

Prime Oil Chemical Service Corporation and its
subsidiaries

Consolidated Financial Statements and
Independent Auditor's Review Report

1st Quarter in 2022 and 2021

(Stock Code: 2904)

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Prime Oil Chemical Service Corporation and its subsidiaries
Consolidated Financial Statements and Independent Auditor's Review Report for the 1st
Quarter in 2021 and 2020
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Independent Auditor's Review Report

(2022) Cai-Shen-Bao-Zi No.22000315

To the Board of Directors and Shareholders of Prime Oil Chemical Service Corporation.:

Foreword

We have reviewed the accompanying consolidated balance sheets of Prime Oil Chemical Service Corporation and its subsidiaries (the “POCS Group”) as of March 31, 2022 and 2021 and the related consolidated comprehensive income statements, consolidated statements of changes in equity and consolidated cash flow statements for the periods then ended, and notes to the consolidated financial statements (including a summary of significant accounting policies). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulation Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Statement 34 “Interim Financial Reporting” endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on the consolidated financial statements based on our review.

Scope of Review

Except for those described in the paragraph of basis of qualified conclusion, we concluded our reviews in accordance with Statements 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.

Basis of qualified conclusion

As described in Note 4(3) 2. to the consolidated financial statements, the financial statements of certain non-significant subsidiaries included in the above consolidated financial statements for the same period have not been reviewed by us. As of March 31, 2022 and 2021, their total assets amounted to NT\$493,046 thousand and NT\$404,770 thousand, respectively, accounting for 27% and 24% of the consolidated total assets; their total liabilities amounted to NT\$98,316 thousand and NT\$104,949 thousand, respectively, accounting for 12% and 18% of the consolidated total liabilities. Their total consolidated income from January 1 to March 31,

2022 and 2021 was NT\$4,559 thousand and NT\$1,026 thousand, respectively, which accounted for 14% and 3% of the consolidated comprehensive income, respectively.

Qualified conclusion

Based on our review, except for the effect of adjustments, if any, as might have been made to the consolidated financial statements had the financial statements of these non-significant subsidiaries been reviewed by us as described in the paragraph of basis of qualified conclusion, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material aspects the consolidated financial position of the POCS Group as of March 31, 2022 and 2021, and 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 by the Financial Supervisory Commission

PricewaterhouseCoopers, Taiwan

Huang, Pei-Chuan

Accountant

Pan, Hui-Ling

Financial Supervisory Commission

Approval No.: Jin-Guan-Zheng-Shen-Zi No. 1100348083

Previously Securities and Futures Commission, Ministry of Finance

Approval certification number: (1999) Tai-Cai-Zheng (VI) No. 95577

May 9, 2022

Prime Oil Chemical Service Corporation and its subsidiaries

Consolidated balance sheets

March 31, 2022 and December 31 and March 31, 2021

(The accompanying consolidated balance sheets as of March 31, 2022 and 2021 have been reviewed only, and have not been audited in accordance with generally accepted auditing standards.)

Unit: NTD thousand

Assets	Note	March 31, 2022		December 31, 2021		March 31, 2021		
		Amount	%	Amount	%	Amount	%	
Current assets								
1100	Cash and cash equivalents	6 (1)	\$ 150,480	8	\$ 135,111	8	\$ 188,922	12
1136	Financial assets measured at amortized cost - current	6 (4)	16,574	1	26,026	2	16,521	1
1150	Notes receivable, net	6 (5)	304	-	717	-	152	-
1170	Accounts receivable, net	6 (5) and 12 (2)	40,214	2	42,387	3	37,670	2
1200	Other receivables		-	-	-	-	1,549	-
1410	Prepayments		16,467	1	8,457		13,576	1
11XX	Total current assets		<u>224,039</u>	<u>12</u>	<u>212,698</u>	<u>13</u>	<u>258,390</u>	<u>16</u>
Non-current assets								
1510	Financial assets at fair value through profit or loss - non-current	6 (2)	110,536	6	83,109	5	81,067	5
1517	Financial assets at fair value through other comprehensive income - noncurrent	6(3)	34,826	2	36,214	2	39,658	2
1535	Financial assets measured at amortized cost - non-current	6 (4)and 8	2,301	-	2,301	-	2,300	-
1550	Investments accounted for using equity method	6 (6)	98,298	6	-	-	-	-
1600	Property, plant and equipment	6 (7)and 8	1,224,173	68	1,179,274	72	1,142,230	69
1755	Right-of-use assets	6 (8)	33,494	2	47,957	3	70,064	4
1780	Intangible asset		5,159	-	4,241	-	5,123	-
1840	Deferred tax assets	6 (23)	4,359	-	5,660	1	4,595	-
1915	Prepayments for equipment		-	-	-	-	2,002	-
1920	Refundable deposits	8	<u>61,911</u>	<u>4</u>	<u>64,026</u>	<u>4</u>	<u>57,189</u>	<u>4</u>

Prime Oil Chemical Service Corporation and its subsidiaries

Consolidated balance sheets

March 31, 2022 and December 31 and March 31, 2021

(The accompanying consolidated balance sheets as of March 31, 2022 and 2021 have been reviewed only, and have not been audited in accordance with generally accepted auditing standards.)

Unit: NTD thousand

15XX	Total non-current assets	<u>1,575,057</u>	<u>88</u>	<u>1,422,782</u>	<u>87</u>	<u>1,404,228</u>	<u>84</u>
1XXX	Total assets	<u>\$ 1,799,096</u>	<u>100</u>	<u>\$ 1,635,480</u>	<u>100</u>	<u>\$ 1,662,618</u>	<u>100</u>

(Continued)

Prime Oil Chemical Service Corporation and its subsidiaries

Consolidated balance sheets

March 31, 2022 and December 31 and March 31, 2021

(The accompanying consolidated balance sheets as of March 31, 2022 and 2021 have been reviewed only, and have not been audited in accordance with generally accepted auditing standards.)

Unit: NTD thousand

Liabilities and Stockholders' Equity	Note	March 31, 2022		December 31, 2021		March 31, 2021		
		Amount	%	Amount	%	Amount	%	
Current liabilities								
2100	Short-term borrowings	6 (10)	\$ 220,600	12	\$ 103,600	6	\$ 67,300	4
2110	Short-term bills payable	6 (10)	35,500	2	38,500	2	19,500	1
2150	Notes payable		5,004	-	6,881	-	5,004	-
2200	Other payables	6 (12)	38,379	2	60,518	4	51,230	3
2230	Current income tax liabilities		18,118	1	15,617	1	33,177	2
2280	Current lease liabilities		10,762	1	23,363	2	52,981	3
2320	Long-term liabilities, current portion		72,876	4	69,878	4	64,232	4
2399	Other current liabilities	6 (10)	51	-	77	-	48	-
21XX	Total current liabilities		<u>401,290</u>	<u>22</u>	<u>318,434</u>	<u>19</u>	<u>293,472</u>	<u>17</u>
Non-current liabilities								
2540	Long-term borrowings	6 (11)	338,462	19	294,365	18	242,436	15
2550	Provisions for liabilities - non-current	6 (14)	25,185	1	25,185	2	22,637	1
2570	Deferred tax liabilities		9,145	1	4,052	-	3,102	-
2580	Non-current lease liabilities		14,760	1	15,962	1	11,501	1
2640	Net defined benefit liabilities - noncurrent		8,236	1	8,552	1	7,531	1
2645	Guarantee deposits received		6,450	-	6,450	-	6,450	-
25XX	Total non-current liabilities		<u>402,238</u>	<u>23</u>	<u>354,566</u>	<u>22</u>	<u>293,657</u>	<u>18</u>
2XXX	Total liabilities		<u>803,528</u>	<u>45</u>	<u>673,000</u>	<u>41</u>	<u>587,129</u>	<u>35</u>
Equity attributable to shareholders of the parent company								
	Share capital	6 (15)						
3110	Common stock		690,344	38	690,344	42	690,344	42
	Additional paid-in capital	6 (16)						
3200	Additional paid-in capital		4,233	-	4,233	-	4,233	-
	Retained earnings	6 (17)						
3310	Legal reserve		187,193	10	187,193	12	171,221	10
3320	Special reserve		13,064	1	13,064	1	-	-
3350	Unappropriated retained earnings		114,717	6	85,951	5	225,289	14
	Other equity interests							
3400	Other equity interests		(14,453)	-	(18,778)	(1)	(16,085)	(1)

The accompanying notes are an integral part of the consolidated financial statements and should be read in conjunction.

Chairperson: Liao Shu-chun

Managerial officer: Yeh Tang-jung

Accounting officer: Huang Yi-yin

Prime Oil Chemical Service Corporation and its subsidiaries

Consolidated balance sheets

March 31, 2022 and December 31 and March 31, 2021

(The accompanying consolidated balance sheets as of March 31, 2022 and 2021 have been reviewed only, and have not been audited in accordance with generally accepted auditing standards.)

Unit: NTD thousand

31XX	Total equity attributable to shareholders of the parent company	<u>995,098</u>	<u>55</u>	<u>962,007</u>	<u>59</u>	<u>1,075,002</u>	<u>65</u>
36XX	Non-controlling interests	<u>470</u>	<u>-</u>	<u>473</u>	<u>-</u>	<u>487</u>	<u>-</u>
3XXX	Total equity	<u>995,568</u>	<u>55</u>	<u>962,480</u>	<u>59</u>	<u>1,075,489</u>	<u>65</u>
	Significant contingent liabilities and unrecognized contract commitments		9				
3X2X	Total liabilities and equity	<u>\$ 1,799,096</u>	<u>100</u>	<u>\$ 1,635,480</u>	<u>100</u>	<u>\$ 1,662,618</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements and should be read in conjunction.

Chairperson: Liao Shu-chun

Managerial officer: Yeh Tang-jung

Accounting officer: Huang Yi-yin

Prime Oil Chemical Service Corporation and its subsidiaries

Consolidated income statements

January 1 to March 31, 2022 and 2021

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

Unit: NTD thousand
(Except for earnings per share)

	Item	Note	January 1 to March 31, 2022		January 1 to March 31, 2021	
			Amount	%	Amount	%
4000	Operating income	6 (9) (18)	\$ 107,886	100	\$ 133,589	100
5000	Operating cost	6 (21)				
		(22)	(83,109)	(77)	(78,667)	(59)
5900	Operating gross profits		<u>24,777</u>	<u>23</u>	<u>54,922</u>	<u>41</u>
	Operating expenses	6 (21)				
		(22)				
6100	Selling and marketing expenses		(1,263)	(1)	(1,421)	(1)
6200	General and administrative expenses		(15,594)	(14)	(20,134)	(15)
6000	Total operating expenses		(16,857)	(15)	(21,555)	(16)
6900	Operating profit		<u>7,920</u>	<u>8</u>	<u>33,367</u>	<u>25</u>
	Non-operating income and expenses					
7100	Interest income		42	-	42	-
7010	Other income		657	-	135	-
7020	Other gains or losses	6 (19)	28,012	26	13,968	10
7050	Financial costs	6 (20)	(402)	-	(627)	-
7000	Total non-operating income and expenses		<u>28,309</u>	<u>26</u>	<u>13,518</u>	<u>10</u>
7900	Profit before income tax		<u>36,229</u>	<u>34</u>	<u>46,885</u>	<u>35</u>
7950	Income tax expense	6 (23)	(7,466)	(7)	(6,813)	(5)
8200	Current period net profit		<u>\$ 28,763</u>	<u>27</u>	<u>\$ 40,072</u>	<u>30</u>
	Other comprehensive income for the year (net)					
	Items that will be reclassified to profit or loss					
8316	Unrealized valuation gain or loss on equity instruments at fair value through other comprehensive income	6(3)	(\$ 1,388)	(1)	(\$ 3,322)	(2)
8310	Total amount of items that will not be reclassified to profit or loss		(1,388)	(1)	(3,322)	(2)
	Items that may be reclassified subsequently to profit or loss:					
8361	Exchange differences in translating the financial statements of foreign operations		7,141	6	376	-
8399	Income taxes related to items that may be reclassified	6 (23)	(1,428)	(1)	(75)	-
8360	Total of items that may be reclassified to profit or loss		<u>5,713</u>	<u>5</u>	<u>301</u>	-
8300	Other comprehensive income for the year (net)		<u>\$ 4,325</u>	<u>4</u>	<u>(\$ 3,021)</u>	<u>(2)</u>
8500	Total comprehensive income in the current period		<u>\$ 33,088</u>	<u>31</u>	<u>\$ 37,051</u>	<u>28</u>
	Net income attributable to:					
8610	Shareholders of the parent company		\$ 28,766	27	\$ 40,074	30

The accompanying notes are an integral part of the consolidated financial statements and should be read in conjunction.

Chairperson: Liao Shu-chun

Managerial officer: Yeh Tang-jung

Accounting officer: Huang Yi-yin

Prime Oil Chemical Service Corporation and its subsidiaries

Consolidated income statements

January 1 to March 31, 2022 and 2021

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

Unit: NTD thousand
(Except for earnings per share)

8620	Non-controlling interests	(<u>3</u>)	-	(<u>2</u>)	-
		\$	<u>28,763</u>	<u>27</u>	\$	<u>40,072</u>	<u>30</u>
	Total comprehensive income attributable to:						
8710	Shareholders of the parent company	\$	33,091	31	\$	37,053	28
8720	Non-controlling interests	(<u>3</u>)	-	(<u>2</u>)	-
		\$	<u>33,088</u>	<u>31</u>	\$	<u>37,051</u>	<u>28</u>
	Earnings per share						
				6 (24)			
9750	Basic	\$		0.42	\$		0.58
9850	Diluted	\$		0.42	\$		0.58

The accompanying notes are an integral part of the consolidated financial statements and should be read in conjunction.

Chairperson: Liao Shu-chun

Managerial officer: Yeh Tang-jung

Accounting officer: Huang Yi-yin

Prime Oil Chemical Service Corporation and its subsidiaries
Consolidated statements of changes in equity
January 1 to March 31, 2022 and 2021
(Reviewed only, not audited in accordance with generally accepted auditing standards)

Unit: NTD thousand

	Equity attributable to shareholders of the parent company										
	Note	Share capital - common stock	Capital surplus	Retained earnings			Other equity interests			Total	Non- controlli ng interests
Legal reserve				Special reserve	Unappro priated retained earnings	Exchange Differences in Translating the Financial Statements of Foreign Operations	Unrealized gain or loss on financial assets at fair value through other comprehensiv e income				
<u>The 1st quarter of 2021</u>											
Balance at January 1, 2021		\$ 690,344	\$ 4,233	\$ 171,221	\$ -	\$ 185,215	(\$ 10,992)	(\$ 2,072)	\$ 1,037,949	\$ 489	\$ 1,003,488
Current period net profit		-	-	-	-	40,074	-	-	40,074	(2)	40,072
Other comprehensive income recognized for the period		-	-	-	-	-	301	(3,322)	(3,021)	-	(3,021)
Total comprehensive income in the current period		-	-	-	-	40,074	301	(3,322)	37,053	(2)	37,051
Balance at March 31, 2021		\$ 690,344	\$ 4,233	\$ 171,221	\$ -	\$ 225,289	(\$ 10,691)	(\$ 5,394)	\$ 1,075,002	\$ 487	\$ 1,075,489
<u>1st quarter of 2022</u>											
Balance at January 1, 2022		\$ 690,344	\$ 4,233	\$ 187,193	\$ 13,064	\$ 85,951	(\$ 15,363)	(\$ 3,415)	\$ 962,007	\$ 489	\$ 962,480
Current period net profit		-	-	-	-	28,766	-	-	28,766	(3)	28,763
Other comprehensive income recognized for the period		-	-	-	-	-	5,713	(1,388)	4,325	-	4,325
Total comprehensive income in the current period		-	-	-	-	28,766	5,713	(1,388)	33,091	(3)	33,088
Balance at March 31, 2022		\$ 690,344	\$ 4,233	\$ 187,193	\$ 13,064	\$ 114,717	(\$ 9,650)	(\$ 4,803)	\$ 995,098	\$ 470	\$ 995,568

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

Chairperson: Liao Shu-chun

Managerial officer: Yeh Tang-jung

Accounting officer: Huang Yi-yin

Prime Oil Chemical Service Corporation and its subsidiaries
Consolidated cash flow statements
January 1 to March 31, 2022 and 2021
(Reviewed only, not audited in accordance with generally accepted auditing standards)

Unit: NTD thousand

	Note	January 1 to March 31, 2022	January 1 to March 31, 2021
<u>Cash flow from operating activities</u>			
Profit before income tax for the year		\$ 36,229	\$ 46,885
Adjustment for:			
Income and expenses having no effect on cash flows			
Depreciation expense	6 (6)(8) (21)	48,831	40,368
Allocations		352	332
Gain on valuation of financial assets at fair value through profit or loss	6 (2)(19)	(27,427)	(13,993)
Exchange differences in Financial assets measured at amortized cost	6 (4)	(548)	(32)
Financial costs	6 (20)	402	627
Interest income		(42)	(42)
Dividend income	6 (5)	(592)	-
Change in assets/liabilities related to operating activities			
Changes in operating assets			
Notes receivable, net		413	92
Accounts receivable, net		2,173	7,494
Other receivables		-	411
Prepayments		(8,010)	2,213
Changes in operating liabilities			
Notes payable		(1,877)	(1,877)
Other payables		(1,970)	176
Other current liabilities		(26)	(26)
Net defined benefit liabilities		(316)	(325)
Cash flow from operating activities		47,592	82,303
Interest paid		(402)	(627)
Interest received		42	42
Dividends received		592	-
Net cash generated by operating activities		47,824	81,718
<u>Cash flow from investing activities</u>			
Acquisition of financial assets measured at amortized cost		-	(2,300)
Disposal of financial assets measured at amortized cost		10,000	-
Acquisition of investments accounted for using equity method		(97,653)	-
Purchase of property, plant and equipment	6 (25)	(93,805)	(43,496)
Acquisition of intangible assets		(1,270)	(47)
Decrease in refundable deposits		2,115	1,707
Net cash used in investing activities		(180,613)	(44,136)
<u>Cash flow from financing activities</u>			
Increase (decrease) in short-term bills payable	6 (26)	(3,000)	(26,000)
Short-term borrowings		249,600	145,800
Repayment short-term borrowings		(132,600)	(177,300)

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

Chairperson: Liao Shu-chun

Managerial officer: Yeh Tang-jung

Accounting officer: Huang Yi-yin

Prime Oil Chemical Service Corporation and its subsidiaries
Consolidated cash flow statements
January 1 to March 31, 2022 and 2021
(Reviewed only, not audited in accordance with generally accepted auditing standards)

Unit: NTD thousand

	<u>Note</u>	<u>January 1 to March 31, 2022</u>	<u>January 1 to March 31, 2021</u>
Borrowing of long-term loans (including portions due within one year or one operating cycle)	6 (26)	61,500	88,000
Repayment of long-term loans (including portions due within one year or one operating cycle)		(14,405)	(8,546)
Amount of principal payments on lease liabilities	6 (7)(26)	(13,803)	(13,366)
Net cash inflow from financing activities		<u>147,292</u>	<u>8,588</u>
Effects of exchange rate changes on the balance of cash held in foreign currencies		<u>866</u>	<u>36</u>
Increase in cash and cash equivalents		15,369	46,206
Beginning of year cash and cash equivalents		<u>135,111</u>	<u>142,716</u>
Cash and cash equivalents at the end of the year		<u>\$ 150,480</u>	<u>\$ 188,922</u>

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

Chairperson: Liao Shu-chun

Managerial officer: Yeh Tang-jung

Accounting officer: Huang Yi-yin

Prime Oil Chemical Service Corporation and its subsidiaries
Notes to consolidated financial statements
1st Quarter in 2022 and 2021

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

Unit: NTD thousand
(Unless otherwise specified)

I. Company History and Business Scope

Prime Oil Chemical Service Corporation (hereinafter referred to as the "Company") was established on October 1, 1978 and was listed on the Taiwan Stock Exchange on January 5, 1983. The Company and its subsidiaries (hereinafter collectively referred to as the "Group") are mainly engaged in chemical, oil tank storage and delivery services, general trading, solar power generation business and commercial real estate leasing.

II. Date and Procedures for Approval of Financial Statements

The accompanying consolidated financial statements were approved and authorized for issuance by the Board of Directors on May 9, 2022.

III. Newly-released and amended standards and interpretations

(I) The impact from adopting the newly released and revised International Financial Reporting Standards recognized by the Financial Supervisory Commission.

The following table summarizes the applicable newly released, corrected and amended standards and interpretations of the International Financial Reporting Standards recognized by the Financial Supervisory Commission in 2022:

<u>New, Revised or Amended Standards and Interpretations</u>	<u>Effective Date Issued by IASB</u>
Amendment to IFRS 3 "Update the index of the conceptual framework."	January 1, 2022
Amendment to IAS 16 "Property, plant and equipment: price before reaching the intended state of use"	January 1, 2022
Amendment to IAS 37 "Onerous Contracts - Cost of Performing Contracts"	January 1, 2022
"Annual Improvements 2018 - 2020 Cycle"	January 1, 2022

The Corporate Group believes that adopting the aforementioned IFRSs will not have a significant effect on the consolidated financial position and performance.

(II) Impact of the newly released and amended IFRS recognized by the FSC not yet adopted by the Company.

Not applicable.

(III) IFRSs issued by the IASB but not yet recognized by the FSC.

The following table summarizes the applicable newly released, corrected and amended standards and interpretations of the International Financial Reporting Standards issued by the IASB but not yet recognized by the FSC:

<u>New, Revised or Amended Standards and Interpretations</u>	<u>Effective Date Issued by IASB</u>
IFRS 10 and IAS 28 amendments, Sale or contribution of assets between an investor and its associate or joint venture	To be decided by the IASB
IFRS 17 - Insurance contracts	January 1, 2023
Amendment to IFRS 17 “Insurance contracts.”	January 1, 2023
Amendment to IFRS 17 “Initial Application of IFRS 17 and IFRS 9—Comparative Information.”	January 1, 2023
Amendment to IAS 1 "Classification of Liabilities as Current or Non-Current"	January 1, 2023
Amendment to IAS 1 "Disclosure of Accounting Policies.”	January 1, 2023
Amendment to IAS 8 "Disclosure of Accounting Policies.”	January 1, 2023
Amendment to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction”	January 1, 2023

The Corporate Group believes that adopting the aforementioned IFRSs will not have a significant effect on the consolidated financial position and performance.

IV. Summary of significant accounting policies

The significant accounting policies are the same as those described in Note 4 to the consolidated financial statements as of and for the year ended December 31, 2021, except for the statement of compliance, the basis of preparation, the basis of consolidation, and the new sections described below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(I) Compliance statement

1. The consolidated financial statements have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and International 34 “Interim Financial Reporting” endorsed by the Financial Supervisory Commission
2. The consolidated financial statements should be read in conjunction with the consolidated financial statements as of and for the year ended December 31, 2021.

(II) Basis of preparation

1. The consolidated financial statements have been prepared on a historical cost basis, except for the following significant items.
 - (1) Financial assets at fair value through profit or loss are measured at fair value.
 - (2) Other comprehensive income at fair value through profit or loss are measured at fair value.

(3) The defined benefit liability is recognized as the net of the present value of the pension fund assets less the defined benefit obligation.

2. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(III) Basis of consolidation

1. The basis for preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with the same principles as the consolidated financial statements as of and for the year ended December 31, 2021.

2. Subsidiaries included in consolidated financial statements

<u>Investor</u>	<u>Investee</u>	<u>Main Business</u>	<u>Shareholding percentage (%)</u>			<u>Description</u>
			<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>	
The Company	He Zhen Feng Co., Ltd.	Real Estate Leasing	69.47	69.47	69.47	Note 2
The Company	POCS Power Co., Ltd.	Solar Power Industry	100.00	100.00	100.00	Note 2
The Company	Prime Holdings Corporation (PHC)	Shareholding and General Trading	100.00	100.00	100.00	Note 2
PHC	Prime Solar Energy Co., Ltd.	Real Estate Development	100.00	100.00	100.00	Note 1 and 2

Note 1: Prime Solar Energy Co., Ltd. is a subsidiary established in Cambodia through another subsidiary, Prime Holdings Corporation. In order for Prime Solar Energy Co., Ltd. to legally hold land in Cambodia, 51% of the shares are nominally held through local persons in accordance with local laws and regulations, but Prime Holdings Corporation still enjoys 100% equity and control in substance.

Note 2: Their financial statements as of March 31, 2022 and 2021 were not reviewed by CPAs because they did not meet the definition of a significant subsidiary.

3. Subsidiaries not included in consolidated financial statements: No such situation.
4. Adjustments for subsidiaries with different balance sheet dates: No such situation.
5. Significant restrictions: No such situation.
6. Subsidiaries that have non-controlling interests that are material to the Corporate Group: No such situation.

(IV) Investments accounted for using equity method / associates

Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. For the Group, investments in associates are accounted for using the equity method and are initially recognised at cost.

(V) Employee benefits

Pension ~ defined benefit plan

The pension cost for the interim period is calculated using the actuarially determined pension cost rate as of the end of the previous fiscal year and is based on the beginning of the year to the end of the current period. If there are significant market changes and material reductions, settlements or other significant one-time events after the cut off day, adjustments will be made and the relevant information will be disclosed in accordance with the aforementioned policy.

(VI) Income tax

The income tax expense for the interim period is calculated by applying the estimated average effective tax rate for the year to the income before tax for the interim period and the related information is disclosed.

V. Significant Accounting Estimations and Judgments, and Main Sources of Assumption Uncertainties

There were no significant changes during the period. Please refer to Note 5 of the Notes to Consolidated Financial Statements as of and for the year ended December 31, 2021.

VI. Statements of main accounting items

(I) Cash and cash equivalents

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Cash on hand and working capital	\$ 224	\$ 210	\$ 215
Checking accounts and demand deposits	106,606	101,251	90,057
Time deposits	43,650	33,650	98,650
	<u>\$ 150,480</u>	<u>\$ 135,111</u>	<u>\$ 188,922</u>

1. The Corporate Group associates with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.
2. The Group has not pledged the above cash and cash equivalents.

(II) Financial assets at fair value through profit and loss

<u>Item</u>	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Non-current items:			
Financial assets at fair value through profit and loss			
Investment in private equity	\$ 70,196	\$ 70,196	\$ 56,694
Valuation adjustment	<u>40,340</u>	<u>12,913</u>	<u>24,373</u>
Total	<u>\$ 110,536</u>	<u>\$ 83,109</u>	<u>\$ 81,067</u>

1. Gain and loss recognized for financial assets at fair value through profit or loss held by the Group was \$27,427 and \$13,993 from January 1 to March 31, 2022 and 2021, respectively.
2. The Group has not pledged any financial assets at fair value through profit or loss.

(III) Financial assets at fair value through other comprehensive income

<u>Item</u>	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Non-current items:			
Equity instruments			
Stock not listed on TWSE, TPEX or the emerging market	\$ 33,440	\$ 33,440	\$ 36,879
Valuation adjustment	<u>1,386</u>	<u>2,774</u>	<u>2,779</u>
Total	<u>\$ 34,826</u>	<u>\$ 36,214</u>	<u>\$ 39,658</u>

1. The Group has elected to classify its strategic investments in equity stock as financial assets at fair value through other comprehensive income. The fair values of these investments were \$34,826, \$36,214 and \$39,658 as of March 31, 2022, December 31, 2021 and March 31, 2021, respectively.
2. As of 2021, the Corporate Group derecognized stocks with a carrying value of \$5,423 due to a capital reduction by the target company and reclassified the cumulated loss of \$2,003 to unappropriated earnings. No such situation occurred in 2020.
3. The details of the financial assets measured at fair value through other comprehensive income that were recognized in comprehensive income are as follows

	<u>January 1 to March 31, 2022</u>	<u>January 1 to March 31, 2021</u>
Change in fair value recognized in other comprehensive Income	<u>(\$ 1,388)</u>	<u>(\$ 3,322)</u>

Cumulative gains (losses) reclassified to

retained earnings due to derecognition	\$ <u> -</u>	\$ <u> -</u>
Dividends income recognized in profit or loss and still held at the end of the period	\$ 592	\$ -
De-recognized during the period	<u> -</u>	<u> -</u>
	<u>\$ 592</u>	<u>\$ -</u>

- Without considering the collaterals held or other credit enhancements, the amount of financial assets at fair value through other comprehensive income that best represented the Group's maximum exposure to credit risk was \$34,826, \$36,214 and \$39,658 as of March 31, 2022, December 31, 2021 and March 31, 2021, respectively.
- The Company has not pledged any financial assets at fair value through other comprehensive income.

(IV) Financial assets measured at amortized cost

<u>Item</u>	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Current items:			
The term deposit with original maturity over three months	\$ -	\$ 10,000	\$ -
Trust account	<u> 16,574</u>	<u> 16,026</u>	<u> 16,521</u>
Total	<u>\$ 16,574</u>	<u>\$ 26,026</u>	<u>\$ 16,521</u>
Non-current items:			
Restricted asset	<u>\$ 2,301</u>	<u>\$ 2,301</u>	<u>\$ 2,300</u>

- The details of the financial assets measured at amortized cost that were recognized in the profit and loss are as follows:

	<u>January 1 to March 31, 2022</u>	<u>January 1 to March 31, 2021</u>
Interest income	\$ -	\$ -
Benefit on valuation	<u> 548</u>	<u> 32</u>
	<u>\$ 457</u>	<u>\$ 32</u>

- Without considering the collaterals held or other credit enhancements, the amount of financial assets measured at amortized cost that best represented the Corporate Group's maximum exposure to credit risk was \$18,875, \$28,327 and \$18,821 as of March 31, 2022, December 31, 2021 and March 31, 2021, respectively.
- Information about the financial assets measured at amortized cost that were pledged to others as collaterals is provided in Note 8.

4. Risk information about the relative financial assets measured at amortized cost is provided in Note 12(2)
5. On December 22, 2016, the Corporate Group entered into a contract for the construction of a solar power generation system (hereinafter referred to as the "construction contract") and a contract for the purchase of solar power generation system equipment (hereinafter referred to as the "purchase contract") with Chunghwa Telecom Vietnam Co. Ltd. to construct a solar power generation system in Cambodia. The total construction price was US\$7,750 thousand. On December 28, 2016, the Company trusted US\$6,010 thousand by wire transfer to a third-party financial institution; as of December 31, 2021, and December 31, 2020, the balance of the trust account was US\$580 thousand, which is shown as "financial assets measured at amortized cost - current" due to the restricted use.
6. According to the construction contract, the construction of the solar power generation system in the preceding paragraph should be completed within one year and the amount in trust account has been paid to Chunghwa Telecom Vietnam Co. Ltd. However, Chunghwa Telecom Vietnam Co., Ltd. refused to fulfill its obligations under the above "construction contract" in the third quarter of 2017. In view of the aforementioned situation, the Company sent a formal letter to Chunghwa Telecom Vietnam to urge Chunghwa Telecom Vietnam to perform its obligations under the construction contract within the deadline, however after the expiration of the reminder period, Chunghwa Telecom Vietnam's contract obligations remained unfulfilled. Hence the Company legally terminated the construction contract. The Company has filed a lawsuit for civil damages with the Taiwan Taipei District Court (TDC) in April, 2018.
7. In December 2020, the Company received a notice of judgment from the TDC denying the Company's request. After consulting with the attorney, the Company filed an appeal with the Taiwan High Court in January 2021.

(V) Notes and accounts receivable

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Note receivable	\$ 304	\$ 717	\$ 152
Trade receivable	\$ 40,214	\$ 42,387	\$ 37,670

1. The aging analysis of notes and accounts receivable is as follows

	<u>March 31, 2022</u>		<u>December 31, 2021</u>		<u>March 31, 2021</u>	
	<u>Trade</u> <u>receivable</u>	<u>Note</u> <u>receivable</u>	<u>Trade</u> <u>receivable</u>	<u>Note</u> <u>receivable</u>	<u>Trade</u> <u>receivable</u>	<u>Note</u> <u>receivable</u>
Not Past Due	<u>\$40,214</u>	<u>\$ 304</u>	<u>\$42,387</u>	<u>\$ 717</u>	<u>\$32,670</u>	<u>\$ 152</u>

The above is an aging report based on the number of days past due.

2. As of March 31, 2022, December 31, 2021 and March 31, 2021, the balances of accounts receivable (including notes receivable) were generated from customer contracts, and the balance of accounts receivable from customer contracts as of January 1, 2021 was \$45,408.

3. The Group does not hold any collateral.
4. Without considering the collaterals held or other credit enhancements, the amount of notes receivable that best represented the Group's maximum exposure to credit risk was \$304, \$717 and \$152 as of March 31, 2022, December 31, 2021 and March 31, 2021, respectively; the amount of accounts receivable that best represented the Group's maximum exposure to credit risk was \$40,214, \$42,387 and \$37,670 as of March 31, 2022, December 31, 2021 and March 31, 2021, respectively;
5. Please refer to Note 12, (2) for the related credit risk information of accounts receivable.

(VI) Investments accounted for under equity method

1. Investments accounted for under equity method

March 31, 2022

ABZbridge Corporation \$ 98,298

As of March 31, 2021 and December 31, 2021, have not invested accounted for under equity method

2. The information on non-controlling interest is as follows:

Name of Subsidiary	Principal place of business	Ownership (%)		Relation
		March 31, 2022	March 31, 2021	
ABZbridge Corporation	TW	20	-	Strategic investment

Note: ABZbridge Corporation is registered in Cayman.

3. The Group has holds 20% of ABZbridge Corporation's equity from March, 2022. The Group is not the largest shareholder of ABZbridge Corporation and has significant influence but not control.
4. Summarized financial information of the associates:

	ABZbridge March 31, 2022
Current assets	\$ 180,406
Non-current assets	343,087
Current liabilities	(32,004)
Non-current liabilities	-
Total net assets	<u>491,489</u>
Proportionate interest of the net assets	<u>98,298</u>

5. For the above-mentioned equity-method investees, the balances of investments accounted for under the equity method as of March 31, 2022 were evaluation of self-prepared financial information that has not been reviewed by an auditor.

(VII) Property, Plant and Equipment

2022

	<u>Land</u>	<u>Warehousing equipment</u>	<u>Transport Equipment</u>	<u>Office Equipment</u>	<u>Lease improvement</u>	<u>Lease assets</u>	<u>Other Equipment</u>	<u>Construction in progress</u>	<u>Total</u>
January 1									
Cost	\$44,004	\$650,880	\$ 10,001	\$ 521	\$ 884	\$86,132	\$959,531	\$ 26,240	\$1,778,193
Accumulated depreciation and impairments	<u>-(383,163)</u>	<u>(4,259)</u>	<u>(182)</u>	<u>(736)</u>	<u>(66,530)</u>	<u>(144,049)</u>	<u>-</u>	<u>(598,919)</u>	
	<u>\$44,004</u>	<u>\$267,717</u>	<u>\$ 5,742</u>	<u>\$ 339</u>	<u>\$ 148</u>	<u>\$ 19,602</u>	<u>\$815,482</u>	<u>\$ 26,240</u>	<u>\$1,179,274</u>
January 1	\$44,004	\$267,717	\$ 5,742	\$ 399	\$ 148	\$ 19,602	\$815,482	\$ 26,240	\$1,179,274
Addition	-	18,159	-	-	-	-	-	55,477	73,636
Number of Transfers	-	3,140	-	-	-	-	-	(3,140)	-
depreciation expense	<u>-(19,717)</u>	<u>(366)</u>	<u>(23)</u>	<u>(38)</u>	<u>(2,710)</u>	<u>(11,514)</u>	<u>-</u>	<u>(34,368)</u>	
Net exchange difference	<u>1,505</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,126</u>	<u>-</u>	<u>5,631</u>	
March 31	<u>\$45,509</u>	<u>\$269,299</u>	<u>\$ 5,376</u>	<u>\$ 316</u>	<u>\$ 110</u>	<u>\$ 16,892</u>	<u>\$808,094</u>	<u>\$ 78,577</u>	<u>\$1,224,173</u>
March 31									
Cost	\$45,509	\$672,179	\$ 10,001	\$ 521	\$ 669	\$ 82,108	\$963,657	\$ 78,577	\$1,853,221
Accumulated depreciation and impairment	<u>-(402,880)</u>	<u>(4,625)</u>	<u>(205)</u>	<u>(559)</u>	<u>(65,216)</u>	<u>(155,563)</u>	<u>-</u>	<u>(629,048)</u>	
	<u>\$45,509</u>	<u>\$269,299</u>	<u>\$ 5,376</u>	<u>\$ 316</u>	<u>\$ 110</u>	<u>\$ 16,892</u>	<u>\$808,094</u>	<u>\$ 78,577</u>	<u>\$1,224,173</u>

2021

	<u>Land</u>	<u>Warehousing equipment</u>	<u>Transport Equipment</u>	<u>Office Equipment</u>	<u>Lease improvement</u>	<u>Lease assets</u>	<u>Other Equipment</u>	<u>Construction in progress</u>	<u>Total</u>
January 1									
Cost	\$ 45,278	\$629,277	\$ 8,161	\$ 1,648	\$ 1,037	\$909,441	\$864,658	\$41,258	\$2,500,758
Accumulated depreciation and impairments	<u>-(363,858)</u>	<u>(3,945)</u>	<u>(1,278)</u>	<u>(750)</u>	<u>(878,773)</u>	<u>(100,655)</u>	<u>-</u>	<u>(1,349,259)</u>	
	<u>\$ 45,278</u>	<u>\$265,419</u>	<u>\$ 4,216</u>	<u>\$ 370</u>	<u>\$ 287</u>	<u>\$ 30,668</u>	<u>\$764,003</u>	<u>\$41,258</u>	<u>\$ 1,151,499</u>
January 1	\$ 45,278	\$265,419	\$ 4,216	\$ 370	\$ 287	\$ 30,668	\$764,003	\$41,258	\$ 1,151,499
Addition	-	13,823	-	-	-	-	714	1,729	16,266
Number of Transfers	-	14,019	-	-	-	-	12,001	(26,020)	-
depreciation expense	-(12,601)	(174)	(20)	(15)	(2,427)	(10,638)	-	-	(25,875)
Net exchange difference	<u>88</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>252</u>	<u>-</u>	<u>340</u>
March 31	<u>\$ 45,366</u>	<u>\$280,660</u>	<u>\$ 4,042</u>	<u>\$ 350</u>	<u>\$ 272</u>	<u>\$ 28,241</u>	<u>\$766,332</u>	<u>\$16,967</u>	<u>\$ 1,142,230</u>
March 31									
Cost	\$ 45,366	\$657,119	\$ 8,161	\$ 1,648	\$ 1,037	\$909,441	\$877,637	\$16,967	\$2,517,376
Accumulated depreciation and impairment	<u>-(376,459)</u>	<u>(4,119)</u>	<u>(1,298)</u>	<u>(765)</u>	<u>(881,200)</u>	<u>(111,305)</u>	<u>-</u>	<u>(1,375,146)</u>	
	<u>\$ 45,366</u>	<u>\$280,660</u>	<u>\$ 4,042</u>	<u>\$ 350</u>	<u>\$ 272</u>	<u>\$ 28,241</u>	<u>\$766,332</u>	<u>\$16,967</u>	<u>\$ 1,142,230</u>

1. The capitalized amount of borrowing costs of property, plant and equipment and the interest rate range.

	<u>January 1 to March 31,</u> <u>2022</u>	<u>January 1 to March 31,</u> <u>2021</u>
Capitalized amount	\$ 1,476	\$ 1,262
Capitalized interest rate range	1.001%~1.79%	0.95%~1.51%

2. Significant components of the Group's warehousing equipment, including tanks and pipelines, are depreciated over 2 to 35 years.
3. The Group's property, plant and equipment showed no signs of impairment from January 1 to March 31, 2022 and 2021.
4. Please refer to Note 8 for information on the guarantees provided by the Group on property, plant and equipment.

(VIII) Leasing arrangements - lessee

1. The subject assets of the Group's leases include land use rights, buildings and other equipment. Except for the land use rights, which have a period of 20 years, the remaining lease agreements normally have a period of 2 to 9 years.

Lease contracts are negotiated separately and include a variety of terms and conditions. There are no restrictions for the leased assets, except that they cannot be sub-leased, under-leased or used as loan collateral.

2. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Land use rights	\$ 9,118	\$ 9,245	\$ 9,626
Buildings	18,650	20,399	4,649
Other Equipment	<u>5,726</u>	<u>18,313</u>	<u>55,789</u>
	<u>\$ 33,494</u>	<u>\$ 47,957</u>	<u>\$ 70,064</u>

	<u>January 1 to March 31, 2022</u>	<u>January 1 to March 31, 2021</u>
	<u>Depreciation expense</u>	<u>Depreciation expense</u>
Land use rights	\$ 127	\$ 128
Buildings	1,748	1,743
Other Equipment	<u>12,588</u>	<u>12,622</u>
	<u>\$ 14,463</u>	<u>\$ 14,493</u>

3. No additions to the Group's right-of-use assets from January 1 to March 31, 2022 and 2021, respectively.

4. The information on profit and loss items related to lease contracts is as follows:

<u>Items affecting current profit and loss</u>	<u>January 1 to March 31,</u> <u>2022</u>	<u>January 1 to March 31,</u> <u>2021</u>
Interest expenses on lease liabilities	\$ 142	\$ 326
Expenses for leases of low-value assets	103	85
Expenses for variable lease payments	1,728	1,859

5. The Group's total lease cash outflows were \$15,776 and \$15,363 from January 1 to March 31, 2022 and 2021, respectively (of which \$13,803 and \$13,366 were for the principal of lease liabilities).

6. Effect of variable lease payments on lease liabilities

The subjects of the Group's lease agreements with variable lease payment terms are linked to the amount of electricity sales generated from the solar power generation sites. Solar power generation sites are built on rooftops. This type of lease is based on variable-rate payment terms and is only related to the amount of electricity sales. Variable lease payments related to the amount of electricity sales are recognized as expenses in the period in which the electricity sales occur.

(IX) Leasing arrangements - lessor

1. The subject assets leased by the Group are warehousing equipment. The lease agreements are usually for a period of 1 to 6 years and are negotiated on an individual basis and contain various terms and conditions.
2. The Group recognized rental income of \$68,626 and \$92,872 from January 1 to March 31, 2022 and 2021, respectively, based on operating lease agreements, in which no variable lease payments were included.
3. The maturity analysis of the lease payments under the operating leases is as follows:

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
2021	\$ -	\$ -	\$ 180,881
2022	213,427	259,841	29,825
2023	38,265	27,680	5,860-
2024~2027	<u>42,895</u>	<u>40,000</u>	<u>-</u>
Total	<u>\$ 294,587</u>	<u>\$ 327,521</u>	<u>\$ 216,566</u>

(X) Short-term borrowings and bills payable

<u>Nature of borrowings</u>	<u>March 31, 2022</u>	<u>Interest rate</u>	<u>Collateral</u>
Bank borrowings			
Credit borrowings	<u>\$ 220,600</u>	1.001%~1.3012%	None

Short-term bills payable	<u>\$ 35,500</u>	0.542%~0.68%	None
<u>Nature of borrowings</u>	<u>December 31, 2021</u>	<u>Interest Rate</u>	<u>Collateral</u>
Bank borrowings			
Credit borrowings	<u>\$ 103,600</u>	1.00%~1.3%	None
Short-term bills payable	<u>\$ 38,500</u>	0.53%~0.78%	None
<u>Nature of borrowings</u>	<u>March 31, 2022</u>	<u>Interest Rate</u>	<u>Collateral</u>
Bank borrowings			
Credit borrowings	<u>\$ 67,300</u>	1.15%~1.3008%	None
Short-term bills payable	<u>\$ 19,500</u>	0.78%	None

(XI) Long-term borrowings

<u>Nature of borrowings</u>	<u>Borrowing Period and Repayment Method</u>	<u>Interest Rate</u>	<u>Collateral</u>	<u>March 31, 2022</u>
Credit borrowings				
	2017.7.7~2022.7.7			
Land Bank of Taiwan	The principal and interest shall be repaid in 48 equal installments commencing from (inclusive) August 7, 2018.	1.51%	None	\$ 4,292
	2018.5.7~2023.5.7			
Land Bank of Taiwan	The principal and interest shall be repaid in 48 equal installments commencing from (inclusive) June 7, 2019.	1.51%	None	2,860
	2018.3.26~2025.3.26			
Land Bank of Taiwan	The principal and interest shall be repaid in 84 equal installments commencing from (inclusive) April 26, 2018.	1.51%	None	10,074
	2021.2.26~2031.2.26			
Land Bank of Taiwan	The principal and interest shall be repaid in 120 equal installments commencing from (inclusive) March 26, 2021.	1.50%	None	9,069
	2020.6.30~2023.6.30			
Chinatrust Commercial Bank	15% of the principal shall be repaid in 5 installments commencing from (inclusive) June 30, 2021.	1.41%	None	28,000
	The remaining principal shall be fully repaid at maturity			

Chinatrust Commercial Bank	2020.9.18~2023.6.30 15% of the principal shall be repaid in 5 installments commencing from (inclusive) June 30, 2021. The remaining principal shall be fully repaid at maturity	1.41%	None	28,000
Chinatrust Commercial Bank	2021.12.29~2031.12.29 The principal and interest shall be repaid in 120 equal installments commencing from (inclusive) January 29, 2022.	1.7453%	None	37,050
Secured borrowings				
Land Bank of Taiwan	2021.2.26~2031.2.26 The principal and interest shall be repaid in 120 equal installments commencing from (inclusive) March 26, 2021.	1.50%	Other Equipment	65,529
Mega International Commercial Bank.	2018.12.26~2028.12.26 The principal and interest shall be repaid in 40 equal installments commencing from (inclusive) March 26, 2019. (Note)	1.79%	Other Equipment	10,125
Mega International Commercial Bank.	2019.12.4~2028.12.26 The principal and interest shall be repaid in 37 equal installments commencing from (inclusive) December 26, 2019. (Note)	1.79%	Other Equipment	14,595
Mega International Commercial Bank.	2020.3.31~2028.12.26 The principal and interest shall be repaid in 35 equal installments commencing from (inclusive) March 31, 2020. (Note)	1.79%	Other Equipment	65,571
Mega International Commercial Bank.	2021.3.31~2031.3.31 The principal and interest shall be repaid in 40 equal installments commencing from (inclusive) June 30, 2021. (Note)	1.765%	Other Equipment	4,500
Mega International Commercial Bank.	2021.9.29~2031.3.31 The principal and interest shall be repaid in 35 equal installments commencing from (inclusive) September 29, 2021. (Note)	1.765%	Other Equipment	13,846
Mega International Commercial Bank.	2021.12.29~2031.3.31 The principal and interest shall be repaid in 34 equal installments commencing from (inclusive) December 29, 2021. (Note)	1.765%	Other Equipment	40,168
Mega International Commercial Bank.	2022.3.29~2032.3.29 The principal and interest shall be repaid in 40 equal installments commencing from (inclusive) June 29, 2022. (Note)	1.765%	Other Equipment	28,000
Mega International Commercial	2022.3.29~2032.3.29 The principal and interest shall be repaid in 40 equal installments commencing from	1.765%	Other Equipment	33,500

Bank. (inclusive) June 29, 2022. (Note)

Far Eastern International Bank.	2021.6.29~2026.6.29 0.55% of the principal shall be repaid in 60 installments commencing from (inclusive) July 29, 2021. The remaining principal shall be fully repaid at maturity	1.7647%	Other Equipment	<u>16,159</u>
				411,338
Less: Portions due within one year or one operating cycle (recorded as other current liabilities)				<u>(72,876)</u>
				<u>\$ 338,462</u>

Nature of borrowings	Borrowing Period and Repayment Method	Range of interest rate	Collateral	December 31, 2021
Credit borrowings				
Land Bank of Taiwan	2017.7.7~2022.7.7 The principal and interest shall be repaid in 48 equal installments commencing from (inclusive) August 7, 2018.	1.51%	None	\$ 7,496
Land Bank of Taiwan	2018.5.7~2023.5.7 The principal and interest shall be repaid in 48 equal installments commencing from (inclusive) June 7, 2019.	1.51%	None	3,466
Land Bank of Taiwan	2018.3.26~2025.3.26 The principal and interest shall be repaid in 84 equal installments commencing from (inclusive) April 26, 2018.	1.51%	None	10,893
Land Bank of Taiwan	2021.2.26~2031.2.26 The principal and interest shall be repaid in 120 equal installments commencing from (inclusive) March 26, 2021.	1.50%	None	9,306
Chinatrust Commercial Bank	2020.6.30~2023.6.30 15% of the principal shall be repaid in 5 installments commencing from (inclusive) June 30, 2021. The remaining principal shall be fully repaid at maturity	1.20%	None	28,000
Chinatrust Commercial Bank	2020.9.18~2023.6.30 15% of the principal shall be repaid in 5 installments commencing from (inclusive) June 30, 2021. The remaining principal shall be fully repaid at maturity	1.20%	None	28,000
Chinatrust Commercial Bank	2021.12.29~2031.12.29 The principal and interest shall be repaid in 120 equal installments commencing from (inclusive) January 29, 2022.	1.50%	None	38,000
Secured borrowings				
Land Bank of Taiwan	2021.2.26~2031.2.26 The principal and interest shall be repaid in 120 equal installments commencing from (inclusive) March 26, 2021. (Note)	1.50%	Other Equipment	67,243
Mega International Commercial Bank	2018.12.26~2028.12.26 The principal and interest shall be repaid in 40 equal installments commencing from (inclusive) March 26, 2019. (Note)	1.54%	Other Equipment	10,500

	2019.12.4~2028.12.26			
Mega International Commercial Bank.	The principal and interest shall be repaid in 37 equal installments commencing from (inclusive) December 26, 2019. (Note)	1.54%	Other Equipment	15,135
	2020.3.31~2028.12.26			
Mega International Commercial Bank.	The principal and interest shall be repaid in 35 equal installments commencing from (inclusive) March 31, 2020. (Note)	1.54%	Other Equipment	68,000
	2021.3.31~2031.3.31			
Mega International Commercial Bank.	The principal and interest shall be repaid in 40 equal installments commencing from (inclusive) June 30, 2021. (Note)	1.515%	Other Equipment	4,750
	2021.9.29~2031.3.31			
Mega International Commercial Bank.	The principal and interest shall be repaid in 35 equal installments commencing from (inclusive) September 29, 2021. (Note)	1.515%	Other Equipment	14,615
	2021.12.29~2031.3.31			
Mega International Commercial Bank.	The principal and interest shall be repaid in 34 equal installments commencing from (inclusive) December 29, 2021. (Note)	1.515%	Other Equipment	42,400
	2021.6.29~2026.6.29			
Far Eastern International Bank.	0.55% of the principal shall be repaid in 60 installments commencing from (inclusive) July 29, 2021. The remaining principal shall be fully repaid at maturity	1.501%	Other Equipment	16,439
				364,243
Less: Portions due within one year or one operating cycle (recorded as other current liabilities)				(69,878)
				<u>\$ 294,365</u>

Nature of borrowings	Borrowing Period and Repayment Method	Range of interest rate	Collateral	March 31, 2020
Credit borrowings				
Land Bank of Taiwan	2017.7.7~2022.7.7 The principal and interest shall be repaid in 48 equal installments commencing from (inclusive) August 7, 2018.	1.51%	None	\$ 17,038
Land Bank of Taiwan	2018.5.7~2023.5.7 The principal and interest shall be repaid in 48 equal installments commencing from (inclusive) June 7, 2019.	1.51%	None	5,272
Land Bank of Taiwan	2018.3.26~2025.3.26 The principal and interest shall be repaid in 84 equal installments commencing from (inclusive) April 26, 2018.	1.51%	None	13,332
Land Bank of Taiwan	2021.2.26~2031.2.26 The principal and interest shall be repaid in 120 equal installments commencing from (inclusive) March 26, 2021.	1.50%	None	10,012
Chinatrust Commercial Bank	2020.6.30~2023.6.30 15% of the principal shall be repaid in 5 installments commencing from (inclusive) June 30, 2021. The remaining principal shall be fully repaid at maturity	1.20%	None	40,000
Chinatrust Commercial Bank	2020.9.18~2023.6.30 15% of the principal shall be repaid in 5 installments commencing from (inclusive) June 30, 2021. The remaining principal shall be fully repaid at maturity	1.20%	None	40,000
Secured borrowings				
Land Bank of Taiwan	2021.2.26~2031.2.26 The principal and interest shall be repaid in 120 equal installments commencing from (inclusive) March 26, 2021. (Note)	1.50%	Other Equipment	72,346
Mega International Commercial Bank.	2018.12.26~2028.12.26 The principal and interest shall be repaid in 40 equal installments commencing from (inclusive) March 26, 2019. (Note)	1.44%	Other Equipment	11,625

Mega International Commercial Bank.	2019.12.4~2028.12.26 The principal and interest shall be repaid in 37 equal installments commencing from (inclusive) December 26, 2019. (Note)	1.44%	Other Equipment	16,757
Mega International Commercial Bank.	2020.3.31~2028.12.26 The principal and interest shall be repaid in 35 equal installments commencing from (inclusive) March 31, 2020. (Note)	1.44%	Other Equipment	75,286
Mega International Commercial Bank.	2020.3.31~2031.3.31 The principal and interest shall be repaid in 40 equal installments commencing from (inclusive) June 30, 2021. (Note)	1.415%	Other Equipment	
				5,000
				306,668
Less: Portions due within one year or one operating cycle (recorded as other current liabilities)				(64,232)
				<u>\$ 242,436</u>

Note: The Group entered into a long-term loan agreement with Mega International Commercial Bank (Mega Bank) for a facility amount of \$120,000 in 2018. The financial ratio limits for the duration of the loan are that the current ratio should be maintained at 85% or more and the debt ratio should be maintained at 150% or less. The aforementioned ratios are calculated based on the annual consolidated financial statements and are reviewed annually. If the aforementioned financial review criteria are not met, the interest rate on this loan will be increased by 0.1% from the day after the violation to the day before the improvement. The Group's consolidated financial statements for 2021 did not meet this review, but if the bank increases the interest rate, there should be no significant impact on the Group.

(XII) Other payables

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Equipment payables	\$ 14,413	\$ 34,582	\$ 16,320
Employees' bonuses and directors' and supervisors' remuneration payable	7,998	5,788	15,018
Salary payables	3,899	7,582	3,884
Others	12,069	12,566	16,008
	<u>\$ 38,379</u>	<u>\$ 60,518</u>	<u>\$ 51,230</u>

(XIII) Pensions

1. Defined benefit plan

- (1) In accordance with the Labor Standards Act, the Company and its domestic subsidiaries have established a defined benefit pension plan that applies to the years of service prior to the implementation of the Labor Pension Act on July 1, 2005 for all regular employees, and to the subsequent years of service for employees who choose to continue to be subject to the Labor Standards Act after the implementation of the Labor Pension Act. In addition, in the fourth quarter of 2010, the Company established a new pension plan for commissioned employees, who are not subject to the Labor Standards Act. For employees who meet the retirement criteria, pension payments are calculated based on the years of service and the average salary for the six months prior to retirement, with two bases for each year of service up to (inclusive) 15 years and one base for each year of service over 15 years, subject to a maximum accumulation of 45 bases. The years of service of the commissioned employees subject to the Labor Pension Act is calculated at 6% of the total salary during the term of appointment. The Company contributes monthly to pension funds at 8% of total salaries. The pension funds for regular employees and commissioned employees are deposited in the name of the Supervisory Committee of Labor Retirement Reserve in the Trust Department of Bank of Taiwan and Taishin International Bank, respectively. In addition, the Company estimates the balances of the pension funds before the end of each year. If the balances are not sufficient to pay the pensions based on the aforementioned calculations to eligible employees in the following year, the Company will make a one-time catch-up with the difference before the end of March of the following year.
- (2) For the 3 months ended March 31, 2022 and 2021, the pension costs recognized by the Group in accordance with the aforementioned pension plan were \$66 and \$52, respectively.
- (3) The company's estimated contribution to pay for the pension plan in 2022 was \$1,458.

2. Defined contribution plan

Since July 1, 2005, the Company has established a defined contribution pension plan under the Labor Pension Act covering all regular employees with domestic citizenship. The Company contributes monthly no less than 6% of salaries as labor pensions to employees' personal accounts at the Bureau of Labor Insurance for employees who choose to apply the labor pension system under the "Labor Pension Act." Payments of employee pensions are made in the form of monthly pensions or one-time lump-sum, depending on the amount of the employees' personal accounts and accumulated earnings. The Company recognized pension costs of \$632 and \$579 for the 3 months ended March 31, 2022 and 2021, respectively, based on the above pension plan.

(XIV) Provision

	<u>January 1 to March 31,</u> <u>2022</u>	<u>January 1 to March 31,</u> <u>2021</u>
Balance as of January 1	\$ 25,185	\$ 21,923
Provision added this period	<u>-</u>	<u>714</u>
Balance as of March 31	<u>\$ 25,185</u>	<u>\$ 22,637</u>

The nature of the Group's provision for liabilities is described as follows.

1. The Group entered into a lease agreement with the Taiwan International Ports Corporation, Ltd. in November 2016 for a period ending on April 30, 2022. According to the contract, the Group should restore the leased terminal base to its original condition by demotion at the end of the lease period. Therefore, the provision for liabilities based on the expected cost of dismantling, removing or restoring the site was \$9,886 as of March 31, 2022, December 31, 2021 and March 31, 2021.
2. The Group's solar power generation sites are built on the roof. According to the contract, the Group should restore the leased site to its original condition at the end of the lease term. Therefore, the provision for liabilities recognized for the solar power site based on the costs expected to be incurred for dismantling, removing or restoring the site were \$15,299, \$15,299 and \$12,751 as of March 31, 2022, December 31, 2021 and March 31, 2021, respectively.

(XV) Share capital

As of March 31, 2022, the Company's authorized capital was \$2,000,000 and the paid-in capital was \$690,344, divided into 69,034 thousand shares with a par value of \$10 per share.

The reconciliation of the number of shares of the Company's common stock in circulation at the beginning of the period to the end of the period is as follows:

	<u>January 1 to March 31,</u> <u>2022</u>	<u>January 1 to March 31,</u> <u>2021</u>
Number at the beginning of the period (i.e. Number at the end of the period)	<u>69,034 thousand shares</u>	<u>69,034 thousand shares</u>

(XVI) Additional paid-in capital

In accordance with the Company Act, any capital surplus arising from paid-in capital in excess of the par value on issuance of common stocks can be used to cover accumulated losses or to distribute new stocks or cash to shareholders in proportion to their shareholdings, provided that the Company has no accumulated losses. Further, the Securities and Exchange Act requires that the amount of capital surplus to be capitalized, as above, should not exceed 10% of paid-in capital each year. Capital surpluses should not be used to cover accumulated deficit unless the legal reserve is insufficient.

(XVII) Retained earnings

1. In accordance with the Company Act, the capital surplus from premium from issuance of shares in excess of par value and the capital surplus from donations may be used to cover losses, and new shares or cash may be issued in proportion to the shareholders' original shareholding percentages when the Company has no accumulated losses. In addition, in accordance with the Securities and Exchange Act, the above capital surplus can be capitalized to the extent that the total amount does not exceed 10% of the paid-in capital each year. Capital surpluses should not be used to cover accumulated deficit unless the legal reserve is insufficient.
2. In accordance with the Company Act, the legal reserve may not be used except to cover losses or to issue new shares or cash in proportion to the shareholders' original shareholding percentages, but it is limited to the portion of the legal reserve over 25% of the paid-in capital.
3. On March 24, 2022, the Board of Directors proposed to approve the distribution of earnings for 2021, and on August 18, 2021, the shareholders' meeting resolved to approve the distribution of earnings for 2020, as follows.

	<u>Amount</u>	<u>2021</u> <u>Dividends per share</u> <u>(NTD)</u>	<u>Amount</u>	<u>2020</u> <u>Dividends per share</u> <u>(NTD)</u>
Legal reserve allocated	\$ 6,984		\$ 15,972	
Allocated special reserve	5,714		13,064	
Cash dividends paid	<u>55,227</u>	\$ 0.80	<u>138,069</u>	\$ 2.00
Total	<u>\$67,925</u>		<u>\$167,105</u>	

4. The aforementioned distribution of earnings for 2021 has not yet been resolved by the shareholders' meeting. Please refer to the Market Observation Post System for information on the proposed distribution of earnings approved by the Board of Directors and resolved by the shareholders.
5. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

(XVIII) Operating income

	<u>January 1 to March 31, 2022</u>	<u>January 1 to March 31, 2021</u>
Operating lease		
Rental incomes	\$ 68,626	\$ 92,872
Revenue from Customer Contract		
Tank operation revenue	18,963	18,698

Electricity sales revenue	<u>20,297</u>	<u>22,019</u>
Total	<u>\$ 107,886</u>	<u>\$ 133,589</u>

1. The revenue from customer contracts of the Group is recognized gradually over time.
2. The Group's rental revenue and tank operation income are presented together with the oil and chemical tank rental business in Note 14, (3) Segment Information.

(XIX) Other gains or losses

	<u>January 1 to March 31,</u> <u>2022</u>	<u>January 1 to March 31,</u> <u>2021</u>
Net foreign currency exchange loss	\$ 585	(\$ 25)
Gain on financial assets at fair value through profit or loss	<u>27,427</u>	<u>13,993</u>
	<u>\$ 28,012</u>	<u>\$ 13,968</u>

(XX) Financial costs

	<u>January 1 to March 31,</u> <u>2022</u>	<u>January 1 to March 31,</u> <u>2021</u>
Interest expenses		
Bank borrowings	\$ 1,736	\$ 1,563
Less: The amount of asset capital that meets the requirements	<u>(1,476)</u>	<u>(1,262)</u>
	260	301
Lease liabilities	<u>142</u>	<u>326</u>
	<u>\$ 402</u>	<u>\$ 627</u>

(XXI) Expenses by nature

	<u>January 1 to March 31,</u> <u>2022</u>	<u>January 1 to March 31,</u> <u>2021</u>
Employee benefits expense	\$ 20,735	\$ 20,598
depreciation expense	48,831	40,368
Amortization expenses	352	332
Terminal administrative expenses	8,558	9,424
Miscellaneous purchases	558	3,049
Low-value asset rents	103	85
Expenses for variable lease payments	1,728	1,859
Other expenses	<u>19,101</u>	<u>24,507</u>
Operating costs and operating expenses	<u>\$ 99,966</u>	<u>\$ 100,222</u>

(XXII) Employee benefits expense

	<u>January 1 to March 31,</u> <u>2022</u>	<u>January 1 to March 31,</u> <u>2021</u>
Salary expenses	\$ 16,405	\$ 16,628
Labor and health insurance expenses	1,438	1,284
Pension costs	698	631
Directors' remuneration	825	1,126
Other employee expenses	<u>1,369</u>	<u>929</u>
	<u>\$ 20,735</u>	<u>\$ 20,598</u>

1. In accordance with the Company's Articles of Incorporation, if the Company has a surplus in earnings after deducting the accumulated losses based on the profitability of the current year, the Company shall appropriate no less than 3% as employees' profit sharing remuneration and no more than 5% as directors' and supervisors' profit sharing remuneration.

2. The estimated profit sharing amount for employees for the 3 months ended March 31, 2022 and 2021 were \$1,105 and \$1,522, respectively; the estimated profit sharing amount for directors' and supervisors' was \$1,105 and \$1,522, respectively, and the aforementioned amounts were recorded as salary expenses.

For the 3 months ended March 31, 2022 and 2021, the profit sharing remuneration to employees and profit sharing remuneration to directors and supervisors were both estimated at 3% based on the profitability of the period.

3. The profit sharing for employees and the profit sharing for directors and supervisors resolved by the Board of Directors for 2021 were both \$2,894 and were consistent with the amounts recognized in the 2021 financial statements.

Information about employees' profit sharing and directors' and supervisors' profit sharing of the Company as resolved by the Board of Directors can be found on the Market Observation Post System.

(XXIII) Income tax

1. Income tax expense

(1) Components of income tax expense:

	<u>January 1 to March 31,</u> <u>2022</u>	<u>January 1 to March 31,</u> <u>2021</u>
Current tax:		
Income taxes arising from incomes for the current period	\$ 2,500	\$ 6,035
Deferred income tax:		

Origination and Reversal of Temporary Differences	4,966	778
Income tax expense	<u>\$ 7,466</u>	<u>\$ 6,813</u>

(2) Amount of Income tax related to other comprehensive Income

	<u>January 1 to March 31, 2022</u>	<u>January 1 to March 31, 2021</u>
Translation differences of foreign operations	<u>\$ 1,428</u>	<u>\$ 75</u>

2. The Company's income tax returns was not approved except in 2019. The income tax returns of the Company and its subsidiaries, POCS POWER CO., LTD. and He Zhen Feng Co., Ltd. have been assessed by the tax authorities through 2020.

(XXIV) Earnings per share

	<u>January 1 to March 31, 2022</u>		
	Weighted average Number of shares in circulation		Earnings per share (NT\$)
	After-tax amount	(thousands of shares)	
<u>Basic earnings per share</u>			
Net profits for the period attributable to shareholders of parent company	\$ 28,766	69,034	<u>\$ 0.42</u>
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
Employee compensation	-	<u>159</u>	
Net profits for the period attributable to shareholders of common stock of parent company plus the effect of potential common stock	<u>\$ 28,766</u>	<u>69,193</u>	<u>\$ 0.42</u>

	<u>January 1 to March 31, 2021</u>		
	Weighted average Number of shares in circulation (thousands of shares)		Earnings per share (NT\$)
	After-tax amount		
<u>Basic earnings per share</u>			

Net profits for the period attributable to shareholders of parent company	\$ 40,074	69,034	<u>\$ 0.58</u>
<u>Diluted earnings per share</u>			
Assumed conversion of all dilutive potential ordinary shares			
Employee compensation	-	247	
Net profits for the period attributable to shareholders of common stock of parent company plus the effect of potential common stock	<u>\$ 40,074</u>	<u>69,281</u>	<u>\$ 0.58</u>

(XXV) Supplemental cash flow information

Investing activities that are only partially paid in cash

	<u>January 1 to March 31,</u> <u>2022</u>	<u>January 1 to March 31,</u> <u>2021</u>
Purchase of property, plant and equipment	\$ 73,636	\$ 16,266
Add: Equipment payable at the beginning of the period	34,582	42,262
Add: Prepayment for equipment at the end of the period	-	2,002-
Less: Equipment payable at the end of the period	(14,413)	(16,320)
Less: Provision for liabilities - non-current added during the period	-	(714)
Cash paid during the period	<u>\$ 93,805</u>	<u>\$ 43,496</u>

(XXVI) Changes in liabilities arising from financing activities

	<u>2022</u>		Long-term borrowings (including portions due within one year or one operating cycle)	Total liabilities from financing activities
	Lease liabilities	Short-term borrowings and bills payable		
January 1	\$ 39,325	\$ 142,100	\$ 364,243	\$ 545,668
Changes in cash flows from financing activities	(13,803)	114,000	47,095	147,292
Other non-cash transactions	-	-	-	-

March 31	<u>\$ 25,522</u>	<u>\$ 256,100</u>	<u>\$ 411,338</u>	<u>\$ 692,960</u>
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2021

	<u>Lease liabilities</u>	<u>Short-term borrowings and bills payable</u>	<u>Long-term borrowings (including portions due within one year or one operating cycle)</u>	<u>Total liabilities from financing activities</u>
January 1	\$ 77,848	\$ 144,300	\$ 227,214	\$ 449,362
Changes in cash flows from financing activities	<u>(13,366)</u>	<u>(57,500)</u>	<u>79,454</u>	<u>8,588</u>
March 31	<u>\$ 64,482</u>	<u>\$ 86,800</u>	<u>\$ 306,668</u>	<u>\$ 457,950</u>

VII. Related-Party Transactions

(I) Parent company and ultimate controlling party

The Company's shares are held by the public and there is no ultimate parent or ultimate controlling party.

(II) Compensation of key management personnel

	<u>January 1 to March 31, 2022</u>	<u>January 1 to March 31, 2021</u>
Short-term employee benefits	\$ 6,012	\$ 6,208
Post-employment benefits	<u>295</u>	<u>275</u>
Total	<u>\$ 6,307</u>	<u>\$ 6,483</u>

VIII. Pledged assets

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>	<u>Purpose</u>
Refundable deposits (time deposits)	\$ 2,850	\$ 2,850	\$ 2,400	Customs duty
Refundable deposits (time deposits)	36,016	36,008	36,126	Lease deposits
Refundable deposits (time deposits)	18,316	18,316	13,771	Performance guarantee deposits
Other financial assets - non-current	2,301	2,301	2,300	Long-term borrowings
Other Equipment	<u>352,649</u>	<u>313,884</u>	<u>307,173</u>	Long-term borrowings
	<u>\$ 412,132</u>	<u>\$ 373,359</u>	<u>\$ 361,770</u>	

IX. Significant contingent liabilities and unrecognized contract commitments

(I) Contingencies

Not applicable.

(II) Capital expenditures contracted for but not yet incurred

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Property, Plant and Equipment	<u>\$ 116,547</u>	<u>\$ 191,297</u>	<u>\$ 106,588</u>

X. Losses due to major disasters

Not applicable.

XI. Significant events after the balance sheet date

Not applicable.

XII. Others

(I) Capital management

There were no significant changes during the period. Please refer to Note 12 of the Notes to Consolidated Financial Statements as of and for the year ended December 31, 2021.

(II) Financial instruments

1. Categories of financial instruments

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
<u>Financial asset</u>			
Financial assets at fair value through profit and loss			
Financial assets mandatorily measured at fair value through profit or loss	<u>\$ 110,536</u>	<u>\$ 83,109</u>	<u>\$ 81,067</u>
Financial assets at fair value through other comprehensive income			
Investments in designated equity instrument	<u>\$ 34,826</u>	<u>\$ 36,214</u>	<u>\$ 39,658</u>
Financial assets measured at amortized cost			
Cash and cash equivalents	\$ 150,480	\$ 135,111	\$ 188,922
Financial assets measured at amortized cost - current	16,574	26,026	16,521
Note receivable	304	717	152
Trade receivable	40,214	42,387	37,670
Other receivables	-	-	1,549-
Financial assets measured at amortized cost – non-current	2,301	2,301	2,300
Refundable deposits	<u>61,911</u>	<u>64,026</u>	<u>57,189</u>

\$ 271,784

\$ 270,568

\$ 304,303

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Financial liability			
Financial assets measured at amortized cost			
Short-term borrowings	\$ 220,600	\$ 103,600	\$ 67,300
Short-term bills payable	35,500	38,500	19,500
Notes payable	5,004	6,881	5,004
Other payables	38,379	60,518	51,230
Long-term borrowings (including portions due within one year or one operating cycle)	411,338	364,243	306,668
Guarantee deposits received	6,450	6,450	6,450
	<u>\$ 717,271</u>	<u>\$ 580,192</u>	<u>\$ 456,152</u>
Lease liabilities	<u>\$ 25,522</u>	<u>\$ 39,325</u>	<u>\$ 64,482</u>

2. Risk management policies

The Group's daily operations are subject to a number of financial risks, including market risk (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial position and performance.

The Group's significant financial risk management is controlled with review by the Board of Directors in accordance with relevant regulations and internal control systems. The financial risk management plan has been established to identify and analyze the financial risks faced by the Company and assess their impact, and to implement relevant policies to avoid financial risks, and to regularly review the financial risk policy to reflect changes in market conditions and the Group's operations.

3. Significant financial risks and degrees of financial risks

(1) Market risk

Exchange rate risk

- A. The Group engages in business involving foreign currency transactions and is therefore subject to exchange rate fluctuations and exchange rate risk arising from different currencies, mainly USD. The related exchange rate risk arises from future business transactions and recognized assets. Exchange rate risk arises when future business transactions and recognized assets are denominated in the functional currency of the entity
- B. The Group has no significant foreign currency financial liabilities. An analysis of foreign currency assets subject to significant exchange rate fluctuations and foreign currency market risk due to significant exchange rate fluctuations is as follows.

<u>March 31, 2022</u>						
<u>Sensitivity Analysis</u>						
	<u>Foreign currency (Thousan ds of NTD)</u>	<u>Exchange rate</u>	<u>Carrying amount (NTD)</u>	<u>Change range</u>	<u>Impact on profit or loss</u>	<u>Impact on comprehensi ve income</u>
<u>Financial asset</u>						
<u>Monetary items</u>						
USD: NTD	\$587	28.58	\$16,774	1%	\$ 168	\$ -
<u>Non-monetary items</u>						
USD: NTD	\$12,222	28.58	\$349,266	1%	\$ -	\$ -

使用滑鼠雙擊這裡以編輯新增的表格段。

<u>December 31, 2021</u>						
<u>Sensitivity Analysis</u>						
	<u>Foreign currency (Thousan ds of NTD)</u>	<u>Exchange rate</u>	<u>Carrying amount (NTD)</u>	<u>Change range</u>	<u>Impact on profit or loss</u>	<u>Impact on comprehensi ve income</u>
<u>Financial asset</u>						
<u>Monetary items</u>						
USD: NTD	\$587	27.63	\$16,219	1%	\$ 162	\$ -
<u>Non-monetary items</u>						
USD: NTD	\$8,897	27.63	\$245,822	1%	\$ -	\$ -

<u>March 31, 2021</u>						
<u>Sensitivity Analysis</u>						
	<u>Foreign currency (Thousan ds of NTD)</u>	<u>Exchange rate</u>	<u>Carrying amount (NTD)</u>	<u>Change range</u>	<u>Impact on profit or loss</u>	<u>Impact on comprehensi ve income</u>
<u>Financial asset</u>						
<u>Non-monetary items</u>						
USD: NTD	\$8,823	28.485	\$251,321	1%	\$ -	\$ -

C. The total amount of exchange benefit (losses) (both realized and unrealized) recognized from January 1 to March 31, 2022 and 2021 was \$585 and (\$25), respectively, due to the significant impact of exchange rate fluctuations on the Group's monetary items.

(2) Price risk

A. The Group's equity instruments exposed to price risk are financial assets held at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage the price risk of equity securities, the Group diversifies its investment portfolio in a manner that is based on the limits set by the Group.

B. The Group invests mainly in equity instruments and beneficiary certificates that are not listed on TWSE or TPEX. The prices of these equity instruments are affected by the uncertainty of the future value of the underlying investments.

(3) Cash flow and fair value interest rate risk

A. The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. For the 3 months ended March 31, 2022 and 2021, the Group's borrowings based on floating interest rate were denominated in NTD.

B. The Group simulates various scenarios and analyzes interest rate risk, including

consideration of refinancing, renewal of existing positions, other available financing and hedging, in order to calculate the impact of changes in specific interest rates on profit or loss. For each simulated scenario, the same interest rate change is applied to all currencies. These simulated scenarios are used only for significant interest-bearing liabilities.

- C. As of March 31, 2022, December 31, 2021 and March 31, 2021, if the interest rate on borrowings had increased by 1%, net profits after tax would have decreased by \$918 and \$807 for the 3 months ended March 31, 2022 and 2021, with all other factors held constant, primarily due to the increase in interest expense as a result of floating rate borrowings.

(4) Credit risk

- A. The Group's credit risk is the risk of financial loss arising from the failure of customers or counterparties to financial instruments to meet their contractual obligations, mainly from the failure of counterparties to settle accounts receivable on payment terms.
- B. For receivables arising from operating activities, the Group has established relevant credit risk management mechanisms and regularly evaluates the financial position, credit limits and other factors of the related debtors, and the current creditworthiness of the receivables is good and there was no significant credit risk according to the assessment. The cash and cash equivalents have been assessed to be free of material risk.
- C. The Group assumes that a default is deemed to have occurred when payments are more than 60 days overdue in accordance with the contractual payment terms.
- D. The Group categorizes accounts receivable from customers according to the characteristics of revenue types and estimates expected credit losses based on the loss ratio method on a simplified basis.
- E. The Group has estimated the allowance for losses on accounts receivable by incorporating forward-looking adjustments to the loss rate established based on historical and current information for a specific period, as the Group's customers are in good credit standing and the overdue accounts receivable and the overdue loss rate were not material as of March 31, 2022, December 31, 2021 and March 31, 2021.
- F. There was no sign of impairment of the Group's notes receivable.

(5) Liquidity risk

- A. The Group's finance department prepares future cash flow forecasts to monitor future funding requirements and to ensure that sufficient funds are available for disbursement, and maintains sufficient borrowing facilities to adjust for future funding shortfalls.
- B. The following schedule shows the Group's non-derivative financial liabilities, grouped by the relevant maturity date. Non-derivative financial liabilities are analyzed based on the remaining period from the balance sheet date to the contractual maturity date. The contractual cash flow amounts disclosed in the schedule below are undiscounted amounts.

Non-derivative financial liabilities:

March 31, 2022	<u>Less than 1 year</u>	<u>Less than 1 to 2 years</u>	<u>More than 2 years</u>
Short-term borrowings	\$ 221,155	\$ -	\$ -
Short-term bills payable	35,580	-	-
Notes payable	5,004	-	-
Other payables	38,379	-	-
Lease liabilities	15,951	7,947	7,296
Guarantee deposits received	-	-	6,450
Long-term borrowings (including portions due within one year or one operating cycle)	<u>79,185</u>	<u>79,760</u>	<u>278,766</u>
Total	<u>\$ 395,254</u>	<u>\$ 87,707</u>	<u>\$ 292,512</u>

Non-derivative financial liabilities:

December 31, 2021	<u>Less than 1 year</u>	<u>Less than 1 to 2 years</u>	<u>More than 2 years</u>
Short-term borrowings	\$ 103,839	\$ -	\$ -
Short-term bills payable	38,545	-	-
Notes payable	6,881	-	-
Other payables	60,518	-	-
Lease liabilities	29,137	8,991	9,062
Guarantee deposits received	-	-	6,450
Long-term borrowings (including portions due within one year or one operating cycle)	<u>74,810</u>	<u>73,045</u>	<u>234,706</u>
Total	<u>\$ 313,730</u>	<u>\$ 82,036</u>	<u>\$ 250,218</u>

Non-derivative financial liabilities:

March 31, 2021	<u>Less than 1 year</u>	<u>Less than 1 to 2 years</u>	<u>More than 2 years</u>
Short-term borrowings	\$ 67,582	\$ -	\$ -
Short-term bills payable	19,554	-	-
Notes payable	5,004	-	-
Other payables	52,593	-	-
Lease liabilities	54,073	8,889	2,508
Guarantee deposits received	-	-	6,450
Long-term borrowings (including portions due within one year or one operating cycle)	<u>68,056</u>	<u>58,944</u>	<u>194,902</u>
Total	<u>\$ 266,862</u>	<u>\$ 67,833</u>	<u>\$ 203,860</u>

(III) Fair value information

1. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair values of the Group's investments in TWSE and TPEX listed stocks belong to this.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability. The Group's investments in non-listed stocks belong to this.

2. For financial and non-financial instruments measured at fair value, the Group classifies them based on the basis of the nature, characteristics and risks of the assets and fair value level, and the related information is as follows.

March 31, 2022	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value</u>				
Financial assets at fair value through profit and loss				
Investment in private equity	\$ -	\$ -	\$ 110,536	\$ 110,536
Financial assets at fair value through other comprehensive income				
Equity security	<u>-</u>	<u>-</u>	<u>34,826</u>	<u>34,826</u>
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 145,362</u>	<u>\$ 145,362</u>

December 31, 2021	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value</u>				
Financial assets at fair value through profit and loss				
Investment in private equity	\$ -	\$ -	\$83,109	\$ 83,109
Financial assets at fair value through other comprehensive income				
Equity security	<u>-</u>	<u>-</u>	<u>36,214</u>	<u>36,214</u>
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$119,323</u>	<u>\$119,323</u>

March 31, 2021	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value</u>				
Financial assets at fair value through profit and loss				
Investment in private equity	\$ -	\$ -	\$81,067	\$ 81,067
Financial assets at fair value through other comprehensive income				
Equity security	<u>-</u>	<u>-</u>	<u>39,658</u>	<u>39,658</u>
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$120,725</u>	<u>\$120,725</u>

3. The following schedule shows the changes in Level 3 for the 3 months ended March 31, 2022 and 2021.

	<u>2022</u>	<u>2021</u>
	<u>Non-derivative equity security</u>	<u>Non-derivative equity security</u>
January 1	\$ 119,323	\$ 110,054
Gain recognized in profit or loss	27,427	13,993
Loss recognized in other comprehensive income	(1,388)	(3,322)
March 31	<u>\$ 145,362</u>	<u>\$ 120,725</u>

4. For the 3 months ended March 31, 2022 and 2021, there were no transfers in or out of Level 3.

5. The Group's valuation process for fair value classification in Level 3 is conducted by the finance and accounting department, which is responsible for conducting independent fair value verification of financial instruments, using independent sources of information to make the valuation results approximate market conditions, confirming that the sources of information are independent, reliable, consistent with other resources and representative of executable prices, and regularly updating the input values and information required by the valuation models and any other necessary fair value adjustments to ensure that the valuation results are reasonable.
6. Quantitative information regarding the significant unobservable input values of the valuation models used for Level 3 fair value measurements and sensitivity analysis of changes in significant unobservable input values are described below.

	<u>March 31, 2022</u>	<u>Valuation</u>	<u>Significant</u>	<u>Interval</u>	<u>Relationship</u>
	<u>Fair value</u>	<u>technique</u>	<u>unobservable</u>	<u>(Weighted</u>	<u>between input value</u>
			<u>input value</u>	<u>average)</u>	<u>and fair value</u>
Non-derivative equity security:					
Non TWSE or TPEX listed stock	\$ 5,324	Discounted benefit flow method	Discount for lack of marketability Adjustment to discount for lack of controlling interests	20% 30%	The higher the discount for lack of marketability and the higher the discount for lack of controlling interests, the lower the fair value
Venture capital company stock	\$ 29,502	Net asset value method	Net asset value		-The higher the net asset value, the higher the fair value
Investment in private equity	110,536	Net asset value method	Net asset value		-The higher the net asset value, the higher the fair value

	<u>December 31, 2021</u>	<u>Valuation</u>	<u>Significant</u>	<u>Interval</u>	<u>Relationship</u>
	<u>Fair value</u>	<u>technique</u>	<u>unobservable</u>	<u>(Weighted</u>	<u>between input value</u>
			<u>input value</u>	<u>average)</u>	<u>and fair value</u>
Non-derivative equity security:					
Non TWSE or TPEX listed company Stock	\$ 5,324	Discounted benefit flow method	Discount for lack of marketability Adjustment to discount for lack of controlling interests	20% 30%	The higher the discount for lack of marketability and the higher the discount for lack of controlling interests, the lower the fair value
Venture capital company stock	\$ 30,890	Net asset value method	Net asset value		-The higher the net asset value, the higher the fair value
Investment in private equity	83,109	Net asset value method	Net asset value		-The higher the net asset value, the higher the fair value

	<u>March 31, 2021</u>	<u>Valuation</u>	<u>Significant</u>	<u>Interval</u>	<u>Relationship</u>
	<u>Fair value</u>	<u>technique</u>	<u>unobservable</u>	<u>(Weighted</u>	<u>between input</u>
			<u>input value</u>	<u>average)</u>	<u>value and fair value</u>
Non-derivative equity security:					
Non TWSE or TPEX listed stock	\$ 10,846	Comparable TWSE or TPEX company method	Discount for lack of marketability	20%	The higher the discount for lack of marketability, the lower the fair value
Venture capital company stock	28,812	Net asset value method	Net asset value	30%	The higher the net asset value, the higher the fair value
Investment in private equity	81,067	Net asset value method	Net asset value		-The higher the net asset value, the higher the fair value

7. The Group has carefully evaluated the valuation models and valuation parameters selected and therefore the fair value measurement is reasonable. However, the use of different valuation models or valuation parameters may result in different valuation results. For financial assets and financial liabilities classified as Level 3, the effect on the profit or loss for the period or other comprehensive income if the valuation parameters are changed is as follows.

		<u>March 31, 2022</u>				
		<u>Input value</u>	<u>Recognized in profit or loss</u>		<u>Recognized in other comprehensive</u>	
			<u>Change</u>	<u>Favorable change</u>	<u>Unfavorable change</u>	<u>Favorable change</u>
Financial asset	The discount for lack of marketability and the discount for lack of controlling interests					
Equity instruments	±1%	\$ -	\$ -	\$ 53	(\$ 53)	
Equity instruments	Net asset value ±1%	-	-	295	(295)	
Investment in private equity	Net asset value ±1%	<u>1,105</u>	<u>(1,105)</u>	<u>-</u>	<u>-</u>	
Total		<u>\$ 1,105</u>	<u>(\$ 1,105)</u>	<u>\$ 348</u>	<u>(\$ 348)</u>	

		<u>December 31, 2021</u>				
		<u>Recognized in profit or loss</u>			<u>Recognized in other comprehensive</u>	
		<u>Income</u>				
		<u>Favorable</u>	<u>Unfavorable</u>			
<u>Input value</u>	<u>Change</u>	<u>change</u>	<u>change</u>	<u>Favorable change</u>	<u>Unfavorable change</u>	
Financial asset						
Equity instruments	The discount for lack of marketability and the discount for lack of controlling interests	±1%	\$ -	\$ -	\$ 53	(\$ 53)
Equity instruments	Net asset value	±1%	-	-	309	(309)
Investment in private equity	Net asset value	±1%	831	(831)	-	-
Total			<u>\$ 831</u>	<u>(\$ 831)</u>	<u>\$ 362</u>	<u>(\$ 362)</u>

		<u>March 31, 2021</u>				
		<u>Recognized in profit or loss</u>			<u>Recognized in other comprehensive</u>	
		<u>Income</u>				
		<u>Favorable</u>	<u>Unfavorable</u>			
<u>Input value</u>	<u>Change</u>	<u>change</u>	<u>change</u>	<u>Favorable change</u>	<u>Unfavorable change</u>	
Financial asset						
Equity instruments	Discount for lack of marketability	±1%	\$ -	\$ -	\$ 108	(\$ 108)
Equity instruments	Net asset value	±1%	-	-	288	(288)
Investment in private equity	Net asset value	±1%	811	(811)	-	-
Total			<u>\$ 811</u>	<u>(\$ 811)</u>	<u>\$ 396</u>	<u>(\$ 396)</u>

XIII. Additional disclosures

(I) Significant transactions information

1. Loans to others: None.
2. Endorsements and guarantees for others: Table 1.
3. Marketable securities held at the end of the period (excluding investments in subsidiaries, affiliates and joint ventures): Please refer to Table 2.
4. Marketable securities acquired and disposed amounting to at least NT\$300 million or 20% of the paid-in capital. None.
5. Acquisition of individual real estate amounting to at least NT\$300 million or 20% of the paid-in capital: None

6. Disposal of individual real estate amounting to at least NT\$300 million or 20% of the paid-in capital: None
7. Purchase from or sale to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None.
8. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None.
9. Engagements in derivative financial instruments transactions: None.
10. Business relationships and significant intercompany transactions and amounts between the parent company and its subsidiaries and between subsidiaries: None.

(II) Information on investees

Name, locations, and other related information of investees. Please refer to Table 3.

(III) Investments in Mainland China

Not applicable.

(IV) Information on main investors

For information on major shareholders: Please refer to Table 4.

XIV. Operating Segments Information

(I) General information

The Group's management has identified the reportable segments based on the reported information used by the chairperson in making decisions.

The Group has two reportable segments, the oil and chemical tank rental business and the solar power business, which provide oil and chemical tank rental and electricity sales, respectively, as the main sources of revenue.

(II) Measurement of segment information

The Group's operating segments adopt consistent accounting policies. The Group's operating decision makers evaluate the performance of each operating segment based on operating revenue and net profit after tax.

(III) Segment information

The Group's segment operating profit reported to the chief operating decision makers is measured in a manner consistent with the revenue and expenses in the income statement. The Group does not provide the total assets and liabilities to the operating decision maker for operating decisions. The reportable segment information provided to the chief operating decision maker for the 3 months ended March 31, 2022 and 2021 is as follows.

	<u>January 1 to March 31, 2022</u>				<u>Total</u>
	<u>Oil and chemical tank rental</u>	<u>Solar power generation</u>			
	<u>business</u>		<u>business</u>		
Segment revenues	\$	87,589	\$	20,297	\$ 107,886
Segment		26,159		2,604	28,763

profits or losses (Note)			
Segment profits or losses include:			
Depreciation and amortization	37,542	11,641	49,183
Interest income	41	1	42
Financial costs	143	259	402
Income tax expense	6,526	940	7,466

	<u>January 1 to March 31, 2021</u>				
	<u>Oil and chemical tank rental</u>		<u>Solar power generation</u>		
	<u>business</u>		<u>business</u>		<u>Total</u>
Segment revenues	\$	111,570	\$	22,019	\$ 133,589
Segment profits or losses (Note)		34,906		5,166	40,072
Segment profits or losses include:					
Depreciation and amortization		29,935		10,765	40,700
Interest income		42		-	42
Financial costs		326		301	627
Income tax expense		5,760		1,053	6,813

Note: Other income and expenses generated internally that were eliminated.

Prime Oil Chemical Service Corporation and its subsidiaries

Provision of endorsements and guarantees to others

January 1 to December 31, 2022

Table 1

Unit: Thousand NTD

(Unless otherwise specified)

Serial No. (Note 1)	Name of the company providing endorsement and guarantee	Party being endorsed/ guaranteed Relationship with the endorser/ guarantor (Note 2)	Limit on endorsements/ guarantees provided for a single party (Note 3)	Balance of maximum endorsement and guarantee for the period (Note 4)	Balance of endorsement and guarantee at the end of the period (Note 5)	Transaction Amounts (Note 6)	Amount of endorsement and guarantee by property	Percentage of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Endorsement and guarantee by parent subsidiary (Note 7)	Endorsement and guarantee by subsidiary for parent (Note 7)	Endorsement and guarantee for party in Mainland China (Note 7)	Remarks
0	Prime Oil Chemical Service Corporation	POCS Power Co., Ltd.	2	\$ 398,039	\$ 244,300	\$ 244,300	\$ 90,174	\$ -	24.6%	\$ 447,794	Y	N	N

Note 1: The description of the number column is as follows.

(1) Issuer fills in 0.

(2) The subsidiaries are numbered in order starting from 1.

Note 2: There are six types of relationships between the endorser/ guarantor and the endorsee/ guarantee, and just indicate the types:

(1) Companies that have business dealings

(2) Subsidiaries in which the Company directly holds more than 50% of the common stock.

(3) The other company directly or indirectly holds more than 50% of the voting shares of the Company.

(4) The Company directly or indirectly holds more than 90% of the voting shares of the other company.

(5) Mutual guarantee of the trade or joint proprietor as required by the construction contract.

(6) Due to joint venture, each shareholder provides endorsements/ guarantees to the endorsed/ guaranteed company in proportion to its ownership.

(7) Industry peers provide among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

Note 3: According to the Company's operating procedures for endorsement and guarantee, the total amount of external guarantee is limited to 45% of the Company's net worth, and the amount of endorsement and guarantee for a single enterprise is limited to 40% of the Company's net worth.

Note 4: The maximum balance of endorsement and guarantee for others during the year.

Note 5: As of the end of the year, the Company assumes the responsibility of endorsement or guarantee when it enters an endorsement and guarantee contract with banks or when a line of credit for notes is approved; In addition, other matters involving endorsement or guarantee should be included in the balance of the endorsement or guarantee.

Note 6: Fill in the actual amount of endorsements/ guarantees used by the endorsed/ guaranteed company.

Note 7: Fill in Y for endorsement and guarantee by listed parent for subsidiary, by subsidiary for listed parent, or for party in Mainland China

Prime Oil Chemical Service Corporation and its subsidiaries
 Marketable securities held at the end of the period (excluding investment in subsidiaries, affiliated companies and joint venture)

March 31, 2022

Table 2

Unit: Thousand NTD
 (Unless otherwise specified)

Companies held	Type and name of marketable securities	Relationship with the issuer of marketable securities	Account in the book	The end of the period				Remarks
				Shares	Carrying amount	Shares Ratio	Fair value	
Prime Oil Chemical Service Corporation	Stock - Everterminal Co., Ltd.	None	Financial assets at fair value through other comprehensive income - noncurrent	342,244	\$ 5,324	0.70%	\$ 5,324	
Prime Oil Chemical Service Corporation	Stock - Athena Capital Co., Ltd.	None	Financial assets at fair value through other comprehensive income - noncurrent	3,000,000	29,502	16.16%	29,502	
Prime Oil Chemical Service Corporation	Investment in private equity - AB Value Bridge VI, L.P.	None	Financial assets at fair value through profit or loss - non-current	-	71,029	3.00%	71,029	
Prime Oil Chemical Service Corporation	Investment in private equity - AB Value Bridge VII, L.P.	None	Financial assets at fair value through profit or loss - non-current	-	39,507	3.90%	39,507	

Prime Oil Chemical Service Corporation and its subsidiaries
Names, locations and other information of investee companies (not including investees in China)
January 1 to March 31, 2022

Table 3

Unit: Thousand NTD
(Unless otherwise specified)

Investor	Investor Company	Location	Main Businesses and Products	Investment Amount		As of March 31, 2021			Net profit (Loss) of the Investee for the period	Investment gains or losses recognized in the period	Remarks
				March 31, 2021	March 31, 2020	Shares	Ownership	Carrying amount			
Prime Oil Chemical Service Corporation	He Zhen Feng Co., Ltd.	Taiwan	Real Estate Leasing	\$ 695	\$ 695	69,468	69.47	\$ 1,070	(\$ 10)	(\$ 7)	Note2
Prime Oil Chemical Service Corporation	POCS Power Co., Ltd.	Taiwan	Solar Power Industry	40,000	40,000	4,000,000	100.00	45,662	(\$ 419)	(\$ 419)	Note2
Prime Oil Chemical Service Corporation	Prime Holdings Corporation	Anquila	Shareholding and General Trading	191,886	191,886	6,298,770	100.00	250,968	(\$ 725)	(\$ 725)	Note1、2
Prime Oil Chemical Service Corporation	ABZBRIDGE CORPORATION	Cayman	Shareholding	97,653	-	10,000	20.00	98,298	-	-	Note1
Prime Holdings Corporation	Prime Solar Energy Co., Ltd.	Cambodia	Real Estate Development	52,344	52,344	1,700,000	100.00	48,407	-	-	Note1、2

Note1: The information disclosed in respect of the investee enterprises is based on the exchange rate at March 31, 2022, except for the profit or loss for the period, which is based on the average exchange rate from January 1, 2022 to March 31, 2022.

Note2: Eliminated in the preparation of the consolidated financial statements

Prime Oil Chemical Service Corporation and its subsidiaries

Information on main investors

March 31, 2022

Table 4

	<u>Name of major shareholder</u>	<u>No. of shares held</u>	<u>Shares Ratio</u>
Abacus Display Infinity Corporation		26,593,949	38.52%
Tai Yu Investment Co., Ltd.		4,433,345	6.42%