistent with those described in note 5 of the consolidated financial statements for the year ended December 31, 2021.

(6) Explanation of significant accounts:

In addition to the following, there is no significant difference between the notes on the significant accounting items of the consolidated interim financial statements and the consolidated financial statements for the year ended December 31, 2021. For the related information, please refer to note 6 of the consolidated financial statements for the year ended December 31, 2021.

(a) Cash and cash Equivalents

	September 30, 2022	December 31, 2021	September 30, 2021
Cash, and demand deposits	\$ 1,440,783	2,497,999	2,042,541
Time deposits	2,157,938	920,154	676,429
Bond acquired under repurchase agreement	15,875	581,280	529,150
Cash and cash equivalents in the consolidated statement of cash flows	<u>\$ 3,614,596</u>	<u>3,999,433</u>	<u>3,248,120</u>

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

	September 30, 2022	December 31, 2021	September 30, 2021
Financial assets at fair value through profit or loss			
Fund investments-current	\$ 37,602	38,861	41,938
Fixed income financial product	357,886	65,145	602,786
Total	<u>\$ 395,488</u>	<u>104,006</u>	<u>644,724</u>
Fund investments non-current	<u>\$ 189,068</u>	<u>197,419</u>	<u>173,065</u>

(Continued)

NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

(i) Please refer to note 6(e) for fund investments-non-current.

(ii) Please refer to note 6(u) for credit risk and market risk.

(iii) As of September 30, 2022, and December 31, 2021, and September 30, 2021, the Group did not provide any financial assets as collateral for its loans.

(c) Notes and accounts receivable

	September 30, 2022	December 31, 2021	September 30, 2021
Notes receivable	\$ 7,503	2,823	3,246
Accounts receivable	1,350,005	1,349,896	1,241,416
Less : allowance for impairment	(540)	(124)	(567)
	<u>\$ 1,356,968</u>	<u>\$ 1,352,595</u>	<u>1,244,095</u>

The Group measures the loss allowance for notes and accounts receivable using the simplified approach with the lifetime expected credit losses. To measure the expected credit losses, notes and accounts receivables have been grouped based on shared credit risk characteristics and the days past due, as well as incorporate forward-looking information.

Analysis of expected credit losses were as follows:

	September 30, 2022		
	Carrying amount of accounts receivable	Weighted-average loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 1,334,731	-%	-
Past due less than 120 days	14,405	0%~5%	362
Past due 121~270 days	869	0%~30%	178
Total	<u>\$ 1,350,005</u>		<u>540</u>

	December 31, 2021		
	Carrying amount of accounts receivable	Weighted-average loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 1,334,126	-%	-
Past due less than 120 days	15,657	0%~1%	11
Past due 121~270 days	113	0%~30%	113
Total	<u>\$ 1,349,896</u>		<u>124</u>

(Continued)

NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	September 30, 2021		
	Carrying amount of accounts receivable	Weighted-average loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 1,209,983	-%	-
Past due less than 120 days	30,943	0%~1%	77
Past due over 1 year	490	100%	490
Total	\$ 1,241,416		567

The movement of the loss allowance for notes and accounts receivable were as follows:

	Nine months ended September 30,	
	2022	2021
Beginning balance	\$ 124	529
Impairment loss	416	38
Ending balance	\$ 540	567

(d) Inventories

	September 30, 2022	December 31, 2021	September 30, 2021
Raw materials	\$ 139,064	196,059	187,498
Work in process	260,019	197,865	230,854
Finished goods	134,303	125,947	78,347
	\$ 533,386	519,871	496,699

For the three months ended September 30, 2022 and 2021, raw material, consumables, and changes in the finished goods and work in progress recognized as cost of sale amounted to \$854,615 thousand and \$774,809 thousand, and \$2,259,008 thousand, and \$2,612,142 thousand, respectively. For the three months ended September 30, 2022 and September 30, 2021, and for the nine months ended September 30, 2022 and September 30, 2021 the Group recognized the losses (reversal) on inventory valuation and obsolescence as cost of goods sold amounting to \$9,020 thousand and \$(15,265) thousand, and \$32,686 thousand and (14,222) thousand, respectively.

As of September 30, 2022, December 31, 2021, and September 30, 2021, the Group did not provide any inventories as collateral.

(Continued)

NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(e) Non-current financial assets at amortized cost

	September 30, 2022	December 31, 2021	September 30, 2021
Restricted bank deposit	\$ 1,445,923	1,264,067	1,294,686
Corporate bonds	\$ 62,893	-	-

In June, 2021 and May and July, 2020, the Group applied to IRS for the application of “The Management, Utilization, and Taxation of Repatriated Offshore Funds Act” (hereinafter referred to as the “Act”), and the remittance was approved within one month. According to the Act, the funds need to be deposited in a special-purpose account for five years, and 5% of the funds can be used without restriction, 25% can be used on financial investment, and 70%, at least, can be used for substantive investment; Otherwise, the funds can only be redeemed within 3 consecutive years on average after the five years maturity, and be presented as “Restricted bank deposit”. The fund used on financial investment, please refer to note 6(b) relating to the information “Fund investments non-current”.

The Group's assessment is holding these corporate bonds to the maturity date to collect contractual cash flows, and the cash flows of these bonds are solely for the payment of the principal and interest on the outstanding principal amount. Therefore, it was presented as financial assets at amortized cost.

As of September 30, 2022, December 31, 2021, and September 30, 2021, the Group did not provide any financial assets as collateral.

(f) Property, plant and equipment

The cost, depreciation and impairment loss of the property, plant and equipment of the Group for the years ended September 30, 2022 and 2021, were as follows.

	Land	Building	Machinery and equipment	Office and other equipment	Construction in progress and testing equipment	Total
Cost or deemed cost:						
Balance on January 1, 2022	\$ 179,672	1,065,232	1,846,008	464,528	114,685	3,670,125
Additions	-	8,068	160,124	9,535	41,051	218,778
Reclassifications	-	22,783	16,881	863	(40,527)	-
Disposals	-	-	(43,523)	(14,419)	-	(57,942)
Effect of movements in exchange rates	-	47,739	82,316	18,883	13,957	162,895
Balance on September 30, 2022	<u>\$ 179,672</u>	<u>1,143,822</u>	<u>2,061,806</u>	<u>479,390</u>	<u>129,166</u>	<u>3,993,856</u>
Balance on January 1, 2021	\$ 179,672	1,048,926	1,955,334	479,442	56,056	3,719,430
Additions	-	4,483	60,447	14,296	38,260	117,486
Reclassifications	-	5,810	6,218	986	(12,264)	750
Disposals	-	(470)	(158,427)	(30,064)	-	(188,961)
Effect of movements in exchange rates	-	(14,157)	(38,451)	(4,680)	19,168	(38,120)
Balance on September 30, 2021	<u>\$ 179,672</u>	<u>1,044,592</u>	<u>1,825,121</u>	<u>459,980</u>	<u>101,220</u>	<u>3,610,585</u>

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NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES
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	<u>Land</u>	<u>Building</u>	<u>Machinery and equipment</u>	<u>Office and other equipment</u>	<u>Construction in progress and testing equipment</u>	<u>Total</u>
Depreciation and impairments loss:						
Balance on January 1, 2022	\$	488,757	1,398,990	395,934	-	2,283,681
Depreciation for the period	-	30,372	92,070	22,985	-	145,427
Disposals	-	-	(34,045)	(12,794)	-	(46,839)
Effect of movements in exchange rates	-	20,181	70,757	15,601	-	106,539
Balance on September 30, 2022	\$	539,310	1,527,772	421,726	-	2,488,808
Balance on January 1, 2021	\$	-	453,394	1,435,367	386,140	2,274,901
Depreciation for the period	-	29,737	89,440	31,487	-	150,664
Reclassifications	-	-	246	504	-	750
Disposals	-	(470)	(144,470)	(28,530)	-	(173,470)
Effect of movements in exchange rates	-	(5,940)	898	(3,235)	-	(8,277)
Balance on September 30, 2021	\$	476,721	1,381,481	386,366	-	2,244,568
Carrying amounts:						
Balance on September 30, 2022	\$	179,672	604,512	534,034	57,664	129,166
Balance on January 1, 2022	\$	179,672	576,475	447,018	68,594	114,685
Balance on September 30, 2021	\$	179,672	567,871	443,640	73,614	101,220

As of September 30, 2022, December 31, 2021 and September 30, 2021, the property, plant and equipment of the Group had not been pledged as collateral.

(g) Right-of-use assets

The Group leases many assets including land and buildings, vehicles and machinery equipment. Information about leases for which the Group as a lessee were presented below

	<u>Buildings and structures</u>	<u>Machinery and equipment</u>	<u>Transportat ion equipment</u>	<u>Total</u>
Carrying amount:				
Balance on September 30, 2022	\$ 6,940	-	7,669	14,609
Balance on December 31, 2021	\$ 26,950	-	10,658	37,608
Balance on September 30, 2021	\$ 33,991	1,163	7,791	42,945

The amounts of depreciation expense for the nine months ended September 30, 2022 and 2021 were \$23,596 thousand and \$29,597 thousand, respectively.

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NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES
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(h) Short-term borrowings

	<u>September 30,</u> <u>2022</u>	<u>December 31,</u> <u>2021</u>	<u>September 30,</u> <u>2021</u>
Secured loan	\$ -	44,000	44,000
Credit loans, no pledge	1,335,750	1,693,760	1,674,800
Total:	\$ 1,335,750	1,737,760	1,718,800
Interest rate range	1.15%~4.19%	0.40%~0.83%	0.40%~0.83%

For the collateral for short term borrowings, please refer to note 8.

(i) Short-term notes and bills payable

The short-term notes and bills payable were summarized as follows:

	<u>December 31, 2021</u>
Commercial paper payable	\$ 100,000
Less: Discount on short-term notes and bills payable	(29)
Total	\$ 99,971
Interest rate range	0.59%

(j) Long-term borrowings

The details were as follows:

	<u>September 30,</u> <u>2022</u>	<u>December 31,</u> <u>2021</u>	<u>September 30,</u> <u>2021</u>
Unsecured loans	\$ 1,500,000	1,150,000	1,250,000
Interest rate range	1.299386%~1.475%	0.92%~0.96%	0.92%~0.96%

(k) Lease liabilities

The details were as follows:

	<u>September 30,</u> <u>2022</u>	<u>December 31,</u> <u>2021</u>	<u>September 30,</u> <u>2021</u>
Lease liabilities - Current	\$ 11,042	31,228	31,409
Lease liabilities -Non-current	\$ 3,718	6,713	11,892

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

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NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES
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The amounts recognized in profit or loss during the lease term were as follows:

	Three months ended September 30,2022	Three months ended September 30,2021	Nine months ended September 30,2022	Nine months ended September 30,2021
Interests of lease liabilities	\$ 54	139	231	494
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	\$ 88	182	415	550

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

	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Total cash out flow of lease	\$ 24,432	31,107

(l) Employee benefits

The pension costs incurred from the contributions to the Labor Insurance were as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
Operating Costs	\$ 9,478	8,913	28,442	25,575
Operating Expenses	2,357	2,239	7,076	6,514
Total	\$ 11,835	11,152	35,518	32,089

(m) Income tax

- (i) The amounts of income tax expense for the three months and nine months ended September 30, 2022 and 2021 were \$121,992 thousand, \$31,457 thousand, \$226,216 thousand and \$201,876 thousand respectively.

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NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

- (ii) The amounts of income tax expense (profit) under other comprehensive income or loss for the three months and nine months ended September 30, 2022 and 2021 were as follows:

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2022	2021	2022	2021
Foreign currency translation differences for foreign operations	<u>\$ 9,523</u>	<u>(204)</u>	<u>35,873</u>	<u>(15,840)</u>

- (iii) The Company and NISHOKU BOUEKI income tax returns have been examined by the tax authority through the years up to 2020, respectively.

(n) Capital and other equity

In addition to the following, there is no material change in capital and other equity of the Group for the nine months ended September 30, 2022 and 2021. For the related information, please refer to Note 6(n) of the consolidated financial statements for the year ended December 31, 2021.

(i) Issuance of capital stock

The Company issued 5 thousand shares and 70 thousand shares, with par value of \$10 per share for the exercise of employee stock options were completed the legal registration procedures for the nine months ended September 30, 2022 and September 30, 2021, there were still 110 thousand shares whose legal registration procedure are unfinished. The amount of advance receipts for ordinary share were \$ 6,776 thousand.

The issuance of employee restricted share plan has been approved by shareholders' meeting held on June 15, 2022. The board of directors approved to issue 372 thousand shares on August 3 2022, and the issued price is NT\$0 per share . The rights and obligations of this issuance of ordinary shares are the same as other issued ordinary shares except for the right to transfer shares that are restricted before employees achieve the vested conditions.

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NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES
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(ii) Capital surplus

The balances of capital surplus as of September 30, 2022, December 31, 2021, and September 30, 2021 were as follows:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Additional paid-capital	\$ 939,513	970,593	964,917
Employee share options	10,892	10,892	10,892
Restricted stock for employees	<u>23,361</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 973,766</u>	<u>981,485</u>	<u>975,809</u>

The Board of directors' meeting held on April 28, 2022 approved to distribute cash from additional paid-in capital, the summary were as follows:.

	<u>2021</u>	
	<u>Payout per share</u>	<u>Amount</u>
Distribute cash from additional paid-in capital	\$ 0.5	<u>31,338</u>

(iii) Retained earnings

The Group's article of incorporation stipulate that, when allocating the profit for each fiscal year, the Company shall first offset its losses in previous years. Of the remaining profit, 10% is to be appropriated as legal reserve, until the accumulated legal reserve equals the Company's paid in capital. Aside from the aforesaid legal reserve, the Company shall appropriate or reverse another sum as special earnings reserve in accordance with relevant laws or regulations or requested by the authorities in charge. The remaining profit together with any undistributed retained earnings shall be distributed according to the distribution plan proposed by the Board of Directors and submitted to the stockholders' meeting for approval.

According to the amendment of the of Article 240 and Article 241 of the ROC Company Act, the Company authorized the distributable dividends and bonuses in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

Before the distribution of dividends, the Company shall first take into consideration its operating environment, industry developments, and the long term interests of stockholders, as well as its programs to maintain operating efficiency and meet its capital expenditure budget and financial goals in determining the stock or cash dividends to be paid. The dividend to be distributed shall be no less than 10% of the current year retained earnings available for distribution only if the current year retained earnings available for distribution does not reach \$0.5 per share, the Company may decide not to distribute dividend. The dividend to be distributed may be in the form of cash and stock, and cash dividend in the distribution should not be less than 30%.

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NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Dividend distribution for 2021 and 2020 were decided via board of directors' meeting held on April 28, 2022, and April 28, 2021. The relevant dividend distributions to shareholders were as follows:

	2021		2020	
	Payout per share	Amount	Payout per share	Amount
Dividend to shareholders:				
Cash	\$ 8.5	532,748	10	625,612

(o) Share-based payment

For the nine months ended September 30, 2022 and 2021, there were no significant changes in share-based payment except for the following: (Please refer to note 6(o) of the consolidated financial statements for the year ended December 31, 2021 for other related information).

(i) Information about the Company's outstanding employee stock options are described as follows:

	Nine months ended September 30, 2022		Nine months ended September 30, 2021	
	Weighted-average Exercise Price(NT\$)	Number of Stock Options	Weighted-average Exercise Price(NT\$)	Number of Stock Options
Outstanding at beginning of the period	\$ 61.60(note)	5	66.50(note)	235
Options granted	-	-	-	-
Options forfeited	-	-	-	(50)
Options exercised	61.60	(5)	61.60	(180)
Outstanding at end of the period	-	-	61.60(note)	5
Exercisable at end of the period		-		-
The weighted average price of the stock options		\$ 18.15		18.15

(Note) The Company adjusted the exercise price of stock options in accordance with the plans.

The details of the stock options of the Group were as follows:

	September 30, 2022	December 31, 2021	September 30 2021
Weighted average of remaining contractual period (years)	0	0.57	0.82

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NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

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

	2017 employee stock option
Exercise price (in dollars)	81.80
Stock price of grant date (in dollars)	81.80
Expected dividends	-%
Expected price volatility	26.78%~27.89%
Risk-free interest rate	0.67%~0.73%
Exercise option life	5 years

- (iii) Restricted stock for employees

The Company's shareholders' meeting resolved to issue restricted stocks for employees up to 400 thousand shares on June 15, 2022. The eligible employees meet certain qualifications, and are limited to the full-time employees. The restricted stocks plan was approved by Financial Supervisory Commission. The board of directors approved to issue 372 thousand shares on August 3 2022.

As of September 30, 2022, the restricted stock plans of the Company were as follows:

	Restricted stock for Employees
	2022
Grant date	August 3,2022
Fair value (per share)(in dollars)	72.8
Exercise price (in dollars)	0
Grant units (thousand shares)	372
Vesting period	2-4 year (Note 2)

(Note 2) After the employees were granted restricted stock, the employees will be vested in the stocks if they fulfill both service period and performance condition and the employees have not violate the Company's labor agreement or working rules. The vesting condition are as follows:

- a. Upon service for two years. the shares vested in 50% to employees.
- b. Upon service for three years. the shares vested in 25% to employees.
- c. Upon service for four years. the shares vested in 25% to employees.

The restricted stock is kept by a trust, which is appointed by the Company, before it is vested. These shares shall not be sold, pledged, transferred, gifted, or by any other means, disposed of the third parties during the custodian period. The voting rights of these shares are executed by the custodian, and the custodian will act based on law and regulations. If the shares remain unvested after the vesting period, the Group will cancel the unvested shares thereafter.

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NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES
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The related information on restricted stock of the Group was as follows:

	(Thousand shares)
	Nine months ended
	September 30, 2022
Outstanding on January 1, 2022	-
Granted during the period	372
Vesting during the period	-
Expired during the period	-
Outstanding on September 30, 2022	372

(iv) Expenses attributable to share-based payment were as follows:

	Three months ended September 30, 2022	Three months ended September 30, 2021	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Employee stock options	\$ -	62	-	429
Restricted stock for employees	1,786	-	1,786	-
Total	\$ 1,786	62	1,786	429

(p) Earnings per share

The calculation of basic earnings per share for the three months and nine months ended September 30, 2022 and 2021 were calculated as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
Basic earnings per share:				
Profit attributable to ordinary shareholders of the Company	\$ 346,154	141,348	674,526	434,135
Weighted-average number of ordinary shares (thousand shares)	62,676	62,561	62,674	62,521
Basic earnings per share (NTD)	\$ 5.52	2.26	10.76	6.94
Diluted earnings per share:				
Profit attributable to ordinary shareholders of the Company	\$ 346,154	141,348	674,526	434,135
Weighted average number of	62,676	62,561	62,674	62,521

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NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

	<u>Three months ended</u>		<u>Nine months ended</u>	
	<u>September 30,</u>		<u>September 30,</u>	
ordinary shares (basic, thousand shares)				
Effect of employee stock bonuses	245	248	385	345
Effect of restricted stock	42	-	14	-
Weighted-average number of ordinary shares (diluted, thousand shares)	<u>62,963</u>	<u>62,809</u>	<u>63,073</u>	<u>62,866</u>
Diluted earnings per share (NTD)	<u>\$ 5.50</u>	<u>2.25</u>	<u>10.69</u>	<u>6.91</u>

(q) Revenue from contracts with customers

(i) Details of revenue

	<u>Three months ended September 30,</u>		<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Primary geographical markets</u>				
United States	\$ 592,038	391,130	1,410,877	1,074,972
Asia	151,957	114,299	386,565	296,115
Euro	390,400	556,561	1,115,637	2,269,712
	<u>\$ 1,134,395</u>	<u>1,061,990</u>	<u>2,913,079</u>	<u>3,640,799</u>
<u>Primary productions</u>				
Plastic injection mold	\$ 1,035,414	998,698	2,671,631	3,368,048
Tooling mold	98,844	63,157	240,441	272,265
Others	136	135	1,007	486
	<u>\$ 1,134,394</u>	<u>1,061,990</u>	<u>2,913,079</u>	<u>3,640,799</u>

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NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Contract balances

For details on accounts receivable, please refer to note 6 (c).

	September 30,	December 31,	September 30
	2022	2021	2021
Contract liabilities	\$ 37,305	27,586	28,634

The major change in the balance of contract liabilities is the advance consideration received from customers for the contracts, in which revenue is recognized when products are delivered to customers. The amount of revenue recognized for the nine months ended September 30, 2022 and 2021, which was included in the contract liability balance at the beginning of the period, was \$24,358 thousand and \$51,775 thousand, respectively.

(r) Employee, board of directors', and supervisors' compensation

In accordance with the Articles of incorporation the Company should contribute no less than 1% of the profit as employee compensation and not exceed 5% as directors' and supervisors' remuneration when there is profit for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit. The amount of remuneration of each director and supervisor and of compensation for employees entitled to receive the abovementioned employee compensation is approved by the board of directors. The recipients of shares and cash may include the employees of the Company's affiliated companies who meet certain conditions.

For the three months and nine months ended September 30, 2022 and 2021, the Company estimated its employee remuneration amounting to \$6,750 thousand, \$6,750 thousand, \$20,250 thousand and \$20,250 hundred, directors' and supervisors' remuneration amounting to \$2,295 thousand, \$2,550 thousand, \$6,885 thousand and \$7,650 thousand, respectively. The estimated amounts mentioned above are calculated based on the net profit before tax, excluding the remuneration to employees, directors and supervisors of each period, multiplied by the percentage of remuneration to employees, directors and supervisors as specified in the Company's articles. These remunerations were expensed under operating costs or operating. If the actual amount of the annual distribution and the estimated amount of differences, according to the changes in accounting estimates, and the difference recognized as the next year annual profit (loss). Such as the resolution of the board of directors to take the stock of employee compensation, the numbers of shares to be distributed would be calculated based on the closing price of the Company's ordinary shares one day before the date of the meeting of Board of Directors.

For the year ended December 31, 2021 and 2020, the Company estimated its employee remuneration amounting to \$27,000 thousand and \$30,000 thousand, respectively, and directors' and supervisors' remuneration amounting to \$10,200 thousand and \$11,705 thousand respectively. There is no difference in the actual distribution situation, please refer to Market Observation Post System for further information.

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NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES
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(s) Other revenue

The other revenue for the three months ended and nine months ends September 30, 2022 and 2021 were as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
Interest income	\$ 18,542	4,494	41,901	28,308
Others	1,002	4,715	3,868	15,974
Total other income	\$ 19,544	9,209	45,769	44,282

(t) Other gains and losses

	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
Foreign exchange gains(losses), net \$	301,648	(3,336)	595,623	(71,713)
Gains (Losses) on financial assets at fair value through profit or loss	5,290	(2,277)	(23,430)	(2,940)
Gains (Losses) on disposal of property, plant and equipment	(510)	2,145	(790)	7,332
Others	-	-	(30)	(163)
Net gains(losses)	\$ 306,428	(3,468)	571,373	(67,484)

(u) Financial Instruments

In addition to the following, there is no material change in financial instruments of the Group for the nine months ended September 30, 2022 and 2021. For the related information, please refer to note 6(u) of the consolidated financial statements for the year ended December 31, 2021.

(i) Credit risk

1) Credit risk exposure

As of September 30, 2022 and 2021, the Group's maximum exposure to credit risk was mainly from the carrying amount of financial assets recognized in the consolidated statements of financial position and amounted to \$7,071,390 thousand and \$6,661,540 thousand, respectively. The Groups had deposited these bank deposits in different financial institutions, and the Group believes that there is no significant credit risk from the above mentioned financial institutions.

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NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

2) Concentration of credit risk

The credit risk exposure of the Group comes from the credit of individual customers, and the industry of the customer also have effect on credit risk. For the nine months ended September 30, 2022 and 2021, sales to the individual customers whose revenue constituting over 10% of net revenue are 39% and 40% of total revenues respectively. As of September 30, 2022 and 2021, 38% and 24%, respectively, of accounts receivable were for those customers.

(ii) Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	Carrying amount	Contractual cash flows	within 1year	1-2 years
September 30, 2022				
Non-derivative financial liabilities				
Short-term borrowings	\$ 1,335,750	1,339,244	1,339,244	-
Long-term borrowings	1,500,000	1,530,715	20,474	1,510,241
Notes and accounts payable	592,718	592,718	592,718	-
Lease liabilities	14,760	14,760	11,042	3,718
Other financial liabilities	67,501	67,501	67,501	-
	\$ 3,510,729	3,544,938	2,030,979	1,513,959
December 31, 2021				
Non-derivative financial liabilities				
Short-term borrowings	\$ 1,737,760	1,739,215	1,739,215	-
Short-term notes and bills payable	99,971	100,000	100,000	-
Long-term borrowings	1,150,000	1,169,644	10,805	1,158,839
Notes and accounts payable	588,508	588,508	588,508	-
Lease liabilities	37,941	37,941	31,228	6,713
Other financial liabilities	51,986	51,986	51,986	-
	\$ 3,666,166	3,687,294	2,521,742	1,165,552
September 30, 2021				
Non-derivative financial liabilities				
Short-term borrowings	\$ 1,718,800	1,719,993	1,719,993	-
Long-term borrowings	1,250,000	1,265,266	11,795	1,253,471
Notes and accounts payable	490,584	490,584	490,584	-
Lease liabilities	43,301	43,301	31,409	11,892
Other financial liabilities	53,902	53,902	53,902	-
	\$ 3,556,587	3,573,046	2,307,683	1,265,363

The Group does not expect that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

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(iii) Market risk

1) Exchange rate risk

(a) Exposure to foreign currency risk

The Group significant exposure to foreign currency risk on financial assets and liabilities were as follows:

	September 30, 2022			December 31, 2021			September 30, 2021		
	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD
<u>Financial assets</u>									
<u>Monetary Items</u>									
USD	\$ 151,868	31.750	4,821,796	156,910	27.680	4,343,257	155,275	27.850	4,324,411
CNY	33	4.473	147	84	4.344	363	84	4.305	360
EUR	644	31.26	20,132	387	31.32	12,106	-	-	-
<u>Financial liabilities</u>									
<u>Monetary Items</u>									
USD	3,831	31.750	121,645	6,166	27.680	170,677	3,820	27.850	106,382

(b) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, trade and other receivables, and trade and other payables that are denominated in foreign currency.

A weakening (strengthening) of 1% of the NTD against the USD and EUR and CNY at September 30, 2022 and 2021, would have increased or decreased the net profit before tax by \$47,204 thousand and \$42,184 thousand, respectively. The analysis assumes that all other variables remain constant and ignores any impact of forecasted sales and purchases. The analysis is performed on the same basis for both periods.

(c) Exchange gains or losses for monetary items

Since the Group has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. For the nine months ended September 30, 2022 and 2021, foreign exchange gain (including realized and unrealized portions) amounted to \$595,623 thousand and \$(71,713) thousand, respectively.

2) Interest rate analysis

The interest risk exposure from financial assets and liabilities has been disclosed in the note of liquidity risk management.

The following sensitivity analysis is based on the exposure to interest rate risk of the non-derivative financial instruments on the reporting date. If the interest rate had increased or decreased by 0.25%, the net profit before tax would have decreased or increased by \$410 thousand and \$2,048 thousand for the nine months ended September 30, 2022 and 2021,

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NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES

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respectively, assuming all other variable factors were constant. This mainly resulted from borrowings and bank deposits at variable interest rates.

(iv) Fair value of financial instruments

1) Fair value of financial instruments

The Group's management considers its financial assets and financial liabilities measured at amortized cost to be the approximation of the fair value.

The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and for equity investments that has no quoted prices in the active markets and whose fair value cannot be reliably measured, disclosure of fair value information is not required:

	September 30, 2022				
	Carrying amounts	Fair Value			Total
	Level 1	Level 2	Level 3		
Financial assets at fair value through profit or loss					
Financial assets at fair value through profit or loss-current	<u>\$ 395,488</u>	<u>37,602</u>	-	<u>357,886</u>	<u>395,488</u>
Financial assets at fair value through profit or loss-non-current	<u>\$ 189,068</u>	<u>189,068</u>	-	-	<u>189,068</u>
Financial assets carried at amortized cost					
Cash and cash equivalents	\$ 3,614,596				
Notes and accounts receivable, net	1,356,968				
Other financial assets-current	6,454				
Refundable deposits	9,778				
Non-current financial assets measured at amortized cost	<u>1,508,816</u>				
	<u>\$ 6,496,612</u>				
Financial liabilities carried at amortized cost					
Long and short term borrowings	\$ 2,835,750				
Notes and accounts payable	592,718				
Lease liability	14,760				
Other payables	<u>67,501</u>				
	<u>\$ 3,510,729</u>				

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NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES
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	September 30, 2021				
	Carrying amounts	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial liabilities carried at amortized cost					
Long and short term borrowings	\$ 2,968,800				
Notes and accounts payable	490,584				
Lease liability	43,301				
Other payables	<u>53,902</u>				
	<u>\$ 3,556,587</u>				

2) Valuation techniques for financial instruments measured at fair value

a) Non-derivative financial instruments

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's-length basis. Whether transactions are taking place 'regularly' is a matter of judgment and depends on the facts and circumstances of the market for the instrument.

Quoted market prices may not be indicative of the fair value of an instrument if the activity in the market is infrequent, the market is not well-established, only small volumes are traded, or bid-ask spreads are very wide. Determining whether a market is active involves judgment.

b) Derivative financial instruments

Measurement of the fair value of derivative instruments is based on the valuation techniques generally accepted by market participants. Fair value of forward currency is usually determined by the forward currency exchange rate.

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NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES
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3) Reconciliation of Level 3 fair values

The following table shows a reconciliation of the beginning balances to the ending balances for the fair value measurements in Level 3 of the fair value hierarchy:

	Financial assets measured at fair value through profit or loss	
	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Balance in the beginning of the period	\$ 65,145	612,833
Recognized in profit or loss	10,596	15,515
Purchase	715,773	602,786
Disposal	(433,628)	(628,348)
Balance in the ending of the period	\$ 357,886	602,786

The aforementioned total gains and losses were recognized in “other income”.

There have been no transfers from each level for the nine months ended September 30, 2022 and 2021.

4) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Group’s financial instruments that use Level 3 inputs to measure fair value are financial instrument” and derivative financial assets. The financial assets’ fair value are using the prior transaction price before adjustments or third-party pricing information. The unobservable inputs are not set up as the Group measures fair value, therefore the quantified information of significant unobservable inputs are not disclosed.

(v) Financial risk management

The Group’s risk management policies are no material change in financial instruments of the Group for the nine months ended September 30, 2022 and 2021. For the related information, please refer to note 6(v) of the consolidated financial statements for the year ended December 31, 2021.

(w) Capital management

As of September 30, 2022, there were no changes in the Group’s approach to capital management. For the related information, please refer to Note 6(w) of the consolidated financial statements for the year ended December 31, 2021.

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

The Group’s investing and financing activities which did not affect the current cash flow for the nine months ended September 30, 2022 and 2021, were as follows:

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NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES
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- (i) For acquisition of right-of-use assets, please refer to note 6(g).
(ii) Reconciliation of liabilities arising from financing activities were as follows:

	January 1,2022	Cash flows	Foreign exchange movement and others	September 30,2022
Short term borrowings	\$ 1,737,760	(402,010)	-	1,335,750
Short-term notes and bills payable	99,971	(100,000)	29	-
Long term borrowings	1,150,000	350,000	-	1,500,000
Lease liability	37,941	(24,017)	836	14,760
Total liabilities from financing activities	\$ 3,025,672	(176,027)	865	2,850,510

	January 1,2021	Cash flows	Foreign exchange movement and others	September 30,2021
Short term borrowings	\$ 988,920	729,880	-	1,718,800
Long term borrowings	1,200,000	50,000	-	1,250,000
Lease liability	70,115	(30,063)	3,249	43,301
Total liabilities from financing activities	\$ 2,259,035	749,817	3,249	3,012,101

(7) Related-party transactions:

- (a) Key management personnel compensation

Key management personnel compensation comprised:

	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
Short-term employee benefits	\$ 12,274	10,814	37,042	32,596
Post-employment benefits	81	81	243	243
Total	\$ 12,355	10,895	37,285	32,839

(Continued)

NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(8) Pledged assets:

The carrying values of pledged assets were as follows:

<u>Pledged assets</u>	<u>Object</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Demand deposits (classified under other current financial assets)	Guarantee for litigation	\$ 1,841	1,704	-
"	Guarantee for Carbon emission	26	25	25
"	Long and short term borrowings	-	55,360	55,700
	Long and short term borrowings	<u>\$ 1,867</u>	<u>57,089</u>	<u>55,725</u>

(9) Significant Commitments and Contingencies:

(a) Unrecognized contractual commitments:

(i) The Group's unrecognized contractual commitments to the purchase of plant and equipment were as follows:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Acquisition of property, plant and equipment	<u>\$ 38,139</u>	<u>79,739</u>	<u>66,552</u>

(ii) For the necessary to bank loan and operating capital, the Company and its subsidiaries provide guarantee and endorsement for other parties were as follows:

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Outstanding guarantee notes	<u>\$ 1,492,400</u>	<u>1,360,064</u>	<u>1,367,680</u>
Actual usage amount	<u>\$ 285,750</u>	<u>193,760</u>	<u>224,800</u>

(10) Losses Due to Major Disasters: None.

(11) Subsequent Events: None.

(Continued)

NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES
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(12) Other:

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

By function By item	For the three-month periods ended September 30					
	2022			2021		
	Operating cost	Operating expenses	Total	Operating cost	Operating expenses	Total
Employee benefit expenses						
Salaries	231,860	56,264	288,124	213,404	51,007	264,411
Labor and health insurance	6,833	2,825	9,658	6,244	2,691	8,935
Pension	9,478	2,357	11,835	8,913	2,239	11,152
Others	8,097	8,382	16,479	6,615	8,879	15,494
Depreciation	43,327	13,404	56,731	45,905	12,473	58,378
Amortization	832	665	1,497	630	762	1,392

By function By item	For the nine-month periods ended September 30					
	2022			2021		
	Operating cost	Operating expenses	Total	Operating cost	Operating expenses	Total
Employee benefit expenses						
Salaries	604,110	154,555	758,665	658,252	150,541	808,793
Labor and health insurance	19,735	8,073	27,808	17,842	7,587	25,429
Pension	28,442	7,076	35,518	25,575	6,514	32,089
Others	20,632	23,664	44,296	17,579	27,483	45,062
Depreciation	128,701	40,322	169,023	140,807	39,454	180,261
Amortization	2,451	2,049	4,500	1,965	2,352	4,317

(13) Other disclosures:

- (a) Information on significant transactions:

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

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NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

(i) Loans to other parties:

No.	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period (Note 3)	Ending balance (Note 3)	Actual usage amount during the period	Interest rate	Nature of financing	Transaction amounts	Reason for short-term financing	Allowance for bad debt	Collateral		Financing limit for each borrowing company	Maximum financing limit for the lender
													Item	Value		
0	The Company	NISHOKU VIETNAM	Other accounts receivable	Yes	297,200	222,250	222,250	3.65%	Necessary to loan other parties	-	Operating capital	-	-	-	467,173 (Note 1)	1,868,690 (Note 1)

Note 1: The individual amount and the total amount for lending to a company shall not exceed 10% and 40% of the lending company's net worth in the latest financial statement, respectively. The Company for lending to the Company directly or indirectly holds 100% of their shares, with the loan amount not limited and the total amounts not exceeding the lending company's net worth in the last financial statement.

Note 2: Amount actually draw in foreign currencies were translated based on the exchange rate at the reporting date.

(ii) Guarantees and endorsements for other parties:

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise (Note 1)	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date (Note 3)	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties of companies in Mainland China
		Name	Relationship with the Company (Note 2)										
0	The Company	NISHOKU VIETNAM	2	4,671,726	1,358,900	1,358,900	285,750	-	29.09%	4,671,726	Y	N	N
"	"	NISHOKU BOUEKI	2	4,671,726	175,650	133,500	-	-	2.86%	4,671,726	"	"	"

Note 1: The amount and the total amount of the guarantee to a company shall not exceed 30% and 100%, respectively, of the Company net worth in the latest financial statements. The total amount of the guarantee that the Company and its subsidiaries to a company shall not exceed 100%, of the Company's net worth in the latest financial statement. The Company directly or indirectly holds 100% of their shares, the guarantee amounts not limited by the Company's net worth in the latest financial statement.

Note 2: The relationship of guarantor and endorsements to related parties were as follows:

- 1) Business relationship between the Company
- 2) The Company directly or indirectly holds over 50% of subsidiaries' shares;
- 3) The parent company and its subsidiaries hold over 50% of investees' shares;
- 4) A subsidiary jointed owned over 50% by the Company and the Company's directly-owned subsidiary.

Note 3: Amount actually draw in foreign currencies were translated based on the exchange rate at the reporting date.

(iii) Securities held as of September 30, 2022 (excluding investment in subsidiaries, associates and joint ventures):

Name of holder	Nature and name of securities	Relationship with the securities issuer	Account name	Ending balance				Note
				Shares/Units (thousands)	Carrying value	Percentage of	Fair value	
The Company	Nomura Global Financial Bond Fund Accumulate	None	Financial assets at fair value through profit or loss-current	-	7,636	- %	7,636	
"	JPMorgan Investment Funds-Global High Yield Bond Fund	"	"	-	8,277	- %	8,277	
"	ABITL Income Multi-asset Income	"	"	-	5,022	- %	5,022	

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NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

Name of holder	Nature and name of securities	Relationship with the securities issuer	Account name	Ending balance			Note
				Shares/Units (thousands)	Carrying value	Percentage of Fair value	
	Fund of Funds A2						
"	BGF ESG Multi-Asset Fund	"	"	-	11,358	- %	11,359
NISHOKU BOUEKI	PineBridge Preferred Securities	"	"	-	5,309	- %	5,309
	Income Fund						
NISHOKU SHENZHEN	Fixed income financial product	"	"	-	134,207	- %	134,207
KUNSHAN	Fixed income financial product	"	"	-	223,679	- %	223,679
NISHOKU PLASTIC							
The Company	Allianz Global Investors Income and Growth Fund	"	Financial assets at fair value through profit or loss-non current	-	38,809	- %	38,809
"	PineBridge Global ESG Quantitative	"	"	-	43,117	- %	43,117
	Bond Fund						
"	PineBridge Global Multi-Strategy High Yield Bond Fund	"	"	-	35,168	- %	35,168
	Nomura Global Financial Bond Fund	"	"	-	20,421	- %	20,421
"	FSITC GLOBAL HIGH YIELD BOND FUND	"	"	-	11,036	- %	11,036
"	ABITL Income Fund -Multi Asset	"	"	-	17,712	- %	17,712
	Income Fund of Funds N						
"	Allianz Global Investors Income and Growth Fund	"	"	-	22,805	- %	22,805
"	FORMOSA GROUP 15/25	"	Non-current financial assets at amortized cost	-	15,883	- %	15,218
"	FOXCONN(FAR EAST)16/26MTN	"	"	-	15,602	- %	14,449
"	STAND. CHART. 15/25 REGS	"	"	-	7,890	- %	7,502
"	APPLE 16/26	"	"	-	15,575	- %	14,588
"	BARCLAYS 15/25	"	"	-	7,943	- %	7,478

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NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

- (iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT\$300 million or 20% of the capital stock:

Name of company	Category and name of security	Account name	Name of counter-party	Relationship with the company	Beginning Balance		Purchases		Sales				Ending Balance	
					Shares	Amount	Shares	Amount	Shares	Price	Cost	Gain (loss) on disposal	Shares	Amount
NISHOKU SHENZHEN	Fixed income financial product	Financial assets at fair value through profit or loss-current	National Trust	None	-	-	-	268,415	-	137,351	134,207	3,144	-	134,207
KUNSHAN NISHOKU PLASTIC	Fixed income financial product	Financial assets at fair value through profit or loss-current	National Trust	None	-	-	-	447,358	-	228,919	223,679	5,240	-	223,679

- (v) Acquisition of individual real estate with amount exceeding the lower of NT\$300 million or 20% of the capital stock: None.
- (vi) Disposal of individual real estate with amount exceeding the lower of NT\$300 million or 20% of the capital stock: None.
- (vii) Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$100 million or 20% of the capital stock:

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others			Notes/Accounts receivable (payable)		Note
			Purchase/Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)		
SAME START (Anguilla)	KUNSHAN NISHOKU PLASTIC	Associate	Purchase	165,100	92%	(Note1)	(Note1)	(Note1)	(60,365)	(99)%	(Note2)	
KUNSHAN NISHOKU PLASTIC	SAME START (Anguilla)	"	(Sale)	(165,100)	7%	"	"	"	60,365	5%	"	
The Company	KUNSHAN NISHOKU PLASTIC	Associate	(Sale)	(443,396)	(50)%	"	"	"	204,702	56%	"	
KUNSHAN NISHOKU PLASTIC	The Company	"	Purchase	443,396	45%	"	"	"	(204,702)	(32)%	"	
The Company	NISHOKU VIETNAM	Associate	(Sale)	(169,335)	(19)%	"	"	"	86,300	24%	"	
NISHOKU VIETNAM	The Company	Associate	Purchase	169,335	97%	"	"	"	(86,300)	(77)%	"	
SAME START (Anguilla)	The Company	Associate	(Sale)	(158,735)	(87)%	"	"	"	58,662	95%	"	
The Company	SAME START (Anguilla)	"	Purchase	158,735	27%	"	"	"	(58,662)	(42)%	"	

Note 1: The subsidiaries did not purchase or sale same product from third parties, so the purchase (sale) price cannot be compared. In addition, the receipt terms of related parties were not significant different to third parties.

Note 2: Transactions within the Group were eliminated in the consolidated financial statements.

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NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES
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- (viii) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock:

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
The Company	KUNSHAN NISHOKU PLASTIC	Associate	204,702	2.98	-	-	64,891	-

Note 1: Until Oct 20, 2022.

Note 2: Transactions within the Group were eliminated in the consolidated financial statements

- (ix) Trading in derivative instruments: None.
- (x) Business relationships and significant intercompany transactions:

The following is the information for the nine months ended September 30, 2022, business relationships and significant intercompany transactions with the amounts exceeding NT\$ 10 million:

(In Thousands of New Taiwan Dollars)

No. (Note 1)	Name of company	Name of counter-party	Nature of Intercompany transactions, 2021				Percentage of the consolidated net revenue or total assets
			relationship (Note 2)	Account name	Amount	Trading terms	
0	The Company	SAME START (Anguilla)	1	Purchase	158,735	Note 3	5%
"	"	"	1	Account Payable	58,662	"	1%
"	"	KUNSHAN NISHOKU	1	Sales	443,396	"	15%
"	"	"	1	Account receivable	204,702	"	2%
"	"	NISHOKU VIETNAM	1	Sales	169,335	"	6%
"	"	"	1	Account receivable	86,300	"	1%
"	"	"	1	Other receivables	222,250	Fund loan	2%
1	SAME START (Anguilla)	NISHOKU SHENZHEN	3	Purchase	12,583	Note 3	-%
"	"	KUNSHAN NISHOKU	3	Purchase	165,100	"	6%
"	"	"	3	Account Payable	60,365	"	1%
"	"	NISHOKU VIETNAM	3	Sales	17,910	"	1%

Note 1: "0" represents the parent company, and the others represent the subsidiaries.

Note 2: "1" represents the transactions from parent company to subsidiary.

"2" represents the transactions from subsidiary to parent company.

"3" represents the transactions between subsidiaries.

Note 3: The trading price and product that purchase or sale from related parties that did not purchase or sale from third parties, so can not be compared. The payments terms were 90 days for related parties.

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NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES

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(b) Information on investees:

The following is the information on investees for the nine months ended September 30, 2022 (excluding information on investees in Mainland China):

(In Thousands of New Taiwan Dollars)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of September 30, 2021			Net income (losses) of investee	Share of profits/losses of investee	Note
				September 30, 2022	December 31, 2021	Shares (thousands)	Percentage of ownership	Carrying value			
The Company	SUN NICE (SAMOA)	SAMOA	Holding	738,714	1,096,194	22,468	100%	4,490,714	374,478	374,478	
"	NISHOKU BOUEKI	Taiwan	Purchase and sales of plastic raws and parts	1,000	1,000	6,300	100%	118,153	11,765	11,765	
"	NISHOKU VIETNAM	Vietnam	Manufacture and sale of tooling and plastic products	508,434 (USD 16,500 thousands)	508,434 (USD 16,500 thousands)	-	100%	134,760	(10,167)	(9,936)	
SUN NICE (SAMOA)	SAME START (Anguilla)	Anguilla	Purchase and sale of mold and plastic products	-	-	-	100%	(27,176)	861	7,871	
"	NISHOKU HK	HK	Holding	1,442,881 (USD 45,915 thousands)	1,800,361 (USD 57,915 thousands)	50,298	100%	3,529,191	266,386	266,386	
"	SUNNICE (BVI)	BVI	Holding	585,292 (USD 17,948 thousands)	585,292 (USD 17,948 thousands)	15,697	100%	1,051,560	100,154	100,154	

Note: Transactions within the Group were eliminated in the consolidated financial statements.

(c) Information on investment in Mainland China:

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

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2018	Investment flows		Accumulated outflow of investment from Taiwan as of September 30, 2022	Net income (losses) of the investee	Percentage of ownership	Investment income (losses) (Note 1)	Book value (Note 1)	Accumulated remittance of earnings in current period
					Outflow	Inflow						
NISHOKU SHENZHEN	Manufacture and sale of mold and plastic products	USD11,288 thousands	Indirect investment through third area	703,870 (USD22,939 thousands)	-	868,213 (USD12,000 thousands)	335,657 (USD10,939 thousands)	14,419	100.00%	14,419	867,580	475,841
KUNSHAN NISHOKU PLASTIC	Manufacture and sale of mold and plastic products	USD53,310 thousands	"	1,674,270 (USD52,524 thousands)	-	-	1,674,270 (USD52,524 thousands)	353,930	100.00%	351,546	3,679,211	892,737

(ii) Limitation on investment in Mainland China:

Accumulated Investment in Mainland China as of September 30, 2022	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
2,009,927	2,378,140	(Note 2)

Note 1: The above investment income (loss) in mainland China was based on financial statements audited by the Company's auditors.

Note 2: The Company has received the certificate issue by the Industrial Development Bureau, Ministry of Economic Affairs, allowing it to start operating of its headquarters.

Note 3: Above investment amount within the Group were eliminated in the consolidated financial statements.

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NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

(iii) Significant transactions:

The significant inter-company transactions with the subsidiary in Mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in “Information on significant transactions” .

(d) Major shareholders :

Shareholding	Shares	Percentage
Shareholder's Name		
Yi feng Investment Limited	4,736,000	7.51%
Ji Teng Investment Limited	4,500,000	7.13%
Yun Ding Investment Limited	4,050,000	6.42%
CTBC Bank Trusted Custody investment account _Gold Talent Co., Ltd.	3,897,856	6.18%
Jin Hong Investment Limited	3,600,000	5.70%

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NISHOKU TECHNOLOGY INC. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

(14) Segment information:

The Group's identifies its operating segments based on decision of the chief operating decision marker (CODM). The Group's operating segments are in United States, Asia and Europe, etc. Those operating segments are reportable segments. The Revenue from manufacture and supply electronic parts to clients. Since the strategy of each segment is different, it is necessary to separate them for management.

The operating segment's profit or loss is measured by net operating income, and as the basis of performance evaluation. The operating segment accounting policies are similar to those described in note 4 "significant accounting policies". The Group regards sales and transfers between operating segments as transactions with third parties.

The Group's product revenues from geographical clients were as follows:

		Three months ended September 30, 2022				
		United States	Asia	Europe	Elimination	Total
Revenue from external customers		<u>\$ 592,038</u>	<u>151,957</u>	<u>390,400</u>	<u>-</u>	<u>1,134,395</u>
Reportable segment profit or loss		<u>\$ 138,806</u>	<u>2,717</u>	<u>10,842</u>	<u>-</u>	<u>152,365</u>
		Three months ended September 30, 2021				
		United States	Asia	Europe	Elimination	Total
Revenue from external customers		<u>\$ 391,130</u>	<u>114,299</u>	<u>556,561</u>	<u>-</u>	<u>1,061,990</u>
Reportable segment profit or loss		<u>\$ 116,220</u>	<u>5,412</u>	<u>51,386</u>	<u>-</u>	<u>173,018</u>
		Nine months ended September 30, 2022				
		United States	Asia	Europe	Elimination	Total
Revenue from external customers		<u>\$ 1,410,877</u>	<u>386,565</u>	<u>1,115,637</u>	<u>-</u>	<u>2,913,079</u>
Reportable segment profit or loss		<u>\$ 274,428</u>	<u>1,052</u>	<u>31,993</u>	<u>-</u>	<u>307,473</u>
		Nine months ended September 30, 2021				
		United States	Asia	Europe	Elimination	Total
Revenue from external customers		<u>\$ 1,074,972</u>	<u>296,115</u>	<u>2,269,712</u>	<u>-</u>	<u>3,640,799</u>
Reportable segment profit or loss		<u>\$ 342,290</u>	<u>14,391</u>	<u>318,388</u>	<u>-</u>	<u>675,069</u>