

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

Sonix Technology Co., Ltd. and Subsidiaries

**Consolidated Financial Statements for the
Three Months Ended March 31, 2022 and 2021**

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

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Sonix Technology Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of Sonix Technology Co., Ltd. and its subsidiaries as of March 31, 2022 and 2021, the related consolidated statements of comprehensive income, 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

Except as explained in the following paragraph, we conducted our reviews in accordance with Statement of Accounting 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.

Basis for Qualified Conclusion

As disclosed in Note 11 to the consolidated financial statements, the financial statements of some insignificant subsidiaries included in the consolidated financial statements were not reviewed. As of March 31, 2022 and 2021, the combined total assets of these insignificant subsidiaries were respectively NT\$233,435 thousand and NT\$198,541 thousand, representing 3.98% and 3.68%, respectively, of the consolidated total assets, and the combined total liabilities of these subsidiaries were respectively NT\$8,631 thousand and NT\$4,797 thousand, representing 0.71% and 0.39%, respectively, of the consolidated total liabilities. For the three months ended March 31, 2022 and 2021, the combined comprehensive income and loss of these subsidiaries respectively amounted to NT\$113 thousand and NT\$666 thousand, representing (0.04)% and 0.26%, respectively, of the consolidated total comprehensive income. In addition, as stated in Note 12 to the consolidated financial statements, the investments accounted for using equity-method as of March 31, 2022 and 2021, with carrying values of NT\$7,157 thousand and NT\$7,597 thousand, respectively, and the related shares of the comprehensive income of these investees amounting to NT\$(17) thousand, and NT\$(64) thousand, for the three months ended March 31, 2022 and 2021, respectively. These amounts referring to the investments accounted for using equity-method were based on unreviewed financial statements of associates. Related investments information on insignificant subsidiaries and investees stated above shown in Note 27 to the consolidated financial statements was also unreviewed.

Qualified Conclusion

Based on our reviews, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash

flows for the three months ended March 31, 2022 and 2021 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' reviews report are Yao-Ling Huang and Swei Chin Lee.

Deloitte & Touche
Taipei, Taiwan
Republic of China

MAY 6, 2022

Notice to Readers

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

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

SONIX TECHNOLOGY CO., LTD. AND SUBSIDIARIES**CONSOLIDATED BALANCE SHEETS**
(In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2022		December 31, 2021		March 31, 2021	
	Reviewed		Audited		Reviewed	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents(Note 6)	\$ 1,629,133	28	\$ 1,413,101	25	\$ 1,695,246	31
Financial assets at fair value through profit or loss - current	178,983	3	181,176	3	65,080	1
Financial assets at amortized at cost - current(Notes 8 and 24)	475,181	8	467,132	9	390,697	7
Notes and trade receivables from unrelated parties(Notes 9 and 23)	548,670	9	546,693	10	618,570	12
Inventories(Note 10)	1,438,494	25	1,448,377	26	1,007,932	19
Other current assets	68,311	1	67,281	1	69,799	1
Total current assets	<u>4,338,772</u>	<u>74</u>	<u>4,123,760</u>	<u>74</u>	<u>3,847,324</u>	<u>71</u>
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income - non-current(Note 7)	498,808	8	452,151	8	527,427	10
Investments accounted for using the equity method(Note 12)	7,157	-	7,174	-	7,597	-
Property, plant and equipment(Notes 13 and 24)	734,776	13	723,640	13	738,149	14
Investment properties(Note 14)	123,091	2	123,398	2	125,351	2
Intangible assets(Note 15)	89,223	2	90,845	2	80,270	2
Deferred tax assets(Note 4)	67,316	1	73,294	1	60,977	1
Refundable deposits	4,671	-	7,197	-	4,662	-
Other non-current assets	72	-	74	-	-	-
Total non-current assets	<u>1,525,114</u>	<u>26</u>	<u>1,477,773</u>	<u>26</u>	<u>1,544,433</u>	<u>29</u>
TOTAL	<u>\$ 5,863,886</u>	<u>100</u>	<u>\$ 5,601,533</u>	<u>100</u>	<u>\$ 5,391,757</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Trade payables to unrelated parties(Note 16)	\$ 276,211	5	\$ 369,448	6	\$ 453,261	9
Other payables	418,118	7	426,572	8	341,467	6
Current tax liabilities	272,605	5	214,085	4	237,461	4
Other current liabilities	13,341	-	5,777	-	34,672	1
Total current liabilities	<u>980,275</u>	<u>17</u>	<u>1,015,882</u>	<u>18</u>	<u>1,066,861</u>	<u>20</u>
NON-CURRENT LIABILITIES						
Provisions for employee benefits	21,475	-	20,757	-	24,352	-
Deferred tax liabilities(Note 4)	82,794	2	94,092	2	35,303	1
Net defined benefit liabilities - non-current(Notes 4 and 17)	23,022	-	23,301	1	22,564	-
Guarantee deposits	109,780	2	116,021	2	92,585	2
Total non-current liabilities	<u>237,071</u>	<u>4</u>	<u>254,171</u>	<u>5</u>	<u>174,804</u>	<u>3</u>
Total liabilities	<u>1,217,346</u>	<u>21</u>	<u>1,270,053</u>	<u>23</u>	<u>1,241,665</u>	<u>23</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY						
Share capital						
Ordinary shares	1,678,770	29	1,678,770	30	1,678,770	31
Capital surplus	62,661	1	62,661	1	62,661	1
Retained earnings						
Legal reserve	1,005,920	17	1,005,920	18	903,337	17
Special reserve	228	-	228	-	67,297	1
Unappropriated earnings	1,723,630	29	1,510,271	27	1,307,776	24
Total retained earnings	<u>2,729,778</u>	<u>46</u>	<u>2,516,419</u>	<u>45</u>	<u>2,278,410</u>	<u>42</u>
Other equity	175,331	3	73,630	1	130,251	3
Total equity	<u>4,646,540</u>	<u>79</u>	<u>4,331,480</u>	<u>77</u>	<u>4,150,092</u>	<u>77</u>
TOTAL	<u>\$ 5,863,886</u>	<u>100</u>	<u>\$ 5,601,533</u>	<u>100</u>	<u>\$ 5,391,757</u>	<u>100</u>

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

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

SONIX TECHNOLOGY CO., LTD. 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			
	2022		2021	
	Amount	%	Amount	%
OPERATING REVENUE				
Sales(Note 23)	\$ 1,026,865	100	\$ 1,387,121	100
OPERATING COSTS				
Cost of goods sold(Notes 10 and 19)	<u>545,740</u>	<u>53</u>	<u>774,079</u>	<u>56</u>
GROSS PROFIT	<u>481,125</u>	<u>47</u>	<u>613,042</u>	<u>44</u>
OPERATING EXPENSES(Notes 19 and 23)				
Selling and marketing expenses	15,426	2	19,548	1
General and administrative expenses	47,006	5	47,451	3
Research and development expenses	188,057	18	189,909	14
Gain on reversal of expected credit loss	(<u>11</u>)	<u>-</u>	<u>-</u>	<u>-</u>
Total operating expenses	<u>250,478</u>	<u>25</u>	<u>256,908</u>	<u>18</u>
PROFIT FROM OPERATIONS	<u>230,647</u>	<u>22</u>	<u>356,134</u>	<u>26</u>
NON-OPERATING INCOME AND EXPENSES				
Other income(Note 19)	1,842	-	2,496	-
Other gains and losses(Notes 19 and 25)	33,337	4	(4,338)	-
Share of profit or loss of associates accounted for using equity method(Note 12)	(17)	-	(64)	-
Interest revenue(Note 19)	<u>2,058</u>	<u>-</u>	<u>2,589</u>	<u>-</u>
Total non-operating income and expenses	<u>37,220</u>	<u>4</u>	<u>683</u>	<u>-</u>
PROFIT BEFORE INCOME TAX	267,867	26	356,817	26
INCOME TAX EXPENSE(Notes 4 and 20)	<u>54,508</u>	<u>5</u>	<u>87,541</u>	<u>7</u>
NET PROFIT FOR THE PERIOD	<u>213,359</u>	<u>21</u>	<u>269,276</u>	<u>19</u>

(Continued)

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

SONIX TECHNOLOGY CO., LTD. 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			
	2022		2021	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME AND LOSS				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gain (loss) on investment in equity instruments at fair value through other comprehensive income	\$ 46,657	5	\$ (10,156)	(1)
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	<u>55,044</u>	<u>5</u>	<u>(6,888)</u>	<u>-</u>
Total other comprehensive income and loss	<u>101,701</u>	<u>10</u>	<u>(17,044)</u>	<u>(1)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 315,060</u>	<u>31</u>	<u>\$ 252,232</u>	<u>18</u>
EARNINGS PER SHARE(Note 21)				
Basic	<u>\$ 1.27</u>		<u>\$ 1.60</u>	
Diluted	<u>\$ 1.25</u>		<u>\$ 1.59</u>	

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

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

SONIX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	Equity Attributable to Owners of the Company						Other Equity(Note 18)			Total Equity	
	Share Capital (Note 18)	Capital Surplus (Note 18)	Retained Earnings(Note 18)			Total	Exchange Differences on Translating Foreign Operations	Changes in the Fair Value Attributable to Changes in the Credit Risk of Financial Liabilities Designated as at Fair Value			Total
			Legal Reserve	Special Reserve	Unappropriated Earnings			Total			
BALANCE AT JANUARY 1, 2021	\$ 1,678,770	\$ 62,661	\$ 903,337	\$ 67,297	\$ 1,038,500	\$ 2,009,134	\$ (58,747)	\$ 206,042	\$ 147,295	\$ 3,897,860	
Net profit for the three months ended March 31, 2021	-	-	-	-	269,276	269,276	-	-	-	269,276	
Other comprehensive loss for the three months ended March 31, 2021 net of income tax	-	-	-	-	-	-	(6,888)	(10,156)	(17,044)	(17,044)	
Total comprehensive income (loss) for the three months ended March 31, 2021	-	-	-	-	269,276	269,276	(6,888)	(10,156)	(17,044)	252,232	
BALANCE AT MARCH 31, 2021	\$ 1,678,770	\$ 62,661	\$ 903,337	\$ 67,297	\$ 1,307,776	\$ 2,278,410	\$ (65,635)	\$ 195,886	\$ 130,251	\$ 4,150,092	
BALANCE AT JANUARY 1, 2022	\$ 1,678,770	\$ 62,661	\$ 1,005,920	\$ 228	\$ 1,510,271	\$ 2,516,419	\$ (66,995)	\$ 140,625	\$ 73,630	\$ 4,331,480	
Net profit for the three months ended March 31, 2022	-	-	-	-	213,359	213,359	-	-	-	213,359	
Other comprehensive income for the three months ended March 31, 2022, net of income tax	-	-	-	-	-	-	55,044	46,657	101,701	101,701	
Total comprehensive income for the three months ended March 31, 2022	-	-	-	-	213,359	213,359	55,044	46,657	101,701	315,060	
BALANCE AT MARCH 31, 2022	\$ 1,678,770	\$ 62,661	\$ 1,005,920	\$ 228	\$ 1,723,630	\$ 2,729,778	\$ (11,951)	\$ 187,282	\$ 175,331	\$ 4,646,540	

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

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

SONIX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Three Months Ended	
	March 31	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 267,867	\$ 356,817
Adjustments for:		
Depreciation expenses	15,573	21,520
Amortization expenses	3,882	4,027
Gain on reversal of expected credit loss	(11)	-
Net loss on fair value changes of financial assets at fair value through profit or loss	2,193	738
Interest income	(2,058)	(2,589)
Share of (profit) loss of associates accounted for using equity method	17	64
Price reduction of inventories	999	389
Net gain on foreign currency exchange	(5,273)	(3,173)
Changes in operating assets and liabilities		
Trade and notes receivables	5,702	49,049
Inventories	8,472	(92,359)
Other current assets	(869)	(12,230)
Trade payables	(96,720)	(43,771)
Other payables	(8,509)	(5,686)
Provisions for employee benefits	718	820
Other current liabilities	7,838	21,353
Net defined benefit liability	(279)	(271)
Cash generated from operations	199,542	294,698
Interest received	2,492	2,063
Income tax paid	(1,274)	(17,455)
Net cash generated from operating activities	<u>200,760</u>	<u>279,306</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	(229)	(17,758)
Payments for property, plant and equipment	(11,689)	(9,102)
Increase in refundable deposits	2,167	(412)
Payments for intangible assets	(2,170)	(16,748)
Net cash used in investing activities	<u>(11,921)</u>	<u>(44,020)</u>

(Continued)

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

SONIX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Three Months Ended	
	March 31	
	2022	2021
CASH FLOWS FROM FINANCING ACTIVITIES		
Refunds of guarantee deposits received	<u>(6,725)</u>	<u>(17,060)</u>
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>33,918</u>	<u>(4,491)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	216,032	213,735
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>1,413,101</u>	<u>1,481,511</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 1,629,133</u>	<u>\$ 1,695,246</u>

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

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

SONIX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021 (In Thousands of New Taiwan Dollars) (Reviewed, Not Audited)

1. GENERAL INFORMATION

Sonix Technology Co., Ltd (the “Company”) was incorporated in the Republic of China (“ROC”) in July 1996. The Company mainly develops, designs, manufactures and trades semiconductors.

The Company was listed at OTC market on November 27, 2000 and submitted applications for listed at stock exchange market to Securities and Futures Bureau, FSC on June 27 then approved by Taiwan Stock Exchange on July 25, 2003. The Company’s shares have been traded at the Taiwan Stock Exchange since August 25, 2003.

For greater comparability and consistency of financial reporting, the consolidated financial statements are presented in New Taiwan dollars since the Company’s stocks are listed on the Taipei Exchange.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on May 6, 2022.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS New IFRSs in Issue But Not Yet Endorsed and Issued into Effect by the FSC

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

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

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

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

Note 4: The amendment applies to transactions occurring after January 1, 2022, except for the recognition of deferred income tax on temporary differences in leases and servitude obligations on January 1, 2022.

As of the date the accompanying consolidated financial statements were issued, the Company continues in evaluating the impact on its financial position and financial performance from the initial adoption of the aforementioned standards or interpretations and related applicable period. The related impact will be disclosed when the Company completes its evaluation.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual financial statements.

b. Basis of preparation

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

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

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

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e. its subsidiaries).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation.

d. Other significant accounting policies

Except for the following, for the summary of significant accounting policies, please refer to the consolidated financial statements for the year ended December 31, 2021.

1) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings. The effect of a change in tax rate resulting from a change in tax law is recognized consistently with the accounting for the transaction itself which gives rise to the tax consequence, and this is recognized in profit or loss, other comprehensive income or directly in equity in full in the period in which the change in tax rate occurs.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The same critical accounting judgments and key sources of estimation uncertainty of consolidated financial statements have been followed in these consolidated financial statements as were applied in the preparation of the consolidated financial statements for the year ended December 31, 2021.

6. CASH AND CASH EQUIVALENTS

	<u>March 31, 2022</u>	<u>December31, 2021</u>	<u>March 31, 2021</u>
Cash on hand	\$ 265	\$ 255	\$ 239
Checking accounts and demand deposits	1,074,079	875,773	1,150,473
Cash equivalents			
Time deposits	139,720	136,480	134,755
Repurchase bonds			
	<u>415,069</u>	<u>400,593</u>	<u>409,779</u>
	<u>\$ 1,629,133</u>	<u>\$ 1,413,101</u>	<u>\$ 1,695,246</u>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<u>March 31, 2022</u>	<u>December31, 2021</u>	<u>March 31, 2021</u>
<u>Non-current</u>			
<u>Domestic investments</u>			
Publicly traded stocks			
Champion Microelectronic Corp. Unlisted shares	\$ 498,774	\$ 452,117	\$ 514,366
Unlisted shares			
Ours Technology Inc.	34	34	34
<u>Foreign investment</u>			
Unlisted shares			
Shenzhen Yingshixun Electronic Technology Co., Ltd.	-	-	13,027
	<u>\$ 498,808</u>	<u>\$ 452,151</u>	<u>\$ 527,427</u>

Investment in Champion Microelectronic Corp., Ours Technology Inc. and Shenzhen Yingshixun Electronic Technology Co., Ltd. for medium and long-term strategic purposes and expects to make profits from the long-term investment. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

Shenzhen Yingshixun Electronic Technology Co., Ltd. signed an equity transfer agreement contract on January 12, 2022. The equity transfer price is RMB 3,720 thousand. After receiving the full transfer amount of RMB 3,000 thousand in installments, it will go through the commercial registration procedures for equity change. As of March 31, RMB3,720 thousand has been received in accordance with the progress of the contract and completed the change.

8. FINANCIAL ASSETS AT AMORTIZED COST-CURRENT

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
<u>Current</u>			
Domestic investment			
Time deposits	\$ 261,563	\$ 261,559	\$ 261,546
Foreign investment			
Time deposits	<u>213,618</u>	<u>205,573</u>	<u>129,151</u>
	<u>\$ 475,181</u>	<u>\$ 467,132</u>	<u>\$ 390,697</u>

- a. As of March 31, 2022, December 31, 2021 and March 31, 2021, the interest rate ranges for time deposits with original maturities of more than 3 months were 0.18% to 2.25%, 0.35% to 2.25% and 0.30% to 2.25% per annum, respectively.
- b. For information on pledges of financial assets at amortized cost, see Note 24.

9. NOTES AND ACCOUNTS RECEIVABLE

	<u>March 31,</u> <u>2022</u>	<u>December 31,</u> <u>2021</u>	<u>March 31,</u> <u>2021</u>
<u>Notes receivable</u>	\$ -	\$ -	\$ 2,566
<u>Accounts receivable</u>			
Total amounts of trade receivables measured at amortized cost	552,437	550,471	619,843
Less: Allowance for loss	(3,767)	(3,778)	(3,839)
	<u>548,670</u>	<u>546,693</u>	<u>616,004</u>
Total	<u>\$ 548,670</u>	<u>\$ 546,693</u>	<u>\$ 618,570</u>

Accounts receivable

The average credit period for sales is 60 days and no interest is charged on accounts receivable. The Group's policy is to transact only with counterparties rated at or above the investment grade level and to obtain adequate guarantees, if necessary, to mitigate the risk of financial loss arising from default. The Group uses other publicly available financial information and historical transaction records to rate its major customers. The Group continuously monitors credit exposures and the credit ratings of counterparties to manage credit risk.

An allowance for loss is recognized for accounts receivable based on the expected credit loss over the duration by the Group. Since the Group's credit loss history shows that there is no significant difference in loss patterns among different customer groups, the Group does not further differentiate between customer groups and only sets the expected credit loss rate based on the number of days past due on accounts receivable.

If there is evidence that the counter-party is in serious financial difficulty and the Group Company cannot reasonably expect to recover the amount, the Group directly writes off the related accounts receivable but continues the recourse activities and recognizes the amount recovered in profit or loss as a result of the recourse.

The Group measured the allowance for loss on accounts receivable as follows.:

March 31, 2022

	<u>Less than 60</u> <u>days</u>	<u>61~90 days</u>	<u>91~180 days</u>	<u>More than</u> <u>180 days</u>	<u>Total</u>
Expected credit loss rate	0%	16.24%	100%	100%	
Total carrying amount	\$ 547,014	\$ 1,977	\$ 45	\$ 3,401	\$ 552,437
Allowance for loss	-	(321)	(45)	(3,401)	(3,767)
Amortized cost	<u>\$ 547,014</u>	<u>\$ 1,656</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 548,670</u>

December 31, 2021

	<u>Less than 60</u> <u>days</u>	<u>61~90 days</u>	<u>91~180 days</u>	<u>More than</u> <u>180 days</u>	<u>Total</u>
Expected credit loss rate	0%	0%	8.77%	100%	
Total carrying amount	\$ 542,741	\$ -	\$ 4,332	\$ 3,398	\$ 550,471
Allowance for loss	-	-	(380)	(3,398)	(3,778)
Amortized cost	<u>\$ 542,741</u>	<u>\$ -</u>	<u>\$ 3,952</u>	<u>\$ -</u>	<u>\$ 546,693</u>

March 31, 2021

	<u>Less than 60 days</u>	<u>61~90 days</u>	<u>91~180 days</u>	<u>More than 180 days</u>	<u>Total</u>
Expected credit loss rate	0.05%	-	0%	100%	
Total carrying amount	\$ 616,341	\$ -	\$ -	\$ 3,502	\$ 619,843
Allowance for loss	(337)	-	-	(3,502)	(3,839)
Amortized cost	<u>\$ 616,004</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 616,004</u>

The movements of the allowance for doubtful trade receivables are as follows:

	<u>For the Three Months Ended March 31</u>	
	<u>2022</u>	<u>2021</u>
Balance at January 1	\$ 3,778	\$ 3,839
Less: Reversal of impairment loss	(11)	-
Balance at March 31	<u>\$ 3,767</u>	<u>\$ 3,839</u>

10. INVENTORIES

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Merchandise	\$ 1,868	\$ 1,223	\$ 1,437
Finished goods	465,636	499,677	185,237
Work in process	792,183	805,989	762,498
Raw materials	<u>178,807</u>	<u>141,488</u>	<u>58,760</u>
	<u>\$ 1,438,494</u>	<u>\$ 1,448,377</u>	<u>\$ 1,007,932</u>

The nature of the cost of goods sold is as follows:

	<u>For the Three Months Ended March 31</u>	
	<u>2022</u>	<u>2021</u>
Cost of inventories sold	\$ 544,741	\$ 773,690
Inventory write-downs	<u>999</u>	<u>389</u>
	<u>\$ 545,740</u>	<u>\$ 774,079</u>

11. SUBSIDIARIES

Subsidiaries included in consolidated financial statements

Entities covered by the consolidated financial statements are as follows:

<u>Investor</u>	<u>Investee</u>	<u>Nature of Activities</u>	<u>Proportion of Ownership</u>			<u>Remark</u>
			<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>	
Sonix Technology Co., Ltd.	Sonix Technology Ltd.	General Investment	100.00	100.00	100.00	note
	Sonix Technology Ltd. Sonix Technology K.K.	General Investment Engaged in the business of computer system integration and technical consulting services, etc.	100.00 100.00	100.00 100.00	100.00 100.00	note note
Sonix Technology Ltd.	Sonix Holding Group Co., Ltd.	General Investment	100.00	100.00	100.00	note
Sonix Holding Group Co., Ltd.	Sonix Technology (Chengdu) Co., Ltd.	Engaged in the business of computer system integration and technical consulting services, etc.	100.00	100.00	100.00	note
	Sonix Technology (Shenzhen) Co., Ltd	Engaged in the business of computer system integration and	100.00	100.00	100.00	note

technical consulting
services, etc.

Note: Except for Sonix Technology (Chengdu) Co., Ltd., Sonix Technology Ltd. and Sonix Holding Group Co., Ltd., for the three months ended March 31, 2022 and 2021 were important subsidiaries, financial statements have been reviewed, The rest are non-significant subsidiaries, and their financial statements for the period from January 1 to March 31, 2022 and 2021, have not been reviewed.

12. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

Investments in associates

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
<u>Affiliate of no materiality</u>			
Unlisted shares			
Paradigm Venture Capital Corporation.	\$ <u>7,157</u>	\$ <u>7,174</u>	\$ <u>7,597</u>

The shares of profit or loss and other comprehensive income of the affiliates using the equity method, their financial statements have not been reviewed.

13. PROPERTY, PLANT AND EQUIPMENT

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Own Land	\$ 110,984	\$ 110,984	\$ 110,984
Buildings	567,346	558,571	580,544
Office equipment	47,485	42,964	27,133
Miscellaneous Equipment	<u>8,961</u>	<u>11,121</u>	<u>19,488</u>
	<u>\$ 734,776</u>	<u>\$ 723,640</u>	<u>\$ 738,149</u>

Except for the recognition of depreciation expenses, the property, plant and equipment real estate of the Group did not undergo any major additions, disposals or impairments from January 1 to March 31, 2022 and 2021. Property, plant and equipment are depreciated on a straight-line basis over the following useful lives:

Buildings	
Office main building	20 and 50 years
Decoration Equipment	2 and 20 years
Office equipment	2 to 5 years
Miscellaneous Equipment	2 to 5 years

For the amount of property, plant and equipment pledged as collateral for loans, please refer to Note 24.

14. INVESTMENT PROPERTY

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Land	\$ 77,732	\$ 77,732	\$ 77,732
Buildings	<u>45,359</u>	<u>45,666</u>	<u>47,619</u>
	<u>\$ 123,091</u>	<u>\$ 123,398</u>	<u>\$ 125,351</u>

The total future rentals to be received for investment property leased under operating leases for the three months ended 2022 and 2021 are as follows:

	<u>March 31, 2022</u>	<u>March 31, 2021</u>
1 st year	\$ 8,840	\$ 3,310
2 nd year	<u>2,438</u>	<u>2,160</u>
	<u>\$ 11,278</u>	<u>\$ 5,470</u>

Except for the recognition of depreciation expenses, the investment property real estate of the Group did not undergo any major additions, disposals or impairments from January 1 to March 31, 2022 and 2021. Investment properties is depreciated on a straight-line basis over 20 and 50 years of useful life.

The Groups investment properties is measured by the independent appraiser Mr. Chou Shih-yuan on January 5, 2021 with level 3 input value. The valuation was performed with reference to market evidence such as the transaction price of similar real estate and the objective net income of the subject of the survey for an average future one-year period. Since there is no significant change in the transaction price of real estate in this area, the fair value as assessed on March 31, 2022 should not be materially different from the fair value assessed by the independent appraiser mentioned above.

15. INTANGIBLE ASSETS

	March 31, 2022	December 31, 2021	March 31, 2021
Computer software	\$ 13,577	\$ 13,904	\$ 15,917
Patent rights	<u>75,646</u>	<u>76,941</u>	<u>64,353</u>
	<u>\$ 89,223</u>	<u>\$ 90,845</u>	<u>\$ 80,270</u>

Except for the recognition of amortized expenses, the Intangible assets of the group did not undergo any major additions, disposals or impairments from January 1 to March 31, 2022 and 2021. Intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Computer software	1 to 10 years
Patent rights	1 to 10 years

16. OTHER PAYABLES

	March 31, 2022	December 31, 2021	March 31, 2021
Payable for salaries and bonuses	\$ 387,931	\$ 372,642	\$ 287,035
Payable service expenses	4,465	5,864	14,017
Payable insurance	5,947	5,878	5,813
Others	<u>19,775</u>	<u>42,188</u>	<u>34,602</u>
	<u>\$ 418,118</u>	<u>\$ 426,572</u>	<u>\$ 341,467</u>

17. RETIREMENT BENEFIT PLANS

Employee benefit expenses in respect of the company's defined benefit retirement plans were calculated using the projected pension cost stated in 2021 and 2020 actuarial reports, and the amounts are the same 64 thousand for the three months ended march 31,2022 and 2021.

18. EQUITY

a. Share capital

	March 31, 2022	December 31, 2021	March 31, 2021
Shares authorized (in thousands of shares)	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>
Capital authorized	<u>\$ 2,500,000</u>	<u>\$ 2,500,000</u>	<u>\$ 2,500,000</u>
Shares issued and fully paid (in thousands of shares)	<u>167,877</u>	<u>167,877</u>	<u>167,877</u>
Capital issued	<u>\$ 1,678,770</u>	<u>\$ 1,678,770</u>	<u>\$ 1,678,770</u>

b. Capital surplus

There was no change in the balance of each category of capital surplus in march 31, 2022 and 2021. The capital surplus generated from the excess of the issuance price over the par value of capital stock may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be appropriated as cash dividends or stock dividends, which are limited to a certain percentage of Sonix's paid-in capital.

c. Retained earnings and dividend policy

The Company's Articles of Incorporation, state that, if there is any net profits after tax (including the amount of adjustment of unappropriated earnings) for the current period as indicated in the Company's annual final accounts, the Company shall first make up for the accumulated losses and set aside 10% as legal reserve in accordance with the laws; however, this shall not apply if the accumulated legal reserve has reached the Company's paid-in capital. Then, special reserve is provided or reversed in accordance with the law or the regulations of the competent authority. The Board of Directors shall prepare a proposal for the distribution of the annual earnings, including the undistributed earnings at the beginning of the period, and submit it to the shareholders' meeting for resolution on the distribution of dividends to shareholders. Company's Articles of Incorporation is described in Note 19(7) Employees' compensation and the remuneration of directors.

According to its dividend policy, the Company is to pay no less than 50% of distributable earnings to shareholders each year, taking into account current and future development plans, the investment environment, capital requirements, domestic and international competition, and the interests of shareholders; dividends may be paid in cash or in stock, with cash dividends of no less than 10% of the total dividends.

The appropriation for legal reserve shall be made until the reserve equals Sonix's paid-in capital. The reserve may be used to offset a deficit, or be distributed as dividends and bonuses to the extent that the portion exceeds 25% of the paid-in capital if Sonix incurs no loss.

In 2020 items referred to under Rule No. 1010012865 issued by the FSC and in the directive titled, "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs" should be appropriated to or reversed from a special reserve by the Company.

In 2021, items referred to under Rule No. 1090150022 issued by the FSC and in the directive titled, "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs" should be appropriated to or reversed from a special reserve by the Company. The Company did not set aside or reverse special reserve in the current year.

The appropriations of earnings for 2021 and 2020 had been approved in the meetings of the Board of Directors and shareholders of Sonix held on February 23, 2022 and July 16, 2021, respectively. The appropriations and dividends per share were as follows:

	<u>2021</u>	<u>2020</u>
Legal reserve	\$ 146,419	\$ 102,583
Special reserve	\$ -	(\$ 67,069)
Cash dividends	\$ 1,175,139	\$ 956,899
Cash dividends per share (NT\$)	\$ 7	\$ 5.7

The appropriation of earnings for 2020 included the reversal of equity deductions from 2019. Thus, special reserves of \$67,069 thousand thousand from prior year were reversed to unappropriated earnings.

The appropriations of earnings for 2021 are to be resolved in the meeting of the shareholders of Sonix which is expected to be held on June 21 2022.

- d. Other equity
 1) Exchange differences on translating foreign operations

	For the Three Months Ended March 31	
	2022	2021
Balance at January 1	(\$ 66,995)	(\$ 58,747)
Occurred in the year		
Exchange differences on translation of foreign operations	<u>55,044</u>	<u>(6,888)</u>
Balance at March 31	<u>(\$ 11,951)</u>	<u>(\$ 65,635)</u>

- 2) Unrealized gain on financial assets at FVTOCI

	For the Three Months Ended March 31	
	2022	2021
Balance at January 1	\$ 140,625	\$ 206,042
Occurred in the year		
Unrealized gain or loss	<u>46,657</u>	<u>(10,156)</u>
Balance at March 31	<u>\$ 187,282</u>	<u>\$ 195,886</u>

19. NET PROFIT

- a. Other income

	For the Three Months Ended March 31	
	2022	2021
Rental income		
Investment properties	\$ 1,267	\$ 1,724
Others	<u>575</u>	<u>772</u>
	<u>\$ 1,842</u>	<u>\$ 2,496</u>

- b. Other gains and losses

	For the Three Months Ended March 31	
	2022	2021
Valuation gain (loss) on financial assets		
Financial assets at fair value through profit or loss	(\$ 2,193)	(\$ 738)
Foreign currency exchange gain(loss), net	35,845	(2,927)
Others	<u>(315)</u>	<u>(673)</u>
	<u>\$ 33,337</u>	<u>(\$ 4,338)</u>

- c. Interest revenue

	For the Three Months Ended March 31	
	2022	2021
Bank deposits	\$ 1,287	\$ 1,647
Financial assets measured at amortized cost	<u>771</u>	<u>942</u>
Total	<u>\$ 2,058</u>	<u>\$ 2,589</u>

d. Depreciation and amortization

	For the Three Months Ended March 31	
	2022	2021
Property, plant and equipment	\$ 14,917	\$ 20,867
Investment properties	656	653
Intangible assets	<u>3,882</u>	<u>4,027</u>
Total	<u>\$ 19,455</u>	<u>\$ 25,547</u>
An analysis of depreciation by function		
Operating costs	\$ 1,385	\$ 9,246
Operating expenses	13,532	11,621
Non-operating income and expenses (Note)	<u>656</u>	<u>653</u>
	<u>\$ 15,573</u>	<u>\$ 21,520</u>
An analysis of amortization by function		
Operating expenses	<u>\$ 3,882</u>	<u>\$ 4,027</u>

Note: The depreciation expenses of investment properties above is included in non-operating income and expenses - rental income and non-operating income and expenses - other expenses.

e. Depreciation expenses directly related to investment properties

	For the Three Months Ended March 31	
	2022	2021
Generated rental income	\$ 343	\$ 505
Ingenerated rental income	<u>313</u>	<u>148</u>
	<u>\$ 656</u>	<u>\$ 653</u>

f. Employee benefits expense

	For the Three Months Ended March 31	
	2022	2021
Post-employment benefits(Note 17)		
Defined contribution plans	\$ 8,183	\$ 7,672
Defined benefit plans	<u>64</u>	<u>64</u>
	8,247	7,736
Other employee benefits	<u>183,122</u>	<u>190,301</u>
Total employee benefits expense	<u>\$ 191,369</u>	<u>\$ 198,037</u>
An analysis of employee benefits expense by function		
Operating expenses	<u>\$ 191,369</u>	<u>\$ 198,037</u>

g. Employees' compensation and the remuneration of directors

The Articles stipulates to distribute employees' compensation and remuneration of directors at the rates no less than 10% and no higher than 5%, respectively, of net profit before income tax, employees' compensation and remuneration of directors. For the three months ended March 31, 2022 and 2021, the estimated employees' compensation and the remuneration of directors, were as follows:

Estimated percentage

	For the Three Months Ended March 31	
	2022	2021
Employees' compensation	13.82%	13.65%
Remuneration of directors	1.20%	1.26%

Amount

	For the Three Months Ended March 31	
	2022	2021
Employees' compensation	<u>\$ 43,580</u>	<u>\$ 54,854</u>
Remuneration of directors	<u>\$ 3,790</u>	<u>\$ 5,046</u>

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

The appropriations of employees' compensation and remuneration of directors for 2021 and 2020 that were resolved by the board of directors on February 23, 2022 and February 26, 2021, respectively, areas shown below:

	2022		2021	
	Cash	Stock	Cash	Stock
Employees' compensation	\$ 259,000	\$ -	\$ 145,750	\$ -
Remuneration of directors	24,000	-	17,000	-

As of March 31, 2022, the employees' compensation and remuneration of directors for the year 2021 have not been paid.

There is no difference between the actual amounts of the employees' compensation and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the year ended December 31, 2020.

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

h. Foreign currency exchange gain or loss

	For the Three Months Ended March 31	
	2022	2021
Total foreign currency exchange gain	\$ 36,011	\$ 10,735
Total foreign currency exchange loss	(166)	(13,662)
Net gain or loss	<u>\$ 35,845</u>	<u>(\$ 2,927)</u>

20. INCOME TAX

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Three Months Ended March 31	
	2022	2021
Current Income tax		
In respect of the current period	\$ 59,285	\$ 76,845

Changes in estimate for prior periods	-	3,725
	<u>59,285</u>	<u>80,570</u>
Deferred income tax		
In respect of the current period	(5,281)	6,547
No tax deduction for foreign income	504	424
	<u>(4,777)</u>	<u>6,971</u>
Income tax expense recognized in profit or loss	<u>\$ 54,508</u>	<u>\$ 87,541</u>

b. The state of income tax assessment

The Company's tax returns had been examined and cleared the tax authorities as follows:

	<u>As of the year of assessment</u>
The Company	2019
Jian Mou Investment Corporation.	2020
Sonix Technology (Chengdu) Co., Ltd.	2020
Sonix Technology (Shenzhen) Co., Ltd.	2020

21. EARNINGS PER SHARE

The weighted-average number of shares of common stock and earnings per share used in the calculation of consolidated earnings per share are as follows:

Net profits for the period

	For the Three Months Ended March 31	
	<u>2022</u>	<u>2021</u>
Net profits attributable to shareholders of the Company	<u>\$ 213,359</u>	<u>\$ 269,276</u>

Number of shares (in thousands of shares is as follows):

	For the Three Months Ended March 31	
	<u>2022</u>	<u>2021</u>
Weighted average number of ordinary shares used in the computation of basic earnings per share	167,877	167,877
Effect of dilutive potential ordinary shares		
Compensation of employees	<u>2,378</u>	<u>1,676</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>170,255</u>	<u>169,553</u>

Since the company's offered to settle compensation or bonuses paid to employees in cash or shares, the company's assumed the entire amount of the compensation or bonus will be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

22. FINANCIAL INSTRUMENTS

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

Fair value Hierarchy

March 31, 2022

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at FVTPL				
Fund beneficiary certificate	\$ 178,983	\$ -	\$ -	\$ 178,983
Financial assets at FVTOCI				
Investment in equity instruments				
- Domestic listed shares	\$ 498,774	\$ -	\$ -	\$ 498,774
- Domestic unlisted shares	-	-	34	34
Total	<u>\$ 498,774</u>	<u>\$ -</u>	<u>\$ 34</u>	<u>\$ 498,808</u>

December 31, 2021

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at FVTPL				
Fund beneficiary certificate	\$ 181,176	\$ -	\$ -	\$ 181,176
Financial assets at FVTOCI				
Investment in equity instruments				
- Domestic listed shares	\$ 452,117	\$ -	\$ -	\$ 452,117
- Domestic unlisted shares	-	-	34	34
Total	<u>\$ 452,117</u>	<u>\$ -</u>	<u>\$ 34</u>	<u>\$ 452,151</u>

March 31, 2021

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at FVTPL				
Fund beneficiary certificate	\$ 65,080	\$ -	\$ -	\$ 65,080
Financial assets at FVTOCI				
Investment in equity instruments				
- Domestic listed shares	\$ 514,366	\$ -	\$ -	\$ 514,366
- Domestic unlisted shares	-	-	34	34
- Foreign unlisted shares	-	13,027	-	13,027
Total	<u>\$ 514,366</u>	<u>\$ 13,027</u>	<u>\$ 34</u>	<u>\$ 527,427</u>

There were no transfers between Level 1 and Level 2 in the current and prior periods.

b. Categories of financial instruments

	<u>March 31 2022</u>	<u>December 31 2021</u>	<u>March 31 2021</u>
<u>Financial assets</u>			
Financial assets at FVTPL			
Fund beneficiary certificate	\$ 178,983	\$ 181,176	\$ 65,080
Financial assets measured at amortized cost (Note 1)	<u>2,657,655</u>	<u>2,434,123</u>	<u>2,709,175</u>
Financial assets at FVTOCI			
Investment in equity instruments	<u>498,808</u>	<u>452,151</u>	<u>527,427</u>
<u>Financial liabilities</u>			
Measured at amortized cost (Note 2)	<u>416,178</u>	<u>539,399</u>	<u>600,278</u>

Note 1: The balances included cash and cash equivalents, notes and accounts receivable, refundable deposits and financial assets measured at amortized cost - current.

Note 2: The balances included financial liabilities measured at amortized cost, such as accounts payable, deposits received and other payables (excluding employee benefits).

c. Financial risk management objectives and policies

The Group's major financial instruments include accounts receivable and accounts payable. The Group's financial management department provides services to each business unit, coordinates the operation of access to domestic financial markets, and monitors and manages financial risks associated with the Group's operations through internal risk reports that analyze risk exposures based on risk degree and breadth. These risks include market risk (which includes exchange rate risk, interest rate risk and other price risks), credit risk and liquidity risk.

1)Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (1) below), interest rates (see (2) below), and market price risk (see (3) below).

There had been no change to the Group's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

The Company and Sonix Technology (Shenzhen) Co., Ltd. engage in foreign currency-denominated sales and purchase transactions, which expose the Group to exchange rate risk. Approximately 66% of the Group's sales were not denominated in the functional currencies of the entities of the Group, and approximately 49% of the costs were not denominated in the functional currencies of the entities of the Group.

The Group manages its exchange rate risk for hedging purposes and does not trade in financial instruments for speculative purposes. The exchange rate risk management strategy is to regularly review the net position of assets and liabilities in each currency and manage the risk of that net position.

The carrying amounts of monetary assets and monetary liabilities denominated in non-functional currencies (including monetary items denominated in non-functional currencies that have been eliminated in the consolidated financial statements) and the carrying amounts of derivatives with exchange rate risk exposure as of the balance sheet date are described in Note 25.

Sensitivity analysis

The Group is primarily affected by fluctuations in the USD and RMB exchange rate.

The following schedule details the sensitivity analysis of the Group when the exchange rates of the NTD and RMB (functional currencies) increase and decrease by 1% against each relevant foreign currency. 1% is the sensitivity percentage used for the Group's internal reporting of exchange rate risk to key management and represents management's assessment of the reasonably possible range of changes in foreign currency exchange rates. The sensitivity analysis includes only foreign currency monetary items in circulation and adjusts their year-end translation by a 1% change in exchange rates. The scope of sensitivity analysis includes monetary financial assets and financial liabilities. The positive numbers in the following table represent the increase/decrease in net profits before tax if NTD and RMB weaken by 1% against the respective currencies, and the negative numbers for the same amount represent the decrease/increase in net profits before tax if NTD and RMB strengthen by 1% against the respective currencies.

	USD IMPACT		EUR IMPACT		RMB IMPACT	
	For the three months ended 2022	For the three months ended 2021	For the three months ended 2022	For the three months ended 2021	For the three months ended 2022	For the three months ended 2021
income and loss	\$ 8,683 (i)	\$ 7,430 (i)	\$ 241 (ii)	\$ 253 (ii)	\$ 1,738 (iii)	\$ 4,719 (iii)

i) Derived primarily from changes in the fair value of the Group's USD-denominated receivables and payables and financial assets measured at fair value through profit or loss - current, which were outstanding at the balance sheet date and not hedged by cash flows.

ii) Derived from changes in the fair value of financial assets measured at amortized cost.

iii) Derived primarily from changes in the fair value of the Group's RMB-denominated receivables which were outstanding at the balance sheet date and not hedged by cash flows.

b) Interest rate risk

The carrying amounts of the Group's financial assets with exposure to interest rates at each balance sheet date were as follows:

	March 31	December 31	March 31
	2022	2021	2021
Fair value interest rate risk			
– Financial assets	\$ 945,811	\$ 920,050	\$ 851,884
Cash flow interest rate risk			
– Financial assets	1,157,965	959,756	1,233,593

Sensitivity analysis

The following sensitivity analyses are based on the interest rate risk exposure of the non-derivative instruments on the balance sheet date. For assets with floating rate, the analysis assumes that the amount of the asset outstanding on the balance sheet date is outstanding for the entire year. The rate of change used in reporting interest rates to key management is a 1% increase or decrease in interest rates, which also represents management's assessment of the range of reasonably possible changes in interest rates.

If interest rates had increased/decreased by 1%, with all other variables held constant, the Group's net profits before tax would have increased/decreased by \$2,895 thousand and \$3,084 thousand for the three months ended 2022 and 2021, respectively, mainly due to changes in the Group's cash and cash equivalents and financial assets measured at amortized cost.

c) Other price risk

The Group has price risk arising from investments in fund beneficiary certificates and equity securities. The investments were not held for trading. The Group's management manages risk by holding a diverse portfolio of various risks. In addition, the Group assigns specific personnel to monitor price risk and assess when to increase the hedging position of the hedged risk.

Sensitivity analysis

The following sensitivity analysis was carried out based on the equity price risk as of the balance sheet date.

If the equity price had increased/decreased by 1%, the profits or losses before tax for the three months ended 2022 and 2021 would have increased/decreased by \$1,790 thousand and \$651 thousand, respectively, due to the increase/decrease in the fair value of financial assets measured at fair value through profit or loss. Other comprehensive income before tax would have increased/decreased by \$4,988 thousand and \$5,274 thousand for the three months ended 2022 and 2021, respectively, due to the increase/decrease in fair value of financial assets measured at fair value through other comprehensive income.

2) Credit risk

Credit risk refers to the risk of financial loss resulting from the default of contractual obligations by the counter-parties. The Group 's counterparties are creditworthy financial institutions and corporate organizations, and therefore no significant credit risk is expected.

To mitigate credit risk, the Group 's management has assigned a dedicated team to be responsible for credit limit determination, credit approval and other monitoring procedures to ensure that appropriate actions have been taken to collect overdue receivables. In addition, the Group reviews the recoverable amounts of receivables on a case-by-case basis at the balance sheet date to ensure that appropriate impairment losses have been recorded for uncollectible receivables.

The Group 's credit risk is mainly concentrated in the Group's top five major customers. As of March 31, 2022, December 31, 2021 and March 31, 2021, the percentages of accounts receivable from the top five customers to the Group's accounts receivable balance were 56%,50% and 38%, respectively. The concentration of credit risk on the remaining accounts receivable is not significant.

3) Liquidity Risk

The Group manages and maintains sufficient cash and cash equivalents to support the group's operations and mitigate the impact of cash flow fluctuations.

The Group 's operating capital on the book is sufficient to meet its liabilities on the book. Therefore, there is no liquidity risk that the Group will not be able to raise funds to meet its contractual obligations.

23. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed below.

a. Related parties and their relationships associated with the Company:

<u>Name of related parties</u>	<u>Relationship with the Group</u>
Senno Technology Inc.	Substantial related party
Digit Mobile Inc.	Substantial related party
New Pocket Device Corp.	Substantial related party

b. Business transaction

<u>Line Items</u>	<u>Related Party Categories</u>	<u>For the Three Months Ended</u>	
		<u>2022</u>	<u>2021</u>
Sales revenues	Substantial related party	<u>\$ 125</u>	<u>\$ 6,128</u>
Operating expenses			
Miscellaneous	Substantial related party	<u>\$ 36</u>	<u>\$ -</u>

The transaction prices and payment terms between the Group and its related parties are comparable to those of non-related parties.

c. Receivables from related parties

<u>Line Items</u>	<u>Related Party ategories</u>	<u>March 31</u>	<u>December 31</u>	<u>March 31</u>
		<u>2022</u>	<u>2021</u>	<u>2021</u>
Account receivables	Substantial related party	<u>\$ -</u>	<u>\$ 552</u>	<u>\$ 1,461</u>

No guarantee deposits were received for receivables from related parties in circulation. No allowance for loss was provided for receivables from related parties for the three months ended march 31, 2022 and 2021.

d. Compensation of key management personnel

	For the Three Months Ended March 31	
	2022	2021
Short-term benefits	\$ 8,687	\$ 10,562
Post-employment benefits	45	44
	<u>\$ 8,732</u>	<u>\$ 10,606</u>

The compensation to directors and other key management personnel were determined by the Compensation Committee in accordance with the individual performance and market trends.

24. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for short-term bank loan facilities, purchases and customs duties on goods.

	March 31 2022	December 31 2021	March 31 2021
Property, plant and equipment	\$ 209,179	\$ 210,064	\$ 212,721
Pledged time deposits	<u>52,163</u>	<u>52,159</u>	<u>52,146</u>
	<u>\$ 261,342</u>	<u>\$ 262,223</u>	<u>\$ 264,867</u>

25. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was summarized according to the foreign currencies other than the functional currency of the Company. The exchange rates disclosed were used to translate the foreign currencies into the functional currency. The significant financial assets and liabilities denominated in foreign currencies were as follows:

March 31, 2022

	Foreign currency	Exchange rate	Carrying amount
<u>Foreign currency assets</u>			
<u>Monetary items</u>			
USD	\$ 37,193	28.575(USD: NTD)	\$ 1,062,790
USD	2,323	6.3482(USD: RMB)	66,380
EUR	760	31.72(EUR: NTD)	24,107
RMB	38,838	4.481(RMB: RMB)	174,033
<u>Foreign currency liabilities</u>			
<u>Monetary items</u>			
USD	8,571	28.675(USD: NTD)	245,773
USD	527	6.3482(USD: RMB)	15,112
RMB	42	4.531(RMB: RMB)	190

December 31, 2021

	Foreign currency	Exchange rate	Carrying amount
<u>Foreign currency assets</u>			
<u>Monetary items</u>			
USD	\$ 34,087	27.63(USD: NTD)	\$ 941,824
USD	1,814	6.3757(USD: RMB)	50,121
EUR	760	31.12(EUR: NTD)	23,651
RMB	53,510	4.319(RMB: NTD)	231,110

Foreign currency liabilities			
<u>Monetary items</u>			
USD	11,408	27.73(USD: NTD)	316,344
USD	527	6.3757(USD: RMB)	14,614
RMB	303	4.369(RMB: NTD)	1,324

March 31, 2021

	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>Carrying amount</u>
Foreign currency assets			
<u>Monetary items</u>			
USD	\$ 34,048	28.485(USD: NTD)	\$ 969,857
USD	1,881	6.5713(USD: RMB)	53,580
EUR	760	33.28(EUR: NTD)	25,293
RMB	109,903	4.319(RMB: RMB)	474,671
Foreign currency liabilities			
<u>Monetary items</u>			
USD	9,680	28.585(USD: NTD)	276,703
USD	132	6.5713(USD: RMB)	3,773
RMB	639	4.369(RMB: RMB)	2,792

The Group is primarily exposed to foreign currency exchange rate risk in the USD and RMB. The following information is presented in aggregate for the functional currencies of the individual entity holding the foreign currencies, and the exchange rates disclosed are the rates at which those functional currencies are translated into the presenting currency. Foreign currency translation gains and losses (realized and unrealized) with significant effect as follows.

Functional currency	<u>For the three Months Ended,2022</u>		<u>For the three Months Ended,2021</u>	
	Functional currency exchanged to presenting currency	Net exchange gain (loss)	Functional currency exchanged to presenting currency	Net exchange loss
NTD	1 (NTD: NTD)	\$ 36,011	1 (NTD: NTD)	(\$ 6,269)
RMB	4.408(RMB: NTD)	(166)	4.377 (RMB: NTD)	3,342
		<u>\$ 35,845</u>		<u>(\$ 2,927)</u>

26. OTHER ITEMS

The operations of the Company have not been affected by the COVID-19 pandemic. As of the filing date of this financial statements to the board of directors, the Company is still evaluating the economic impact of the epidemic on the Company.

27. SEPARATELY DISCLOSED ITEMS

- a. Information about significant transactions:
- 1) Financing provided to others: None
 - 2) Endorsements/guarantees provided: None
 - 3) Marketable securities held (excluding investments in subsidiaries and associates): See Table 1 attached
 - 4) Marketable securities acquired and disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital: None
 - 5) Acquisition of individual real estate at costs of at least NT \$300 million or 20% of the paid-in capital: None
 - 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital: (None)

- 7) Total purchases from or sales to related parties of at least NT\$100 million or 20% of the paid-in capital: See Table 2 attached
 - 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: See Table 3 attached
 - 9) Trading in derivative instruments: None
 - 10) Others: Intercompany relationships and significant intercompany transactions: See Table 4 attached
- b. Information on investees: See Table 5 attached
- c. Information on investments in mainland China:
- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, shareholding ratio, investment gains or losses, carrying amount of the investment at the end of the period, repatriation of investment gains or losses, and limit on the amount of investment in the mainland China area: See Table 6 attached
 - 2) Any of the significant transactions with investee companies in mainland China, either directly or indirectly through a third area, and their prices, payment terms, and unrealized gains or losses: See Table 2.3.4.6 attached
 - a) Amounts and percentages of purchases and related payables at the end of the period.
 - b) Amounts and percentages of sales and related receivables at the end of the period.
 - c) The amount of property transactions and the amount of gain or loss resulting from such transactions.
 - d) The ending balance of endorsement and guarantee of notes or provision of collateral and its purpose.
 - e) The maximum balance, ending balance, interest rate range and total current interest amount of financial accommodation.
 - f) Other transactions that have a significant effect on the current profit or loss or financial position, such as the provision or receipt of services.
- d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder: None

28. SEGMENT INFORMATION

The operating decision makers of the merged company use product-specific information to allocate resources and evaluate departmental performance. Each product has similar economic characteristics and is sold through a unified and centralized sales method. Therefore, the merged company is a single product. The operating department reports, and the departmental information provided by the combined company to the operating decision makers for review is based on the same measurement basis as the financial statements. Therefore, the departmental revenue and operating results that should be reported from January 1 to March 31, 2022 and 2021 can be referred to consolidated income statement from January 1 to March 31, 2022 and 2021.

SONIX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

MARCH 31, 2022

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

Holding Company Name	Marketable Securities Type and Name	Relationship with the Company	Financial Statement Account	March 31, 2022				Note
				Shares/Units	Carrying Amount	Percentage of Ownership (%)	Net Worth/Fair Value	
Sonix Technology Co., Ltd.	<u>Stock</u>							
	Ours Technology Inc.	—	Financial assets at fair value through other comprehensive income - non-current	54	\$ 7	-	\$ 7	Note
	Muchip Corporation.	—	Financial assets at fair value through other comprehensive income - non-current	14,180	-	-	-	Note
	Champion Microelectronic Corp.	—	Financial assets at fair value through other comprehensive income - non-current	6,571,472	498,774	8.22	498,774	Note
	<u>Fund beneficiary certificate</u>							
	Franklin Templeton - Global Total Return Fund	—	Financial assets at fair value through profit or loss - current	29,951.693	22,706	-	22,706	Note
	Nomura Taiwan Money Market Fund	—	Financial assets at fair value through profit or loss - current	1,821,460.45	30,026	-	30,026	Note
	Union Money Market Fund	—	Financial assets at fair value through profit or loss - current	2,250,225.02	30,027	-	30,027	Note
	Fuh Hwa Money Market Fund	—	Financial assets at fair value through profit or loss - current	2,060,255.6	30,021	-	30,021	Note
	Yuanta Wan Tai Money Market Fund	—	Financial assets at fair value through profit or loss - current	1,964,109.2	30,027	-	30,027	Note
Jian Mou Investment Corporation.	<u>Stock</u>							
	Ours Technology Inc.	—	Financial assets at fair value through other comprehensive income - non-current	115	27	-	27	Note
	<u>Fund beneficiary certificate</u>							
	Jih SunAsian High Yield Bond Fund A(TWD)	—	Financial assets at fair value through profit or loss - current	1,307,168.12	12,091	-	12,091	Note
	Jih Sun Target Income Fund of Funds(TWD)	—	Financial assets at fair value through profit or loss - current	1,500,000	14,430	-	14,430	Note
	Nomura Fallen Angel HY Bd N A TWD	—	Financial assets at fair value through profit or loss - current	1,007,650	9,655	-	9,655	Note

Note: Estimated at fair value as of March 31, 2022.

SONIX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES OF AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE THREE MONTHS ENDED MARCH 31, 2022

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

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Payable or Receivable		Note
			Purchases/ Sales	Amount	% to Total	Payment Term	Unit Price	Payment Term	Ending Balance	% to Total	
Sonix Technology Co., Ltd.	Sonix Technology (Shenzhen) Co., Ltd.	Sub-sub-subsidiary	Sales	(\$ 198,426)	(21%)	30days	\$ -	—	\$ 76,780	15%	
Sonix Technology (Shenzhen) Co., Ltd.	Sonix Technology Co., Ltd.	Parent company	Purchases	198,426	96%	30days	-	—	(76,780)	(100%)	

Note: All the transactions had been eliminated when preparing of the consolidated financial statements.

SONIX TECHNOLOGY CO., LTD. AND SUBSIDIARIES**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
MARCH 31, 2022****(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)**

Company Name	Related Party	Nature of Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period(note)	Allowance for Bad Debts
					Amount	Action Taken		
Sonix Technology Co., Ltd.	Sonix Technology (Shenzhen) Co., Ltd.	Sub-sub-subsidiary	\$ 76,780	10.55	\$ -	—	\$ 76,780	\$ -

Note 1: As of MAY 6, 2022.

Note 2: All the transactions had been eliminated when preparing of the consolidated financial statements.

SONIX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2022

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

No.	Company Name	Company Name	Nature of Relationship (Note 1)	Intercompany Transactions			Percentage of Consolidated Net Revenue or Total Assets
				Financial Statement Item	Amount	Terms	
0	Sonix Technology Co., Ltd.	Sonix Technology (Shenzhen) Co., Ltd.	1	Accounts Receivable	\$ 76,780	No Significant Difference from Non-Related Party	1
		Sonix Technology (Shenzhen) Co., Ltd.	1	Sales	198,426	No Significant Difference from Non-Related Party	19

Note 1: 1 represents parent to subsidiary 、 2 represents subsidiary to parent 、 3 represents subsidiary to subsidiary.

Note 2: All the transactions had been eliminated when preparing of the consolidated financial statements.

SONIX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

NAMES, LOCATIONS, AND RELATED INFORMATION OF INVESTEEES OVER WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE (EXCLUDING THE INFORMATION ON INVESTMENT IN MAINLAND CHINA)
 FOR THE THREE MONTHS ENDED MARCH 31, 2022
 (Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of March 31, 2022			Net Gain (Loss) of the Investee	Investment Gain (Loss) Recognized(Note 1)	Remarks
				March 31,2022	December 31,2021	Shares	Percentage of Ownership	Carrying Value			
Sonix Technology Co., Ltd.	Sonix Technology Ltd.	P.O. Box 3321, RoadTown, Tortola, The British Virgin Islands	General Investment	\$ 1,031,999	\$ 1,031,999	33,010,000	100	\$1,468,895	(\$ 56,527)	(\$ 56,527)	Subsidiary
	Jian Mou Investment Corporation.	Hsinchu county	General Investment	155,000	155,000	15,500,000	100	100,314	(2,883)	(2,883)	Subsidiary
	Sonix Technology K.K.	Tokyo Metropolitan	Engaged in the business of computer system integration and technical consulting services, etc.	31,792	31,792	8,000	100	13,052	21	21	Subsidiary
Jian Mou Investment Corporation.	Paradigm Venture Capital Corporation.	Taipei city	General Investment	43,948	43,948	459,960	20.98	7,157	(77)	(17)	
Sonix Technology Ltd.	Sonix Holding Group Co.,Ltd.	P.O. Box 438, RoadTown, Tortola, The British Virgin Islands	General Investment	997,099	997,099	32,010,000	100	1,434,918	(56,540)	(56,540)	Sub-subsidiary

Note 1: Except for the Sonix Technology Co., Ltd. & Sonix Holding Group Co., Ltd., calculated based on the investee's financial statements unreviewed and the Company's percentage of ownership during the same period.

Note 2: With the except Paradigm Venture Capital Corporation., Gains or losses on investments between investees, equity-method investments in investors and net equity in investees are eliminated when the consolidated financial statements are prepared.

SONIX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENT IN MAINLAND CHINA
FOR THE THREE MONTHS ENDED MARCH 31, 2022

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

Investee Company	Main Businesses and Products	Total Amount of Paid-in Capital (US\$ in Thousands)	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2022 (US\$ in Thousands)	Investment Flows		Accumulated Outflow of Investment from Taiwan as of March 31, 2022 (US\$ in Thousands)	Net Income (Loss) of the Investee (US\$ in Thousands)	Percentage of Ownership	Investment Income (Losses) (US\$ in Thousands)(Note 1)	Carrying Amount as of March 31,2022 (US\$ in Thousands) (Note 1)	Accumulated Inward Remittance of Earnings as of March 31, 2022	Note
					Outflow	Inflow							
Sonix Technology (Chengdu) Co., Ltd.	Engaged in the business of computer system integration and technical consulting services, etc.	\$ 286,250 (US\$ 10,000)	Invest in Mainland China through companies incorporated in third regions.	\$ 286,250 (US \$10,000)	\$ -	\$ -	\$ 286,250 (US \$10,000)	\$ 2,749 (US \$98)	100%	\$ 2,749 (US \$98)	\$ 112,765 (US \$3,939)	\$ -	
Sonix Technology (Shenzhen) Co., Ltd.	Engaged in the business of computer system integration and technical consulting services, etc.	629,750 (US\$ 22,000)	Invest in Mainland China through companies incorporated in third regions.	629,750 (US \$22,000)	-	-	629,750 (US \$22,000)	(59,289) (US \$2,118)	100%	(59,289) (US \$2,118)	1,322,146 (US \$46,188)	-	

Accumulated Investment in Mainland China as of March 31, 2022 (US\$ in Thousands)	Investment Amounts Authorized by Investment Commission, MOEA (US\$ in Thousands)	Upper Limit on Investment
\$916,000 (US\$32,000)	\$958,938 (US\$33,500)	\$2,787,924

Note 1: Except for the SONIX Technology (Shenzhen) Co., Ltd., calculated based on the investee's financial statements unreviewed and the Company's percentage of ownership during the same period.

Note 2: Except for the investment income or loss recognized in the current period, which was calculated using the average exchange rate from January 1 to March 31, 2022, the rest was calculated using the exchange rate at the end of march 31,2022.

Note 3: Gains or losses on investments between investees, equity-method investments in investors and net equity in investees are eliminated when the consolidated financial statements are prepared.