

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
Silergy Corp.

### **Opinion**

We have audited the accompanying consolidated financial statements of Silergy Corp. and its subsidiaries (collectively referred to as the "Company"), which comprise the consolidated balance sheets as of June 30, 2022 and 2021, and the consolidated statements of comprehensive income for the three months ended June 30, 2022 and 2021 and for the six months ended June 30, 2022 and 2021, the consolidated statements of changes in equity and cash flows for the six months then ended June 30, 2022 and 2021, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of June 30, 2022 and 2021, its consolidated financial performance for the three months ended June 30, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the six months ended June 30, 2022 and 2021 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

### **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 Consolidated 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.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the six months ended June 30, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter for the Company's consolidated financial statements for the six months ended June 30, 2022 is stated as follows:

#### **Occurrence of Sales Revenue for Specific Customers**

The sales revenue amounted NT\$12,821,732 thousand for the six months ended June 30, 2022. The revenue of specific customers had grown significantly and the sales amount was significant, thus the occurrence of sales revenue for specific customers was identified as the key audit matter.

The audit procedures developed for this key audit matter were as follows:

1. Understood and evaluated operating procedure and internal control related to revenue recognition. Test the design and implementation effectiveness of the control.
2. Sampled and tested sales transactions from specific customers, whose sales revenue had grown significantly, by inspecting orders, delivery documents, receipt of payment and sending confirmation letters in order to validate the occurrence of sales revenue.
3. Confirmed whether there were any material sales returns and discounts, and supporting documents for the six months ended June 30, 2022 and subsequent period.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 members of the Audit Committee) are responsible for overseeing the Company’s financial reporting process.

### **Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated 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 consolidated financial statements. We are responsible for the direction, supervision, and performance of the Company 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 consolidated financial statements for the six months ended June 30, 2022 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 audit resulting in this independent auditors' report are Ming-Yen Chien and Chun-Hung Chen.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

August 23, 2022

**SILERGY CORP.**  
(Incorporated in the Cayman Islands)  
**AND SUBSIDIARIES**

**CONSOLIDATED BALANCE SHEETS**  
(In Thousands of New Taiwan Dollars)

ASSETS	June 30, 2022		December 31, 2021		June 30, 2021	
	Amount	%	Amount	%	Amount	%
<b>CURRENT ASSETS</b>						
Cash and cash equivalents	\$ 14,838,357	47	\$ 11,614,236	44	\$ 9,856,453	43
Financial assets at amortized cost - current	1,107,071	3	1,246,936	5	1,253,975	6
Accounts receivable, net	2,408,150	8	1,919,874	7	1,700,613	7
Other receivables	134,181	-	54,909	-	73,406	-
Inventories	3,595,754	11	2,784,411	10	2,245,566	10
Prepayments	<u>369,005</u>	<u>1</u>	<u>446,083</u>	<u>2</u>	<u>197,114</u>	<u>1</u>
Total current assets	<u>22,452,518</u>	<u>70</u>	<u>18,066,449</u>	<u>68</u>	<u>15,327,127</u>	<u>67</u>
<b>NON-CURRENT ASSETS</b>						
Financial assets at fair value through profit or loss - non-current	3,633,919	12	3,004,196	11	2,229,187	10
Investments accounted for using equity method	855,260	3	854,729	3	518,879	2
Property, plant and equipment	1,498,078	5	1,471,287	6	1,310,481	6
Right-of-use assets	112,395	-	100,924	1	117,457	1
Investment properties	638,076	2	632,625	2	616,097	3
Goodwill	1,462,193	5	1,370,260	5	1,786,864	8
Other intangible assets	738,076	2	737,355	3	748,879	3
Deferred tax assets	91,989	-	54,150	-	44,170	-
Refundable deposits	354,593	1	331,668	1	80,657	-
Net defined benefit assets - non-current	919	-	889	-	1,018	-
Long-term prepayments	<u>60,931</u>	<u>-</u>	<u>18,609</u>	<u>-</u>	<u>47,204</u>	<u>-</u>
Total non-current assets	<u>9,446,429</u>	<u>30</u>	<u>8,576,692</u>	<u>32</u>	<u>7,500,893</u>	<u>33</u>
<b>TOTAL</b>	<u>\$ 31,898,947</u>	<u>100</u>	<u>\$ 26,643,141</u>	<u>100</u>	<u>\$ 22,828,020</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>						
<b>CURRENT LIABILITIES</b>						
Financial liabilities at fair value through profit or loss - current	\$ 16,931	-	\$ 21,929	-	\$ 16,488	-
Accounts payable	1,185,396	4	733,715	3	661,756	3
Accounts payable - related parties	4,568	-	7,784	-	4,772	-
Other payables	937,407	3	1,017,188	4	1,595,050	7
Current tax liabilities	380,755	1	466,678	2	204,971	1
Lease liabilities - current	44,462	-	46,191	-	53,748	-
Other current liabilities	<u>36,356</u>	<u>-</u>	<u>49,299</u>	<u>-</u>	<u>34,337</u>	<u>-</u>
Total current liabilities	<u>2,605,875</u>	<u>8</u>	<u>2,342,784</u>	<u>9</u>	<u>2,571,122</u>	<u>11</u>
<b>NON-CURRENT LIABILITIES</b>						
Financial liabilities at fair value through profit or loss - non-current	-	-	16,599	-	16,488	-
Deferred tax liabilities	22,170	-	19,420	-	16,276	-
Lease liabilities - non-current	45,788	-	33,091	-	42,052	1
Guarantee deposits	<u>1,188,685</u>	<u>4</u>	<u>53,295</u>	<u>-</u>	<u>9,581</u>	<u>-</u>
Total non-current liabilities	<u>1,256,643</u>	<u>4</u>	<u>122,405</u>	<u>-</u>	<u>84,397</u>	<u>1</u>
Total liabilities	<u>3,862,518</u>	<u>12</u>	<u>2,465,189</u>	<u>9</u>	<u>2,655,519</u>	<u>12</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>						
Share capital						
Common shares	<u>950,227</u>	<u>3</u>	<u>943,567</u>	<u>4</u>	<u>935,839</u>	<u>4</u>
Capital surplus	<u>10,138,198</u>	<u>32</u>	<u>9,256,486</u>	<u>35</u>	<u>8,642,021</u>	<u>38</u>
Retained earnings						
Legal reserve	996,568	3	996,568	4	996,568	4
Special reserve	1,461,963	5	1,129,475	4	1,129,475	5
Unappropriated earnings	<u>14,813,500</u>	<u>46</u>	<u>13,184,448</u>	<u>49</u>	<u>10,024,928</u>	<u>44</u>
Total retained earnings	<u>17,272,031</u>	<u>54</u>	<u>15,310,491</u>	<u>57</u>	<u>12,150,971</u>	<u>53</u>
Other equity						
Exchange differences on translating foreign operations	(460,472)	(1)	(1,461,963)	(6)	(1,472,683)	(6)
Unearned employee benefits	<u>(473,514)</u>	<u>(2)</u>	<u>(315,207)</u>	<u>(1)</u>	<u>(430,229)</u>	<u>(2)</u>
Total other equity	<u>(933,986)</u>	<u>(3)</u>	<u>(1,777,170)</u>	<u>(7)</u>	<u>(1,902,912)</u>	<u>(8)</u>
Total equity attributable to owners of the Company	<u>27,426,470</u>	<u>86</u>	<u>23,733,374</u>	<u>89</u>	<u>19,825,919</u>	<u>87</u>
<b>NON-CONTROLLING INTERESTS</b>	<u>609,959</u>	<u>2</u>	<u>444,578</u>	<u>2</u>	<u>346,582</u>	<u>1</u>
Total equity	<u>28,036,429</u>	<u>88</u>	<u>24,177,952</u>	<u>91</u>	<u>20,172,501</u>	<u>88</u>
<b>TOTAL</b>	<u>\$ 31,898,947</u>	<u>100</u>	<u>\$ 26,643,141</u>	<u>100</u>	<u>\$ 22,828,020</u>	<u>100</u>

**SILERGY CORP.**  
(Incorporated in the Cayman Islands)  
**AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2022		2021		2022		2021	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE, NET	\$ 6,800,957	100	\$ 5,258,206	100	\$ 12,821,732	100	\$ 9,438,134	100
OPERATING COSTS	<u>3,160,073</u>	<u>46</u>	<u>2,449,860</u>	<u>47</u>	<u>5,955,931</u>	<u>46</u>	<u>4,634,646</u>	<u>49</u>
GROSS PROFIT	<u>3,640,884</u>	<u>54</u>	<u>2,808,346</u>	<u>53</u>	<u>6,865,801</u>	<u>54</u>	<u>4,803,488</u>	<u>51</u>
OPERATING EXPENSES								
Selling and marketing expenses	309,280	5	247,938	5	576,544	5	451,933	5
General and administrative expenses	206,053	3	174,571	3	397,631	3	339,737	4
Research and development expenses	1,080,389	16	735,960	14	2,072,354	16	1,364,452	14
Expected credit loss	<u>4,857</u>	<u>-</u>	<u>2,722</u>	<u>-</u>	<u>5,424</u>	<u>-</u>	<u>1,648</u>	<u>-</u>
Total operating expenses	<u>1,600,579</u>	<u>24</u>	<u>1,161,191</u>	<u>22</u>	<u>3,051,953</u>	<u>24</u>	<u>2,157,770</u>	<u>23</u>
OTHER OPERATING INCOME AND EXPENSES, NET	<u>4,218</u>	<u>-</u>	<u>4,179</u>	<u>-</u>	<u>8,415</u>	<u>-</u>	<u>8,385</u>	<u>-</u>
PROFIT FROM OPERATIONS	<u>2,044,523</u>	<u>30</u>	<u>1,651,334</u>	<u>31</u>	<u>3,822,263</u>	<u>30</u>	<u>2,654,103</u>	<u>28</u>
NON-OPERATING INCOME AND EXPENSES								
Interest income	57,789	1	15,878	-	97,139	1	32,891	-
Other income	112,529	2	62,050	1	161,619	1	113,159	1
Interest expenses	(133)	-	(252)	-	(368)	-	(481)	-
Foreign exchange gain (loss), net	148,272	2	(20,026)	-	142,780	1	(25,573)	-
Share of loss of associates	(12,749)	-	(4,167)	-	(34,207)	-	(12,875)	-
Gain on financial instruments at fair value through profit or loss	27,214	-	53,434	1	20,840	-	53,434	1
Miscellaneous expenses	<u>(10,539)</u>	<u>-</u>	<u>(13,619)</u>	<u>-</u>	<u>(26,116)</u>	<u>-</u>	<u>(22,983)</u>	<u>-</u>
Total non-operating income and expenses	<u>322,383</u>	<u>5</u>	<u>93,298</u>	<u>2</u>	<u>361,687</u>	<u>3</u>	<u>137,572</u>	<u>2</u>
PROFIT BEFORE INCOME TAX	2,366,906	35	1,744,632	33	4,183,950	33	2,791,675	30
INCOME TAX EXPENSE	<u>(204,283)</u>	<u>(3)</u>	<u>(189,850)</u>	<u>(4)</u>	<u>(377,337)</u>	<u>(3)</u>	<u>(262,190)</u>	<u>(3)</u>
NET PROFIT FOR THE PERIOD	<u>2,162,623</u>	<u>32</u>	<u>1,554,782</u>	<u>29</u>	<u>3,806,613</u>	<u>30</u>	<u>2,529,485</u>	<u>27</u>

(Continued)

**SILERGY CORP.**  
(Incorporated in the Cayman Islands)  
**AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2022		2021		2022		2021	
	Amount	%	Amount	%	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)								
Items that will not be reclassified subsequently to profit or loss:								
Exchange differences arising from translation to the presentation currency	\$ 946,024	14	\$ (468,650)	(9)	\$ 1,824,068	14	\$ (426,836)	(5)
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating foreign operations	(820,332)	(12)	127,946	3	(766,069)	(6)	72,909	1
Share of the other comprehensive (loss) income of associates accounted for using equity method	(42,920)	(1)	8,635	-	(45,998)	-	6,183	-
Other comprehensive income (loss) for the period, net of income tax	82,772	1	(332,069)	(6)	1,012,001	8	(347,744)	(4)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 2,245,395</u>	<u>33</u>	<u>\$ 1,222,713</u>	<u>23</u>	<u>\$ 4,818,614</u>	<u>38</u>	<u>\$ 2,181,741</u>	<u>23</u>
NET PROFIT ATTRIBUTABLE TO:								
Owners of the Company	\$ 2,090,776	31	\$ 1,522,173	29	\$ 3,668,875	29	\$ 2,513,915	27
Non-controlling interests	<u>71,847</u>	<u>1</u>	<u>32,609</u>	<u>-</u>	<u>137,738</u>	<u>1</u>	<u>15,570</u>	<u>-</u>
	<u>\$ 2,162,623</u>	<u>32</u>	<u>\$ 1,554,782</u>	<u>29</u>	<u>\$ 3,806,613</u>	<u>30</u>	<u>\$ 2,529,485</u>	<u>27</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owners of the Company	\$ 2,181,923	32	\$ 1,193,568	23	\$ 4,670,366	37	\$ 2,170,707	23
Non-controlling interests	<u>63,472</u>	<u>1</u>	<u>29,145</u>	<u>-</u>	<u>148,248</u>	<u>1</u>	<u>11,034</u>	<u>-</u>
	<u>\$ 2,245,395</u>	<u>33</u>	<u>\$ 1,222,713</u>	<u>23</u>	<u>\$ 4,818,614</u>	<u>38</u>	<u>\$ 2,181,741</u>	<u>23</u>
EARNINGS PER SHARE								
Basic	<u>\$ 5.53</u>		<u>\$ 4.08</u>		<u>\$ 9.72</u>		<u>\$ 6.77</u>	
Diluted	<u>\$ 5.26</u>		<u>\$ 3.85</u>		<u>\$ 9.22</u>		<u>\$ 6.37</u>	

(Concluded)

**SILERGY CORP.**  
(Incorporated in the Cayman Islands)  
**AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2022 AND 2021**  
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company							Other Equity			Non-controlling Interest	Total Equity	
	Common Shares		Capital Surplus	Retained Earnings			Exchange Differences on Translating Foreign Operations	Unearned Employee Benefits	Total Other Equity	Total			
	Shares	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings							Total Retained Earnings
BALANCE AT JANUARY 1, 2021	92,902	\$ 929,014	\$ 7,799,136	\$ 996,568	\$ 703,512	\$ 8,912,441	\$ 10,612,521	\$ (1,129,475)	\$ (180,211)	\$ (1,309,686)	\$ 18,030,985	\$ 319,619	\$ 18,350,604
Appropriation of the 2020 earnings	-	-	-	-	425,963	(425,963)	-	-	-	-	-	-	-
Special reserve	-	-	-	-	-	(975,465)	(975,465)	-	-	-	(975,465)	-	(975,465)
Cash dividends distributed by Silergy Corp.	-	-	-	-	425,963	(1,401,428)	(975,465)	-	-	-	(975,465)	-	(975,465)
Change in percentage of ownership interests in subsidiaries	-	-	(15,929)	-	-	-	-	-	-	-	(15,929)	15,929	-
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	231	-	-	-	-	-	-	-	231	-	231
Recognition of employee share options by Silergy Corp.	-	-	234,461	-	-	-	-	-	-	-	234,461	-	234,461
Net profit for the six months ended June 30, 2021	-	-	-	-	-	2,513,915	2,513,915	-	-	-	2,513,915	15,570	2,529,485
Other comprehensive loss for the six months ended June 30, 2021, net of income tax	-	-	-	-	-	-	-	(343,208)	-	(343,208)	(343,208)	(4,536)	(347,744)
Total comprehensive income (loss) for the six months ended June 30, 2021	-	-	-	-	-	2,513,915	2,513,915	(343,208)	-	(343,208)	2,170,707	11,034	2,181,741
Issue of common shares under employee share options	508	5,080	202,261	-	-	-	-	-	-	-	207,341	-	207,341
Recognition of restricted employee shares issued by Silergy Corp.	175	1,745	421,861	-	-	-	-	-	(250,018)	(250,018)	173,588	-	173,588
BALANCE AT JUNE 30, 2021	93,585	\$ 935,839	\$ 8,642,021	\$ 996,568	\$ 1,129,475	\$ 10,024,928	\$ 12,150,971	\$ (1,472,683)	\$ (430,229)	\$ (1,902,912)	\$ 19,825,919	\$ 346,582	\$ 20,172,501
BALANCE AT JANUARY 1, 2022	94,357	\$ 943,567	\$ 9,256,486	\$ 996,568	\$ 1,129,475	\$ 13,184,448	\$ 15,310,491	\$ (1,461,963)	\$ (315,207)	\$ (1,777,170)	\$ 23,733,374	\$ 444,578	\$ 24,177,952
Appropriation of the 2021 earnings	-	-	-	-	332,488	(332,488)	-	-	-	-	-	-	-
Special reserve	-	-	-	-	-	(1,698,420)	(1,698,420)	-	-	-	(1,698,420)	-	(1,698,420)
Cash dividends distributed by Silergy Corp.	-	-	-	-	332,488	(2,030,908)	(1,698,420)	-	-	-	(1,698,420)	-	(1,698,420)
Change in percentage of ownership interests in subsidiaries	-	-	(8,218)	-	-	(8,915)	(8,915)	-	-	-	(17,133)	17,133	-
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	11,552	-	-	-	-	-	-	-	11,552	-	11,552
Recognition of employee share options by Silergy Corp.	-	-	310,511	-	-	-	-	-	-	-	310,511	-	310,511
Net profit for the six months ended June 30, 2022	-	-	-	-	-	3,668,875	3,668,875	-	-	-	3,668,875	137,738	3,806,613
Other comprehensive income for the six months ended June 30, 2022, net of income tax	-	-	-	-	-	-	-	1,001,491	-	1,001,491	1,001,491	10,510	1,012,001
Total comprehensive income for the six months ended June 30, 2022	-	-	-	-	-	3,668,875	3,668,875	1,001,491	-	1,001,491	4,670,366	148,248	4,818,614
Issue of common shares under employee share options	534	5,344	243,596	-	-	-	-	-	-	-	248,940	-	248,940
Recognition of restricted employee shares issued by Silergy Corp.	132	1,316	324,271	-	-	-	-	-	(158,307)	(158,307)	167,280	-	167,280
BALANCE AT JUNE 30, 2022	95,023	\$ 950,227	\$ 10,138,198	\$ 996,568	\$ 1,461,963	\$ 14,813,500	\$ 17,272,031	\$ (460,472)	\$ (473,514)	\$ (933,986)	\$ 27,426,470	\$ 609,959	\$ 28,036,429

**SILERGY CORP.**  
**(Incorporated in the Cayman Islands)**  
**AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(In Thousands of New Taiwan Dollars)**

	<b>For the Six Months Ended</b>	
	<b>June 30</b>	
	<b>2022</b>	<b>2021</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 4,183,950	\$ 2,791,675
Adjustments for:		
Expected credit loss on trade receivables	5,424	1,648
Net gain on financial instruments at fair value through profit or loss	(20,840)	(53,434)
Depreciation expenses	170,649	119,108
Amortization expenses	98,024	93,144
Interest income	(97,139)	(32,891)
Dividend income	(5,977)	(39,044)
Interest expenses	368	481
Compensation cost of employee share options	310,511	234,461
Compensation cost of restricted employee shares	167,280	173,588
Share of loss of associates	34,207	12,875
Loss on disposal of property, plant and equipment	148	27
Property, plant and equipment transferred to expenses	-	14
Gains on disposal of intangible assets	(8,563)	(8,412)
Write-down of inventories	106,706	51,278
Unrealized loss (gain) on foreign currency exchange	15,626	(9,423)
Changes in operating assets and liabilities		
Increase in accounts receivable	(508,541)	(675,584)
Decrease in other receivables	20,201	29,075
(Increase) decrease in inventories	(944,042)	25,847
Decrease (increase) in prepayments	77,342	(44,004)
Increase in defined benefit assets - non-current	(30)	(23)
Increase in accounts payable	451,621	44,979
(Decrease) increase in accounts payable - related parties	(3,216)	2,960
Decrease in other payables	(109,012)	(44,600)
Decrease in other current liabilities	(12,943)	(12,013)
Increase in guarantee deposits	<u>1,171,006</u>	<u>-</u>
Cash generated from operations	5,102,760	2,661,732
Interest received	78,711	38,065
Interest paid	(368)	(481)
Income tax paid	<u>(598,174)</u>	<u>(137,669)</u>
Net cash generated from operating activities	<u>4,582,929</u>	<u>2,561,647</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at amortized cost	(1,107,071)	(1,024,279)
Proceeds from sale of financial assets at amortized cost	1,246,936	-
Purchase of financial assets at fair value through profit or loss	(537,002)	(565,437)
Acquisition of property, plant and equipment	(121,133)	(270,491)

(Continued)



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**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(In Thousands of New Taiwan Dollars)**

	<b>For the Six Months Ended</b>	
	<b>June 30</b>	
	<b>2022</b>	<b>2021</b>
Proceeds from disposal of property, plant and equipment	\$ 9	\$ 5
Increase in long-term prepayments	(50,903)	(6,975)
Payments for intangible assets	(49,508)	(34,727)
Increase in refundable deposits	(22,925)	(26,640)
Cash dividends received	<u>5,977</u>	<u>39,044</u>
Net cash used in investing activities	<u>(635,620)</u>	<u>(1,889,500)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Decrease in guarantee deposits	(35,616)	(514)
Repayment of the principal portion of lease liabilities	(30,445)	(24,668)
Cash dividends paid	(1,692,199)	-
Proceeds from exercise of employee share options	<u>248,940</u>	<u>207,341</u>
Net cash (used in) generated from financing activities	<u>(1,509,320)</u>	<u>182,159</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE</b>		
<b>OF CASH HELD IN FOREIGN CURRENCIES</b>	<u>786,132</u>	<u>(245,999)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>3,224,121</b>	<b>608,307</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE</b>		
<b>PERIOD</b>	<u>11,614,236</u>	<u>9,248,146</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<u>\$ 14,838,357</u>	<u>\$ 9,856,453</u>

(Concluded)