

## **INDEPENDENT AUDITORS' REVIEW REPORT**

The Board of Directors and Shareholders  
Silergy Corp.

### **Introduction**

We have reviewed the accompanying consolidated balance sheets of Silergy Corp. and its subsidiaries as of March 31, 2021 and 2020, the related consolidated statements of comprehensive income, the consolidated statements of changes in equity and cash flows for the three months then ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as 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. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### **Scope of Review**

We conducted our reviews in accordance with Statement of Auditing Standards No. 65 "Review of Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not give a true and fair view of the consolidated financial position of Silergy Corp. and its subsidiaries as of March 31, 2021 and 2020, and of its consolidated financial performance and its consolidated cash flows for the three months then ended March 31, 2021 and 2020 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.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

May 12, 2021

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

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

	March 31, 2021 (Reviewed)		December 31, 2020 (Audited)		March 31, 2020 (Reviewed after Restatement)	
	Amount	%	Amount	%	Amount	%
<b>ASSETS</b>						
<b>CURRENT ASSETS</b>						
Cash and cash equivalents	\$ 9,430,252	44	\$ 9,248,146	47	\$ 3,984,408	23
Financial assets at amortized cost - current	713,375	4	229,696	1	1,451,472	8
Accounts receivable, net	1,338,530	6	1,016,757	5	1,117,271	6
Other receivables	58,311	-	74,012	-	119,546	1
Inventories	2,396,683	11	2,314,096	12	2,218,241	12
Prepayments	183,718	1	152,899	1	129,401	1
Total current assets	<u>14,120,869</u>	<u>66</u>	<u>13,035,606</u>	<u>66</u>	<u>9,020,339</u>	<u>51</u>
<b>NON-CURRENT ASSETS</b>						
Financial assets at fair value through profit or loss - non-current	1,895,609	9	1,638,644	8	1,735,115	10
Investments accounted for using equity method	522,497	2	529,349	3	497,804	3
Property, plant and equipment	1,259,277	6	1,190,616	6	1,203,915	7
Right-of-use assets	101,334	-	99,835	1	108,925	1
Investment properties	607,949	3	582,184	3	485,508	3
Goodwill	1,827,255	9	1,824,929	9	2,263,940	13
Other intangible assets	786,911	4	832,630	4	1,002,290	6
Deferred tax assets	42,730	-	38,252	-	32,466	-
Refundable deposits	108,088	1	54,017	-	44,408	-
Prepayment for investments	-	-	-	-	1,103,212	6
Net defined benefit assets - non-current	1,008	-	995	-	1,171	-
Long-term prepayments	41,625	-	40,229	-	21,391	-
Total non-current assets	<u>7,194,283</u>	<u>34</u>	<u>6,831,680</u>	<u>34</u>	<u>8,500,145</u>	<u>49</u>
<b>TOTAL</b>	<u>\$ 21,315,152</u>	<u>100</u>	<u>\$ 19,867,286</u>	<u>100</u>	<u>\$ 17,520,484</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>						
<b>CURRENT LIABILITIES</b>						
Short-term borrowings	\$ -	-	\$ -	-	\$ 100,000	1
Accounts payable	730,071	4	616,402	3	548,323	3
Accounts payable - related parties	3,880	-	1,720	-	104	-
Other payables	729,039	4	672,769	4	567,873	3
Current tax liabilities	78,996	-	47,532	-	14,190	-
Lease liabilities - current	39,854	-	36,793	-	32,986	-
Other current liabilities	54,773	-	46,350	-	35,546	-
Total current liabilities	<u>1,636,613</u>	<u>8</u>	<u>1,421,566</u>	<u>7</u>	<u>1,299,022</u>	<u>7</u>
<b>NON-CURRENT LIABILITIES</b>						
Financial liabilities at fair value through profit or loss - non-current	33,204	-	33,376	-	32,621	-
Deferred tax liabilities	9,441	-	10,886	-	19,997	-
Lease liabilities - non-current	39,508	-	40,759	1	53,573	1
Guarantee deposits	8,498	-	10,095	-	5,210	-
Other payables - non-current	-	-	-	-	9,068	-
Total non-current liabilities	<u>90,651</u>	<u>-</u>	<u>95,116</u>	<u>1</u>	<u>120,469</u>	<u>1</u>
Total liabilities	<u>1,727,264</u>	<u>8</u>	<u>1,516,682</u>	<u>8</u>	<u>1,419,491</u>	<u>8</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>						
Share capital						
Common shares	932,936	4	929,014	5	918,226	5
Capital surplus	8,260,212	39	7,799,136	39	6,963,452	40
Retained earnings						
Legal reserve	996,568	5	996,568	5	763,980	5
Special reserve	703,512	3	703,512	4	237,236	1
Unappropriated earnings	9,904,183	47	8,912,441	45	7,719,560	44
Total retained earnings	<u>11,604,263</u>	<u>55</u>	<u>10,612,521</u>	<u>54</u>	<u>8,720,776</u>	<u>50</u>
Other equity						
Exchange differences on translating foreign operations	(1,144,078)	(5)	(1,129,475)	(6)	(680,325)	(4)
Unearned employee benefits	(373,709)	(2)	(180,211)	(1)	(171,268)	(1)
Total other equity	<u>(1,517,787)</u>	<u>(7)</u>	<u>(1,309,686)</u>	<u>(7)</u>	<u>(851,593)</u>	<u>(5)</u>
Total equity attributable to owners of the Company	<u>19,279,624</u>	<u>91</u>	<u>18,030,985</u>	<u>91</u>	<u>15,750,861</u>	<u>90</u>
<b>NON-CONTROLLING INTERESTS</b>	<u>308,264</u>	<u>1</u>	<u>319,619</u>	<u>1</u>	<u>350,132</u>	<u>2</u>
Total equity	<u>19,587,888</u>	<u>92</u>	<u>18,350,604</u>	<u>92</u>	<u>16,100,993</u>	<u>92</u>
<b>TOTAL</b>	<u>\$ 21,315,152</u>	<u>100</u>	<u>\$ 19,867,286</u>	<u>100</u>	<u>\$ 17,520,484</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)  
(Reviewed, Not Audited)

	For the Three Months Ended March 31			
	2021		2020	
	Amount	%	Amount	%
OPERATING REVENUE, NET	\$ 4,179,928	100	\$ 2,853,629	100
OPERATING COSTS	<u>2,184,786</u>	<u>52</u>	<u>1,432,787</u>	<u>50</u>
GROSS PROFIT	<u>1,995,142</u>	<u>48</u>	<u>1,420,842</u>	<u>50</u>
OPERATING EXPENSES				
Selling and marketing expenses	203,995	5	164,991	6
General and administrative expenses	165,166	4	143,358	5
Research and development expenses	628,492	15	456,273	16
Expected credit (reversed) loss	<u>(1,074)</u>	<u>-</u>	<u>2,056</u>	<u>-</u>
Total operating expenses	<u>996,579</u>	<u>24</u>	<u>766,678</u>	<u>27</u>
OTHER OPERATING INCOME AND EXPENSES, NET	<u>4,206</u>	<u>-</u>	<u>4,170</u>	<u>-</u>
PROFIT FROM OPERATIONS	<u>1,002,769</u>	<u>24</u>	<u>658,334</u>	<u>23</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	17,013	-	18,454	1
Other income	51,109	1	81,438	3
Foreign exchange (loss) gain, net	(5,547)	-	14,038	-
Interest expenses	(229)	-	(403)	-
Loss on financial instruments at fair value through profit or loss	-	-	(42,616)	(2)
Share of loss of associates	(8,708)	-	(12,109)	-
Miscellaneous expenses	<u>(9,364)</u>	<u>-</u>	<u>(9,128)</u>	<u>-</u>
Total non-operating income and expenses	<u>44,274</u>	<u>1</u>	<u>49,674</u>	<u>2</u>
PROFIT BEFORE INCOME TAX	1,047,043	25	708,008	25
INCOME TAX EXPENSE	<u>(72,340)</u>	<u>(2)</u>	<u>(13,459)</u>	<u>(1)</u>
NET PROFIT FOR THE PERIOD	<u>974,703</u>	<u>23</u>	<u>694,549</u>	<u>24</u>

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**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)  
(Reviewed, Not Audited)

	<b>For the Three Months Ended March 31</b>			
	<b>2021</b>		<b>2020</b>	
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>				
Items that will not be reclassified subsequently to profit or loss:				
Exchange differences arising from translation to the presentation currency	\$ 41,814	1	\$ 120,816	4
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	(55,037)	(1)	(92,694)	(3)
Share of the other comprehensive loss of associates accounted for using equity method	<u>(2,452)</u>	<u>-</u>	<u>(7,738)</u>	<u>-</u>
Other comprehensive (loss) income for the period, net of income tax	<u>(15,675)</u>	<u>-</u>	<u>20,384</u>	<u>1</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>\$ 959,028</u>	<u>23</u>	<u>\$ 714,933</u>	<u>25</u>
<b>NET PROFIT ATTRIBUTABLE TO:</b>				
Owners of the Company	\$ 991,742	24	699,825	24
Non-controlling interests	<u>(17,039)</u>	<u>(1)</u>	<u>(5,276)</u>	<u>-</u>
	<u>\$ 974,703</u>	<u>23</u>	<u>\$ 694,549</u>	<u>24</u>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>				
Owners of the Company	\$ 977,139	23	723,012	25
Non-controlling interests	<u>(18,111)</u>	<u>-</u>	<u>(8,079)</u>	<u>-</u>
	<u>\$ 959,028</u>	<u>23</u>	<u>\$ 714,933</u>	<u>25</u>
<b>EARNINGS PER SHARE</b>				
Basic	<u>\$ 10.69</u>		<u>\$ 7.67</u>	
Diluted	<u>\$ 10.08</u>		<u>\$ 7.38</u>	

(Concluded)

**SILERGY CORP.**  
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**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2021 AND 2020**  
(In Thousands of New Taiwan Dollars)  
(Reviewed, Not Audited)

	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, 2020	91,481	\$ 914,802	\$ 6,752,006	\$ 763,980	\$ 237,236	\$ 7,019,735	\$ 8,020,951	\$ (703,512)	\$ (136,158)	\$ (839,670)	\$ 14,848,089	\$ 356,696	\$ 15,204,785
Change in percentage of ownership interests in subsidiaries	-	-	(1,515)	-	-	-	-	-	-	-	(1,515)	1,515	-
Recognition of employee share options by Silergy Corp.	-	-	50,733	-	-	-	-	-	-	-	50,733	-	50,733
Net profit for the three months ended March 31, 2020	-	-	-	-	-	699,825	699,825	-	-	-	699,825	(5,276)	694,549
Other comprehensive income (loss) for the three months ended March 31, 2020, net of income tax	-	-	-	-	-	-	-	23,187	-	23,187	23,187	(2,803)	20,384
Total comprehensive income (loss) for the three months ended March 31, 2020	-	-	-	-	-	699,825	699,825	23,187	-	23,187	723,012	(8,079)	714,933
Issue of common shares under employee share options	238	2,378	88,785	-	-	-	-	-	-	-	91,163	-	91,163
Recognition of restricted employee shares issued by Silergy Corp.	104	1,046	73,443	-	-	-	-	-	(35,110)	(35,110)	39,379	-	39,379
BALANCE AT MARCH 31, 2020	91,823	\$ 918,226	\$ 6,963,452	\$ 763,980	\$ 237,236	\$ 7,719,560	\$ 8,720,776	\$ (680,325)	\$ (171,268)	\$ (851,593)	\$ 15,750,861	\$ 350,132	\$ 16,100,993
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
Change in percentage of ownership interests in subsidiaries	-	-	(6,756)	-	-	-	-	-	-	-	(6,756)	6,756	-
Recognition of employee share options by Silergy Corp.	-	-	90,644	-	-	-	-	-	-	-	90,644	-	90,644
Net profit for the three months ended March 31, 2021	-	-	-	-	-	991,742	991,742	-	-	-	991,742	(17,039)	974,703
Other comprehensive income (loss) for the three months ended March 31, 2021, net of income tax	-	-	-	-	-	-	-	(14,603)	-	(14,603)	(14,603)	(1,072)	(15,675)
Total comprehensive income (loss) for the three months ended March 31, 2021	-	-	-	-	-	991,742	991,742	(14,603)	-	(14,603)	977,139	(18,111)	959,028
Issue of common shares under employee share options	271	2,706	109,690	-	-	-	-	-	-	-	112,396	-	112,396
Recognition of restricted employee shares issued by Silergy Corp.	121	1,216	267,498	-	-	-	-	-	(193,498)	(193,498)	75,216	-	75,216
BALANCE AT MARCH 31, 2021	93,294	\$ 932,936	\$ 8,260,212	\$ 996,568	\$ 703,512	\$ 9,904,183	\$ 11,604,263	\$ (1,144,078)	\$ (373,709)	\$ (1,517,787)	\$ 19,279,624	\$ 308,264	\$ 19,587,888

**SILERGY CORP.**  
(Incorporated in the Cayman Islands)  
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**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In Thousands of New Taiwan Dollars)  
(Reviewed, Not Audited)

	<b>For the Three Months Ended March 31</b>	
	<b>2021</b>	<b>2020</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 1,047,043	\$ 708,008
Adjustments for:		
Expected credit (gain) loss recognized on trade receivables	(1,074)	2,056
Net loss on financial instruments at fair value through profit or loss	-	42,616
Depreciation expenses	53,570	39,039
Amortization expenses	47,083	46,339
Interest income	(17,013)	(18,454)
Dividend income	(33,650)	-
Interest expenses	229	403
Compensation cost of employee share options	90,644	50,733
Compensation cost of restricted employee shares	75,216	39,379
Share of loss of associates	8,708	12,109
Loss on disposal of property, plant and equipment	22	-
Property, plant and equipment transferred to expenses	15	-
Gains on disposal of intangible assets	(4,228)	(4,170)
(Reversal of) write-down of inventories	(2,748)	16,006
Unrealized gain on foreign currency exchange	(4,839)	(1,605)
Changes in operating assets and liabilities		
Increase in accounts receivable	(315,944)	(169,485)
Decrease in other receivables	44,633	224,987
Increase in inventories	(78,902)	(294,191)
(Increase) decrease in prepayments	(30,672)	2,977
Increase in defined benefit assets - non-current	(13)	(11)
Increase (decrease) in accounts payable	113,707	(140,424)
Increase (decrease) in accounts payable - related parties	2,160	(1,000)
Increase in other payables	60,575	98,439
Increase in other current liabilities	<u>8,423</u>	<u>6,715</u>
Cash generated from operations	1,062,945	660,466
Interest received	22,514	13,726
Interest paid	(229)	(403)
Income tax paid	<u>(82,012)</u>	<u>(60,395)</u>
Net cash generated from operating activities	<u>1,003,218</u>	<u>613,394</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at amortized cost	(483,679)	-
Proceeds from sale of financial assets at amortized cost	-	359,603
Purchase of financial assets at fair value through profit or loss	(266,489)	(165,926)

(Continued)

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**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In Thousands of New Taiwan Dollars)  
(Reviewed, Not Audited)

	<b>For the Three Months Ended March 31</b>	
	<b>2021</b>	<b>2020</b>
Increase in prepayment for investments	\$ -	\$ (1,105,767)
Net cash outflow on business combinations	-	(152,776)
Acquisition of property, plant and equipment	(146,235)	(143,038)
Proceeds from disposal of property, plant and equipment	5	-
Increase in long-term prepayments	(1,396)	(14,234)
Payments for intangible assets	(4,592)	(7,762)
Increase in refundable deposits	(54,071)	(1,373)
Dividends received	<u>33,650</u>	<u>-</u>
Net cash used in investing activities	<u>(922,807)</u>	<u>(1,231,273)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Decrease in guarantee deposits	(1,597)	(1,378)
Repayment of the principal portion of lease liabilities	(11,328)	(9,803)
Proceeds from exercise of employee share options	<u>112,396</u>	<u>91,163</u>
Net cash generated from financing activities	<u>99,471</u>	<u>79,982</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES</b>		
	<u>2,224</u>	<u>14,652</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>182,106</b>	<b>(523,245)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<u><b>9,248,146</b></u>	<u><b>4,507,653</b></u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<u><b>\$ 9,430,252</b></u>	<u><b>\$ 3,984,408</b></u>

(Concluded)