

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, 2022 and 2021, 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, 2022 and 2021, and of its consolidated financial performance and its consolidated cash flows for the three months then 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.

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 12, 2022

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

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

	March 31, 2022 (Reviewed)		December 31, 2021 (Audited)		March 31, 2021 (Reviewed)	
	Amount	%	Amount	%	Amount	%
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	\$ 14,077,911	47	\$ 11,614,236	44	\$ 9,430,252	44
Financial assets at amortized cost - current	1,127,288	4	1,246,936	5	713,375	4
Accounts receivable, net	2,251,352	8	1,919,874	7	1,338,530	6
Other receivables	67,680	-	54,909	-	58,311	-
Inventories	3,118,208	10	2,784,411	10	2,396,683	11
Prepayments	434,732	1	446,083	2	183,718	1
Total current assets	<u>21,077,171</u>	<u>70</u>	<u>18,066,449</u>	<u>68</u>	<u>14,120,869</u>	<u>66</u>
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current	3,479,128	12	3,004,196	11	1,895,609	9
Investments accounted for using equity method	863,703	3	854,729	3	522,497	2
Property, plant and equipment	1,500,885	5	1,471,287	6	1,259,277	6
Right-of-use assets	96,507	-	100,924	1	101,334	-
Investment properties	653,283	2	632,625	2	607,949	3
Goodwill	1,417,796	5	1,370,260	5	1,827,255	9
Other intangible assets	722,657	2	737,355	3	786,911	4
Deferred tax assets	63,073	-	54,150	-	42,730	-
Refundable deposits	344,937	1	331,668	1	108,088	1
Net defined benefit assets - non-current	902	-	889	-	1,008	-
Long-term prepayments	45,568	-	18,609	-	41,625	-
Total non-current assets	<u>9,188,439</u>	<u>30</u>	<u>8,576,692</u>	<u>32</u>	<u>7,194,283</u>	<u>34</u>
TOTAL	<u>\$ 30,265,610</u>	<u>100</u>	<u>\$ 26,643,141</u>	<u>100</u>	<u>\$ 21,315,152</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Financial liabilities at fair value through profit or loss -current	\$ -	-	\$ 21,929	-	\$ -	-
Accounts payable	735,887	2	733,715	3	730,071	4
Accounts payable - related parties	4,470	-	7,784	-	3,880	-
Other payables	2,894,098	10	1,017,188	4	729,039	4
Current tax liabilities	595,444	2	466,678	2	78,996	-
Lease liabilities - current	44,769	-	46,191	-	39,854	-
Other current liabilities	38,212	-	49,299	-	54,773	-
Total current liabilities	<u>4,312,880</u>	<u>14</u>	<u>2,342,784</u>	<u>9</u>	<u>1,636,613</u>	<u>8</u>
NON-CURRENT LIABILITIES						
Financial liabilities at fair value through profit or loss - non-current	17,240	-	16,599	-	33,204	-
Deferred tax liabilities	19,379	-	19,420	-	9,441	-
Lease liabilities - non-current	29,238	-	33,091	-	39,508	-
Guarantee deposits	449,557	2	53,295	-	8,498	-
Total non-current liabilities	<u>515,414</u>	<u>2</u>	<u>122,405</u>	<u>-</u>	<u>90,651</u>	<u>-</u>
Total liabilities	<u>4,828,294</u>	<u>16</u>	<u>2,465,189</u>	<u>9</u>	<u>1,727,264</u>	<u>8</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY						
Share capital						
Common shares	947,336	3	943,567	4	932,936	4
Capital surplus	9,542,532	32	9,256,486	35	8,260,212	39
Retained earnings						
Legal reserve	996,568	3	996,568	4	996,568	5
Special reserve	1,129,475	4	1,129,475	4	703,512	3
Unappropriated earnings	13,063,146	43	13,184,448	49	9,904,183	47
Total retained earnings	<u>15,189,189</u>	<u>50</u>	<u>15,310,491</u>	<u>57</u>	<u>11,604,263</u>	<u>55</u>
Other equity						
Exchange differences on translating foreign operations	(551,619)	(2)	(1,461,963)	(6)	(1,144,078)	(5)
Unearned employee benefits	(228,675)	(1)	(315,207)	(1)	(373,709)	(2)
Total other equity	<u>(780,294)</u>	<u>(3)</u>	<u>(1,777,170)</u>	<u>(7)</u>	<u>(1,517,787)</u>	<u>(7)</u>
Total equity attributable to owners of the Company	<u>24,898,763</u>	<u>82</u>	<u>23,733,374</u>	<u>89</u>	<u>19,279,624</u>	<u>91</u>
NON-CONTROLLING INTERESTS	<u>538,553</u>	<u>2</u>	<u>444,578</u>	<u>2</u>	<u>308,264</u>	<u>1</u>
Total equity	<u>25,437,316</u>	<u>84</u>	<u>24,177,952</u>	<u>91</u>	<u>19,587,888</u>	<u>92</u>
TOTAL	<u>\$ 30,265,610</u>	<u>100</u>	<u>\$ 26,643,141</u>	<u>100</u>	<u>\$ 21,315,152</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			
	2022		2021	
	Amount	%	Amount	%
OPERATING REVENUE, NET	\$ 6,020,775	100	\$ 4,179,928	100
OPERATING COSTS	<u>2,795,858</u>	<u>46</u>	<u>2,184,786</u>	<u>52</u>
GROSS PROFIT	<u>3,224,917</u>	<u>54</u>	<u>1,995,142</u>	<u>48</u>
OPERATING EXPENSES				
Selling and marketing expenses	267,264	5	203,995	5
General and administrative expenses	191,578	3	165,166	4
Research and development expenses	991,965	17	628,492	15
Expected credit loss (reversed)	<u>567</u>	<u>-</u>	<u>(1,074)</u>	<u>-</u>
Total operating expenses	<u>1,451,374</u>	<u>25</u>	<u>996,579</u>	<u>24</u>
OTHER OPERATING INCOME AND EXPENSES, NET	<u>4,197</u>	<u>-</u>	<u>4,206</u>	<u>-</u>
PROFIT FROM OPERATIONS	<u>1,777,740</u>	<u>29</u>	<u>1,002,769</u>	<u>24</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	39,350	1	17,013	-
Other income	49,090	1	51,109	1
Interest expenses	(235)	-	(229)	-
Foreign exchange loss, net	(5,492)	-	(5,547)	-
Share of loss of associates	(21,458)	(1)	(8,708)	-
Loss on financial instruments at fair value through profit or loss	(6,374)	-	-	-
Miscellaneous expenses	<u>(15,577)</u>	<u>-</u>	<u>(9,364)</u>	<u>-</u>
Total non-operating income and expenses	<u>39,304</u>	<u>1</u>	<u>44,274</u>	<u>1</u>
PROFIT BEFORE INCOME TAX	1,817,044	30	1,047,043	25
INCOME TAX EXPENSE	<u>(173,054)</u>	<u>(3)</u>	<u>(72,340)</u>	<u>(2)</u>
NET PROFIT FOR THE PERIOD	<u>1,643,990</u>	<u>27</u>	<u>974,703</u>	<u>23</u>

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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 (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Exchange differences arising from translation to the presentation currency	\$ 878,044	15	\$ 41,814	1
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	54,263	1	(55,037)	(1)
Share of the other comprehensive loss of associates accounted for using equity method	<u>(3,078)</u>	<u>-</u>	<u>(2,452)</u>	<u>-</u>
Other comprehensive income (loss) for the period, net of income tax	<u>929,229</u>	<u>16</u>	<u>(15,675)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 2,573,219</u>	<u>43</u>	<u>\$ 959,028</u>	<u>23</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 1,578,099	26	\$ 991,742	24
Non-controlling interests	<u>65,891</u>	<u>1</u>	<u>(17,039)</u>	<u>(1)</u>
	<u>\$ 1,643,990</u>	<u>27</u>	<u>\$ 974,703</u>	<u>23</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 2,488,443	41	\$ 977,139	23
Non-controlling interests	<u>84,776</u>	<u>2</u>	<u>(18,111)</u>	<u>-</u>
	<u>\$ 2,573,219</u>	<u>43</u>	<u>\$ 959,028</u>	<u>23</u>
EARNINGS PER SHARE				
Basic	<u>\$ 16.74</u>		<u>\$ 10.69</u>	
Diluted	<u>\$ 15.83</u>		<u>\$ 10.08</u>	

(Concluded)

SILERGY CORP.
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**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)**

	Equity Attributable to Owners of the Company						Other Equity						
	Common Shares		Capital Surplus	Retained Earnings			Exchange Differences on Translating Foreign Operations	Unearned Employee Benefits	Total Other Equity	Total	Non-controlling Interest	Total Equity	
	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
Changes 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 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
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 Cash dividends distributed by Silergy Corp.	-	-	-	-	-	(1,698,420)	(1,698,420)	-	-	-	(1,698,420)	-	(1,698,420)
Changes in percentage of ownership interests in subsidiaries	-	-	(8,218)	-	-	(981)	(981)	-	-	-	(9,199)	9,199	-
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	528	-	-	-	-	-	-	-	528	-	528
Recognition of employee share options by Silergy Corp.	-	-	135,296	-	-	-	-	-	-	-	135,296	-	135,296
Net profit for the three months ended March 31, 2022	-	-	-	-	-	1,578,099	1,578,099	-	-	-	1,578,099	65,891	1,643,990
Other comprehensive income for the three months ended March 31, 2022, net of income tax	-	-	-	-	-	-	-	910,344	-	910,344	910,344	18,885	929,229
Total comprehensive income for the three months ended March 31, 2022	-	-	-	-	-	1,578,099	1,578,099	910,344	-	910,344	2,488,443	84,776	2,573,219
Issue of common shares under employee share options	377	3,769	158,440	-	-	-	-	-	-	-	162,209	-	162,209
Recognition of restricted employee shares issued by Silergy Corp.	-	-	-	-	-	-	-	-	86,532	86,532	86,532	-	86,532
BALANCE AT MARCH 31, 2022	94,734	\$ 947,336	\$ 9,542,532	\$ 996,568	\$ 1,129,475	\$ 13,063,146	\$ 15,189,189	\$ (551,619)	\$ (228,675)	\$ (780,294)	\$ 24,898,763	\$ 538,553	\$ 25,437,316

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

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021
(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	\$ 1,817,044	\$ 1,047,043
Adjustments for:		
Expected credit loss (gain) recognized on trade receivables	567	(1,074)
Net loss on financial instruments at fair value through profit or loss	6,374	-
Depreciation expenses	83,055	53,570
Amortization expenses	40,663	47,083
Interest income	(39,350)	(17,013)
Dividend income	(5,977)	(33,650)
Interest expenses	235	229
Compensation cost of employee share options	135,296	90,644
Compensation cost of restricted employee shares	86,532	75,216
Share of loss of associates	21,458	8,708
Loss on disposal of property, plant and equipment	61	22
Property, plant and equipment transferred to expenses	-	15
Gains on disposal of intangible assets	(4,258)	(4,228)
Write-down (reversal of write-down) of inventories	46,960	(2,748)
Unrealized gain on foreign currency exchange	(5,719)	(4,839)
Changes in operating assets and liabilities		
Increase in accounts receivable	(326,184)	(315,944)
Decrease in other receivables	3,662	44,633
Increase in inventories	(402,610)	(78,902)
Decrease (increase) in prepayments	11,482	(30,672)
Increase in defined benefit assets - non-current	(13)	(13)
Increase in accounts payable	1,830	113,707
(Decrease) increase in accounts payable - related parties	(3,314)	2,160
Increase in other payables	156,645	60,575
(Decrease) increase in other current liabilities	(11,087)	8,423
Increase in refundable deposits	432,109	-
Cash generated from operations	2,045,461	1,062,945
Interest received	23,085	22,514
Interest paid	(235)	(229)
Income tax paid	(72,056)	(82,012)
Net cash generated from operating activities	<u>1,996,255</u>	<u>1,003,218</u>

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SILERGY CORP.
(Incorporated in the Cayman Islands)
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CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	For the Three Months Ended	
	March 31	
	2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	\$ (1,127,288)	\$ (483,679)
Proceeds from sale of financial assets at amortized cost	1,246,936	-
Purchase of financial assets at fair value through profit or loss	(359,420)	(266,489)
Acquisition of property, plant and equipment	(31,752)	(146,235)
Proceeds from disposal of property, plant and equipment	-	5
Payments for intangible assets	(1,368)	(4,592)
Increase in refundable deposits	(13,269)	(54,071)
Increase in long-term prepayments	(35,298)	(1,396)
Dividends received	<u>5,977</u>	<u>33,650</u>
Net cash used in investing activities	<u>(315,482)</u>	<u>(922,807)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in guarantee deposits	(35,847)	(1,597)
Repayment of the principal portion of lease liabilities	(14,614)	(11,328)
Proceeds from exercise of employee share options	<u>162,209</u>	<u>112,396</u>
Net cash generated from financing activities	<u>111,748</u>	<u>99,471</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES		
	<u>671,154</u>	<u>2,224</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,463,675	182,106
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>11,614,236</u>	<u>9,248,146</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 14,077,911</u>	<u>\$ 9,430,252</u>

(Concluded)