Ta Chen Stainless Pipe Co., Ltd. and Subsidiaries

Consolidated Financial Statements for the Years Ended December 31, 2021 and 2020 and Independent Auditors' Report

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The companies required to be included in the consolidated financial statements of affiliates in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" for the year ended December 31, 2021 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standard No. 10 "Consolidated Financial Statements". Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we did not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

Ta Chen Stainless Pipe Co., Ltd.

By

____

LI-YUN SHIEH
Chairman
March 25, 2022

Deloitte.

勤業眾信

勤業眾信聯合會計師事務所
11073 台北市信義區松仁路100號20樓

Deloitte & Touche
20F, Taipei Nan Shan Plaza
No. 100, Songren Rd.,
Xinyi Dist., Taipei 11073, Taiwan

Tel :+886 (2) 2725-9988
Fax:+886 (2) 4051-6888
www.deloitte.com.tw

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Ta Chen Stainless Pipe Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Ta Chen Stainless Pipe Co., Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2021 and 2020, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China (ROC).

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Group's consolidated financial statements for the year ended December 31, 2021 is described as follows:

Assessment of Net Realizable Value and Write-downs of Inventories

As of December 31, 2021, inventories of the Group amounted to NT$49,855,761 thousand, accounting for 46% of the Group's total assets.

Inventories are measured at the lower of cost or net realizable value. As the assessment of the net realizable value of inventories of screws and nuts, whose prices have fluctuated drastically, and which involved accounting estimates, has a significant impact on the inventories and operating costs, the assessment of the net realizable value and write-downs of inventories has been identified as a key audit matter. For the relevant accounting policies and other detailed information, refer to Notes 4(g), 5, and 11 to the consolidated financial statements.

The main audit procedures performed in respect of the above-mentioned key audit matter are as follows:

1. We evaluated the appropriateness of the inventory valuation method of stainless steel and aluminum segment and screws and nuts segment applied by management and obtained an understanding of the design and implementation of the relevant internal controls related to inventory valuation.

2. We tested the table of net realizable value of stainless steel and aluminum inventory on a sample basis, including confirmation of the sales price and supporting documents. We also performed recalculations to evaluate the appropriateness of the net realizable value and the value written-off.

3. We considered the historical depletion and the future assessment of the depletion of screws and nuts, and evaluated the reasonableness of the amount of provision for valuation loss on screws and nuts.

4. We selected samples to test the accuracy of inventory aging in order to evaluate the appropriateness of a provision for write-downs of screws and nuts inventories.

Other Matter

We have also audited the parent company only financial statements of Ta Chen Stainless Pipe Co., Ltd. as of and for the years ended December 31, 2021 and 2020 on which we have issued an unmodified opinion.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including members of the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Chi-Chen Li and Chao-Chin Yang.

Deloitte & Touche
Taipei, Taiwan
Republic of China
March 25, 2022

Notice to Readers

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

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

Ta Chen Stainless Pipe Co., Ltd. and Subsidiaries

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

	December 31, 2021		December 31, 2020	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 9,331,655	8	$ 7,300,197	8
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	242,100	-	124,901	-
Financial assets at fair value through other comprehensive income - current (Notes 4 and 8)	71,199	-	16,452	-
Financial assets at amortized cost - current (Notes 4, 9 and 33)	6,446,275	6	2,347,999	3
Notes receivable (Note 10)	3,879	-	7,741	-
Accounts receivable, net (Notes 4, 10, 32 and 33)	7,267,972	7	6,039,110	6
Other receivables (Note 32)	295,575	-	185,910	-
Current tax assets (Notes 4 and 25)	216	-	161,483	-
Inventories (Notes 4, 5, 11 and 33)	49,855,761	46	49,310,898	50
Prepayments (Notes 17 and 32)	2,798,190	3	1,160,787	1
Other current assets	30,689	-	29,819	-
Total current assets	76,343,511	70	66,685,297	68
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	-	-	30,000	-
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	672,702	1	157,952	-
Financial assets at amortized cost - non-current (Notes 4, 9, 32 and 33)	1,312,936	1	1,040,635	1
Derivative financial assets for hedging - non-current (Notes 4 and 31)	104,030	-	-	-
Investments accounted for using the equity method (Notes 4 and 13)	2,029	-	129,583	-
Property, plant and equipment (Notes 4, 14, 32 and 33)	13,894,593	13	14,168,485	15
Right-of-use assets (Notes 4, 15 and 33)	6,843,128	6	7,612,142	8
Goodwill (Notes 4 and 16)	3,691,035	3	3,787,355	4
Other intangible assets (Notes 4 and 16)	2,137,566	2	2,152,719	2
Deferred tax assets (Notes 4 and 25)	2,478,766	2	2,231,869	2
Prepayments for investments (Note 13)	623,653	1	-	-
Net defined benefit assets - non-current (Notes 4 and 21)	62,651	-	56,723	-
Other non-current assets (Note 17)	904,565	1	78,725	-
Total non-current assets	32,727,654	30	31,446,188	32
TOTAL	$ 109,071,165	100	$ 98,131,485	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 18 and 33)	$ 9,993,137	9	$ 9,303,994	9
Short-term bills payable (Notes 18 and 33)	1,369,589	1	2,439,008	3
Financial liabilities at fair value through profit or loss - current (Notes 4 and 7)	256,938	-	187,280	-
Financial liabilities for hedging - current (Notes 4 and 31)	34,971	-	51,779	-
Contract liabilities - current (Note 23)	49,206	-	-	-
Notes payable (Note 19)	94,655	-	62,645	-
Accounts payable (Notes 19 and 32)	2,265,908	2	2,013,575	2
Other payables (Notes 14 and 20)	2,355,859	2	1,297,936	1
Current tax liabilities (Notes 4 and 25)	973,502	1	80,165	-
Lease liabilities - current (Notes 4 and 15)	901,717	1	839,187	1
Current portion of long-term borrowings (Notes 18 and 33)	1,533,301	2	6,405,338	7
Other current liabilities	512,052	1	248,974	-
Total current liabilities	20,340,835	19	22,929,881	23
NON-CURRENT LIABILITIES				
Financial liabilities for hedging - non-current (Notes 4 and 31)	279,545	-	871,577	1
Long-term borrowings (Notes 18 and 33)	26,020,571	24	28,595,827	29
Deferred tax liabilities (Notes 4 and 25)	1,200,619	1	1,256,819	1
Lease liabilities - non -current (Notes 4 and 15)	6,589,594	6	7,301,423	8
Long-term payables (Note 14)	59,591	-	88,002	-
Other non-current liabilities	154,294	-	131,000	-
Total non-current liabilities	34,304,214	31	38,244,648	39
Total liabilities	54,645,049	50	61,174,529	62
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 22)				
Ordinary shares	20,084,659	18	16,584,659	17
Capital surplus	22,993,816	21	12,354,362	13
Retained earnings				
Legal reserve	2,058,958	2	2,058,958	2
Special reserve	2,108,136	2	1,487,080	1
Unappropriated earnings	9,668,399	9	621,056	1
Total retained earnings	13,835,493	13	4,167,094	4
Other equity	(3,883,805)	(3)	(3,495,519)	(4)
Treasury shares	(4,004,953)	(4)	(1,132,861)	(1)
Total equity attributable to owners of the Company	49,025,210	45	28,477,735	29
NON-CONTROLLING INTERESTS (Note 22)	5,400,906	5	8,479,221	9
Total equity	54,426,116	50	36,956,956	38
TOTAL	$ 109,071,165	100	$ 98,131,485	100

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

Ta Chen Stainless Pipe Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2021		2020	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 23 and 32)	$ 96,886,248	100	$ 59,234,909	100
OPERATING COSTS (Notes 4, 5, 11, 21, 24 and 32)	67,815,551	70	50,300,169	85
GROSS PROFIT	29,070,697	30	8,934,740	15
OPERATING EXPENSES (Notes 10, 21, 24 and 32)				
Selling and marketing expenses	2,833,323	3	2,097,111	4
General and administrative expenses	7,308,257	7	5,402,872	9
Expected credit loss (gain)	(8,721)	-	2,270	-
Total operating expenses	10,132,859	10	7,502,253	13
OTHER OPERATING INCOME AND EXPENSES (Note 24)	(1,227)	-	390,280	1
PROFIT FROM OPERATIONS	18,936,611	20	1,822,767	3
NON-OPERATING INCOME AND EXPENSES (Notes 13, 24 and 32)				
Interest income	14,768	-	18,737	-
Other income	155,761	-	195,289	1
Other gains and losses	(2,392,808)	(3)	(402,595)	(1)
Finance costs	(1,294,385)	(1)	(1,705,032)	(3)
Excepted credit loss	(16,928)	-	(12,869)	-
Share of profit of associates	11,475	-	3,291	-
Total non-operating expenses	(3,522,117)	(4)	(1,903,179)	(3)
PROFIT (LOSS) BEFORE INCOME TAX FOR THE YEAR	15,414,494	16	(80,412)	-
INCOME TAX EXPENSE (Notes 4 and 25)	3,852,066	4	21,046	-
NET PROFIT (LOSS) FOR THE YEAR	11,562,428	12	(101,458)	-
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 21 and 25)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	(4,716)	-	19,870	-
Unrealized gains and losses on investments in equity instruments at fair value through other comprehensive income	26,315	-	(8,260)	-

(Continued)

Ta Chen Stainless Pipe Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2021		2020	
	Amount	**%**	**Amount**	**%**
Income tax relating to items that will not be reclassified subsequently to profit or loss	$ 1,774	-	$ (3,050)	-
	23,373	-	8,560	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	(1,290,007)	(2)	(1,776,603)	(3)
Loss on hedging instruments not subject to basis adjustment	667,955	1	(584,530)	(1)
Income tax relating to items that may be reclassified subsequently to profit or loss	(3,643)	-	3,694	-
	(625,695)	(1)	(2,357,439)	(4)
Other comprehensive loss for the year, net of income tax	(602,322)	(1)	(2,348,879)	(4)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	$ 10,960,106	11	$ (2,450,337)	(4)
NET PROFIT (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	$ 9,672,917	10	$ (573,421)	(1)
Non-controlling interests	1,889,511	2	471,963	1
	$ 11,562,428	12	$ (101,458)	-
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	$ 9,281,689	9	$ (2,698,520)	(4)
Non-controlling interests	1,678,417	2	248,183	-
	$ 10,960,106	11	$ (2,450,337)	(4)
EARNINGS (LOSS) PER SHARE (New Taiwan Dollars; Note 26)				
Basic	$ 5.76		$ (0.44)	
Diluted	$ 5.74		$ (0.44)	

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

(Concluded)

Ta Chen Stainless Pipe Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Except Dividends Per Share)

	Equity Attributable to Owners of the Company												
			Retained Earnings			Other Equity							
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements Foreign Operations	Unrealized Gain (loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Gain (Loss) on Hedging Instruments	Total Other Equity	Treasury Shares	Total	Non-controlling Interest (Note 22)	Total Equity
BALANCE AT JANUARY 1, 2020	$ 12,337,901	$ 9,523,679	$ 1,876,880	$ 186,470	$ 3,980,588	$ (974,583)	$ 515	$ (379,532)	$ (1,353,600)	$ (890,760)	$ 25,661,158	$ 9,854,067	$ 35,515,225
Appropriation of 2019 earnings (Note 22)													
Legal reserve	-	-	182,078	-	(182,078)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	1,300,610	(1,300,610)	-	-	-	-	-	-	-	-
Cash dividends distributed by the Company - NT$0.85 per share	-	-	-	-	(1,048,722)	-	-	-	-	-	(1,048,722)	-	(1,048,722)
Share dividends distributed by the Company - NT$0.2 per share	246,758	-	-	-	(246,758)	-	-	-	-	-	-	-	-
Cash dividends received from subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(915,110)	(915,110)
Cash dividends distributed from capital surplus	-	(185,069)	-	-	-	-	-	-	-	-	(185,069)	-	(185,069)
Net profit for the year ended December 31, 2020	-	-	-	-	(573,421)	-	-	-	-	-	(573,421)	471,963	(101,458)
Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax (Note 22)	-	-	-	-	16,820	(1,552,823)	(8,260)	(580,836)	(2,141,919)	-	(2,125,099)	(223,780)	(2,348,879)
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	(556,601)	(1,552,823)	(8,260)	(580,836)	(2,141,919)	-	(2,698,520)	248,183	(2,450,337)
Issuance of ordinary shares for cash	4,000,000	3,200,000	-	-	-	-	-	-	-	-	7,200,000	-	7,200,000
Cash dividends distributed by subsidiaries	-	22,345	-	-	-	-	-	-	-	-	22,345	36,120	58,465
Change in non-controlling interests (Note 29)	-	-	-	-	(46,390)	-	-	-	-	-	(46,390)	(176,359)	(222,749)
The Company's shares held by subsidiaries accounted for as treasury shares	-	-	-	-	-	-	-	-	-	(356,681)	(356,681)	(197,579)	(554,260)
Disposal of the Company's shares by subsidiaries recognized as treasury share transactions	-	(36,198)	-	-	-	-	-	-	-	114,580	78,382	178,270	256,652
Difference between consideration and carrying amount of subsidiaries acquired	-	(369,594)	-	-	-	-	-	-	-	-	(369,594)	(548,371)	(917,965)
Share of changes in equity of associates	-	179,491	-	-	21,627	-	-	-	-	-	201,118	-	201,118
Share-based payments (Note 22)	-	19,708	-	-	-	-	-	-	-	-	19,708	-	19,708
BALANCE AT DECEMBER 31, 2020	16,584,659	12,354,362	2,058,958	1,487,080	621,056	(2,527,406)	(7,745)	(960,368)	(3,495,519)	(1,132,861)	28,477,735	8,479,221	36,956,956
Appropriation of 2020 earnings (Note 22)													
Legal reserve	-	-	-	621,056	(621,056)	-	-	-	-	-	-	-	-
Cash dividends received from subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(869,913)	(869,913)
Cash dividends distributed from capital surplus	-	(1,326,772)	-	-	-	-	-	-	-	-	(1,326,772)	-	(1,326,772)
Net profit for the year ended December 31, 2021	-	-	-	-	9,672,917	-	-	-	-	-	9,672,917	1,889,511	11,562,428
Other comprehensive income (loss) for the year ended December 31, 2021, net of income tax (Note 22)	-	-	-	-	(2,942)	(1,078,913)	26,315	664,312	(388,286)	-	(391,228)	(211,094)	(602,322)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	9,669,975	(1,078,913)	26,315	664,312	(388,286)	-	9,281,689	1,678,417	10,960,106
Issuance of ordinary shares for cash	3,500,000	11,550,000	-	-	-	-	-	-	-	-	15,050,000	-	15,050,000
The Company's shares held by subsidiaries accounted for as treasury shares	-	-	-	-	-	-	-	-	-	(2,961,803)	(2,961,803)	(4,428,951)	(7,390,754)
Disposal of the Company's shares by subsidiaries recognized as treasury share transactions	-	130,903	-	-	-	-	-	-	-	89,711	220,614	270,382	490,996
Cash dividends distributed by subsidiaries	-	22,051	-	-	-	-	-	-	-	-	22,051	34,497	56,548
Difference between consideration and carrying amount of subsidiaries acquired	-	(45,245)	-	-	-	-	-	-	-	-	(45,245)	(57,671)	(102,916)
Share of changes in equity of associates	-	33,480	-	-	(1,576)	-	-	-	-	-	31,904	-	31,904
Share-based payments (Note 22)	-	275,037	-	-	-	-	-	-	-	-	275,037	-	275,037
Change in non-controlling interests (Note 29)	-	-	-	-	-	-	-	-	-	-	-	294,924	294,924
BALANCE AT DECEMBER 31, 2021	$ 20,084,659	$ 22,993,816	$ 2,058,958	$ 2,108,136	$ 9,668,399	$ (3,606,319)	$ 18,570	$ (296,056)	$ (3,883,805)	$ (4,004,953)	$ 49,025,210	$ 5,400,906	$ 54,426,116

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

Ta Chen Stainless Pipe Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	$ 15,414,494	$ (80,412)
Adjustments for:		
Depreciation expenses	1,835,203	1,735,058
Amortization expenses	376,307	538,458
Expected credit loss recognized on accounts receivable	8,207	15,139
Net loss on financial assets and liabilities at fair value through profit or loss	(17,652)	51,955
Finance costs	1,294,385	1,705,032
Interest income	(14,768)	(18,737)
Dividend income	(836)	(302)
Compensation costs of employee share options	275,037	19,708
Share of profit of associates	(11,475)	(3,291)
Loss (gain) on disposal of property, plant and equipment	1,227	(198,633)
Gain on disposal of investment properties	-	(191,647)
Loss on disposal of associate	29,410	-
Impairment loss on non-financial assets	58,681	-
Net loss (gain) on foreign currency exchange	(737,601)	902,827
Gain on lease modifications	-	(459)
Changes in operating assets and liabilities		
Financial assets for hedging	(104,030)	20,030
Notes receivable	4,347	(4,379)
Accounts receivable	(1,544,262)	(1,214,725)
Other receivables	(126,451)	372,264
Inventories	(2,005,220)	2,139,047
Prepayments	(1,628,355)	513,432
Other current assets	(177)	(22,008)
Derivative financial liabilities for hedging	643,965	(496,109)
Contract liabilities	13,982	-
Notes payable	1,364	(3,965)
Accounts payable	272,735	(676,256)
Other payables	1,136,189	(676,789)
Other current liabilities	256,251	21,561
Net defined benefit obligation	(19,275)	(18,013)
Cash generated from operations	15,411,682	4,428,786
Income tax paid	(2,702,949)	(357,163)
Net cash generated from operating activities	12,708,733	4,071,623
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(543,959)	(74,546)
Proceeds from sale of financial assets at fair value through other comprehensive income	-	39,221
Acquisition of financial assets at amortized cost	(4,405,983)	-
Proceeds from sale of financial assets at amortized cost	19,150	196,165
Acquisition of financial assets at fair value through profit or loss	(112,092)	(79,081)
Proceeds from sale of financial assets at fair value through profit or loss	112,016	104,927
Acquisition of investments accounted for using the equity method	-	(28)
Increase in prepayments for investments	(623,653)	-
Acquisition of subsidiaries (net of cash received)	14,302	-

(Continued)

Ta Chen Stainless Pipe Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

	2021	2020
Proceeds subsidiary net cash inflow	$ 327,761	$ -
Payments for property, plant and equipment	(743,861)	(1,490,616)
Proceeds from disposal of property, plant and equipment	5,926	1,385,816
Increase in refundable deposits	(120,080)	(18,190)
Decrease in refundable deposits	110,122	192,919
Acquisition of intangible assets	(341,967)	(3,031)
Proceeds from disposal of investment properties	-	239,269
Increase in other non-current assets	-	(5,759)
Decrease in other non-current assets	926	-
Increase in prepayments for equipment	(858,267)	(10,789)
Interest received	14,768	18,745
Dividends received	836	302
Net cash generated from (used in) investing activities	(7,144,055)	495,324
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	40,541,704	44,863,994
Repayments of short-term borrowings	(39,886,551)	(47,934,119)
Proceeds from short-term bills payable	13,036,375	12,384,701
Repayments of short-term bills payable	(14,120,000)	(11,390,000)
Proceeds from long-term borrowings	14,385,723	10,912,160
Repayments of long-term borrowings	(21,461,097)	(16,692,155)
Increase in payables	-	221,035
Decrease in payables	(28,411)	(133,033)
Repayment of the principal portion of lease liabilities	(866,747)	(753,399)
Cash dividends distributed	(2,140,137)	(2,090,436)
Proceeds from issue of ordinary shares	15,050,000	7,200,000
Payments for buy-back of ordinary shares	(7,390,754)	(335,469)
Proceeds from sale of treasury shares	490,996	256,652
Acquisition of ownership interests in subsidiaries	(102,916)	(917,965)
Interest paid	(1,194,440)	(1,642,217)
Changes in non-controlling interests	222,749	(222,749)
Other financing activities	37,552	(6,186)
Net cash used in financing activities	(3,425,954)	(6,279,186)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	(107,266)	(102,455)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,031,458	(1,814,694)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	7,300,197	9,114,891
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 9,331,655	$ 7,300,197

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

(Concluded)

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Ta Chen Stainless Pipe Co., Ltd. (the "Company") was incorporated in November 1986. The Company is engaged in the manufacturing, processing and selling of stainless steel pipes and stainless steel pipe fittings, sale of stainless steel plates as well as the manufacturing and sale of venetian blinds.

The Company's shares were listed and have been trading on the Taiwan Stock Exchange since October 1996.

The consolidated financial statements of the Company and its subsidiaries, collectively referred to as the "Group", are presented in the Company's functional currency, the New Taiwan dollar.

2. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors and authorized for issue on March 25, 2022.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

a. Initial application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRIC (IFRIC), and Interpretations of SIC (SIC) (collectively, the "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC)

   The initial application of the IFRSs endorsed and issued into effect by the FSC did not have any material impact on the Group's accounting policies.

b. The IFRSs endorsed by the FSC for application starting from 2022

New IFRSs	Effective Date Announced by IASB
"Annual Improvements to IFRS Standards 2018-2020"	January 1, 2022 (Note 1)
Amendments to IFRS 3 "Reference to the Conceptual Framework"	January 1, 2022 (Note 2)
Amendments to IAS 16 "Property, Plant and Equipment - Proceeds before Intended Use"	January 1, 2022 (Note 3)
Amendments to IAS 37 "Onerous Contracts - Cost of Fulfilling a Contract"	January 1, 2022 (Note 4)

Note 1: The amendments to IFRS 9 are applied prospectively to modifications and exchanges of financial liabilities that occur on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IAS 41 "Agriculture" are applied prospectively to the fair value measurements on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IFRS 1 "First-time Adoptions of IFRSs" are applied retrospectively for annual reporting periods beginning on or after January 1, 2022.

Note 2: The amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the annual reporting period beginning on or after January 1, 2022.

Note 3: The amendments are applicable to property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after January 1, 2021.

Note 4: The amendments are applicable to contracts for which the entity has not yet fulfilled all its obligations on January 1, 2022.

Amendments to IAS 16 "Property, Plant and Equipment: Proceeds before Intended Use"

The amendments prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The cost of those items is measured in accordance with IAS 2 "Inventories". Any proceeds from selling those items and the cost of those items are recognized in profit or loss in accordance with applicable standards.

The amendments are applicable only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after January 1, 2021. The Group shall restate its comparative information when it initially applies the aforementioned amendments.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group has assessed that the application of other standards and interpretations will not have a material impact on the Group's financial position and financial performance.

c. New IFRSs in issue but not yet endorsed and issued into effect by the FSC

New IFRSs	**Effective Date Announced by IASB (Note1)**
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and IFRS 17-Comparative Information"	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2023
Amendments to IAS 1 "Disclosure of Accounting Policies"	January 1, 2023 (Note 2)
Amendments to IAS 8 "Definition of Accounting Estimates"	January 1, 2023 (Note 3)
Amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"	January 1, 2023 (Note 4)

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

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

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

Note 4: Except for deferred taxes that will be recognized on January 1, 2022 for temporary differences associated with leases and decommissioning obligations, the amendments will be applied prospectively to transactions that occur on or after January 1, 2022.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs as endorsed and issued into effect by the FSC.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair value and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets. The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

3) Level 3 inputs are unobservable inputs for the asset or liability.

c. Classification of current and non-current assets and liabilities

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within 12 months after the reporting period; and

3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within 12 months after the reporting period; and

3) Liabilities for which the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Assets and liabilities that are not classified as current are classified as non-current.

d. Basis of consolidation

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

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

Refer to Note 12, Table 8 and Table 9 for detailed information on subsidiaries (including the percentages of ownership and main businesses).

e. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. Acquisition-related costs are generally recognized in profit or loss as they are incurred.

Goodwill is measured as the excess of the sum of the consideration transferred and the fair value of the acquirer's previously held equity interests in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after re-assessment, the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, and the fair value of the acquirer's previously held interests in the acquiree, the excess is recognized immediately in profit or loss as a bargain purchase gain.

When a business combination is achieved in stages, the Group's previously held equity interest in an acquiree is remeasured to fair value at the acquisition date, and the resulting gain or loss is recognized in profit or loss.

f. Foreign currencies

In preparing the financial statements of each individual entity, transactions in currencies other than the entity's functional currency (i.e. foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations (including subsidiaries in other countries or those that use currencies different from the Company) are translated into the New Taiwan dollar using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. The resulting exchange differences are recognized in other comprehensive income (attributed to the owners of the Company and non-controlling interests as appropriate).

g. Inventories

Inventories consist of raw materials (including materials in transit), materials, finished goods, merchandise (including merchandise in transit) and work in progress and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost on the balance sheet date.

h. Investments in associates

An associate is an entity over which the Group has significant influence and which is neither a subsidiary nor an interest in a joint venture. The Group uses the equity method to account for its investments in associates.

Under the equity method, investments in an associate and a joint venture are initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate and joint venture. The Group also recognizes the changes in the Group's share of the equity of associates.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of an associate at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the Group subscribes for additional new shares of an associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Group's proportionate interest in the associate. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in capital surplus from investments in associates and joint ventures accounted for using the equity method. If the Group's ownership interest is reduced due to its additional subscription of the new shares of the associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required had the investee directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.

When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further loss, if any. Additional losses and liabilities are recognized only to the extent that the Group has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date, and the fair value is regarded as the investment's fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required had that associate directly disposed of the related assets or liabilities. If an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the Group continues to apply the equity method and does not remeasure the retained interest.

When the Group transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

i. Property, plant, and equipment

Property, plant and equipment are measured at cost less recognized accumulated depreciation and recognized accumulated impairment loss.

Properties in the course of construction for production, supply or administrative purposes are carried at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such properties are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Depreciation of property, plant, and equipment is recognized using the straight-line method. Each significant part is depreciated separately. If a lease term is shorter than the assets' useful lives, such assets are depreciated over the lease term. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

j. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognized using the straight-line method.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

k. Goodwill

Goodwill arising from the acquisition of a business is measured at cost as established at the date of acquisition of the business less accumulated impairment loss.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units (referred to as "cash-generating units") that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently when there is an indication that the unit may be impaired, by comparing its carrying amount, including the attributed goodwill, with its recoverable amount. However, if the goodwill allocated to a cash-generating unit was acquired in a business combination during the current annual period, that unit shall be tested for impairment before the end of the current annual period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then pro rata to the other assets of the unit based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. Any impairment loss recognized for goodwill is not reversed in subsequent periods.

l. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis.

2) Derecognition of intangible assets

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

m. Impairment of property, plant and equipment, right-of-use assets and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

Before the Group recognizes an impairment loss from assets related to contract costs, any impairment loss on inventories, property, plant and equipment and intangible assets related to the contract applicable under IFRS 15 shall be recognized in accordance with applicable standards. Then, impairment loss from the assets related to the contract costs is recognized to the extent that the carrying amount of the assets exceeds the remaining amount of consideration that the Group expects to receive in exchange for related goods or services less the costs which relate directly to providing those goods or services and which have not been recognized as expenses. The assets related to the contract costs are then included in the carrying amount of the cash-generating unit to which they belong for the purpose of evaluating impairment of that cash-generating unit.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

n. Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement category

Financial assets are classified into the following categories: financial assets at FVTPL, financial assets at amortized cost and investments in equity instruments at FVTOCI.

i. Financial assets at FVTPL

Financial assets are classified as at FVTPL when such financial assets are mandatorily classified as at FVTPL. Financial assets mandatorily classified as at FVTPL include investments in equity instruments that are not designated as at FVTOCI and debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividends or interest earned on such a financial asset. Fair value is determined in the manner described in Note 31.

ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, accounts receivable at amortized cost, notes receivable, other receivables, and refundable deposits, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

i) Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit adjusted effective interest rate to the amortized cost of such financial assets; and

ii) Financial assets that are not credit impaired on purchase or origination but have subsequently become credit impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

A financial asset is credit impaired when one or more of the following events have occurred:

i) Significant financial difficulty of the issuer or the borrower;

ii) Breach of contract, such as a default;

iii) It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or

iv) The disappearance of an active market for that financial asset because of financial difficulties.

Cash equivalents include time deposits with original maturities within three months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

iii. Investments in equity instruments at FVTOCI

On initial recognition, the Group may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Group’s right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

b) Impairment of financial assets

The Group evaluates expected credit losses on financial assets at amortized cost (including trade receivables) at the end of each reporting period.

The Group always recognizes lifetime expected credit losses (ECLs) for trade receivables. For all other financial instruments, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

For internal credit risk management purposes, the Group determines that the following situations indicate that a financial asset is in default (without taking into account any collateral held by the Group):

i. Internal or external information show that the debtor is unlikely to pay its creditors.

ii. When a financial asset is more than 90 days past due unless the Group has reasonable and corroborative information to support a more lagged default criterion.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and the carrying amounts of such financial assets are not reduced.

c) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and any associated liabilities for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in a debt instrument at FVTOCI, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss which had been recognized in other comprehensive income is recognized in profit or loss. However, on derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity instruments

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

The repurchase of the Company's own equity instruments is recognized in and deducted directly from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Company's own equity instruments.

3) Financial liabilities

Except the following situations, all financial liabilities are measured at amortized cost using the effective interest method:

a) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when such financial liabilities are held for trading.

Financial liabilities held for trading are stated at fair value, with any gain or loss arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest or dividends paid on such financial liability.

Fair value is determined in the manner described in Note 31.

b) Derecognition of financial liabilities

The difference between the carrying amount of a financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

4) Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate, metal prices and foreign exchange rate risks, including but not limited to foreign exchange swap contracts, foreign exchange forward contracts, exchange options, metal price swap contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognized at fair value at the date on which the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event, the timing of the recognition in profit or loss depends on the nature of the hedging relationship. When the fair value of a derivative financial instrument is positive, the derivative is recognized as a financial asset; when the fair value of a derivative financial instrument is negative, the derivative is recognized as a financial liability.

Derivatives embedded in hybrid contracts that contain financial asset hosts that is within the scope of IFRS 9 are not separated; instead, the classification is determined in accordance with the entire hybrid contract. Derivatives embedded in non-derivative host contracts that are not financial assets that is within the scope of IFRS 9 (e.g. financial liabilities) are treated as separate derivatives when they meet the definition of a derivative; their risks and characteristics are not closely related to those of the host contracts; and the host contracts are not measured at FVTPL.

o. Hedge accounting

The Group designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges or cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as fair value hedges.

1) Fair value hedges

Changes in the designated fair value of derivatives that qualify as fair value hedges are recognized in profit or loss immediately, together with any changes in the fair value of the hedged assets or liabilities attributed to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognized in profit or loss in the line item relating to the hedged item.

The Group discontinues hedge accounting only when the hedging relationship ceases to meet the qualifying criteria; for instance, when the hedging instrument expires or is sold, terminated or exercised.

2) Cash flow hedges

The effective portion of changes in the fair value of derivatives that is designated and qualify as cash flow hedges is recognized in other comprehensive income. The gains or losses relating to the ineffective portion are recognized immediately in profit or loss.

The associated gains or losses that were recognized in other comprehensive income are reclassified from equity to profit or loss as reclassification adjustments in the line items relating to the related hedged item in the same period in which the hedged item affects profit or loss. If a hedge of a forecasted transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the associated gains and losses that were recognized in other comprehensive income are removed from equity and included in the initial cost of the non-financial asset or non-financial liability.

The Group discontinues hedge accounting only when the hedging relationship ceases to meet the qualifying criteria; for instance, when the hedging instrument expires or is sold, terminated or exercised. The cumulative gain or loss on the hedging instrument that was previously recognized in other comprehensive income (from the period in which the hedge was effective) remains separately in equity until the forecasted transaction occurs. When a forecasted transaction is no longer expected to occur, the gains or losses accumulated in equity are recognized immediately in profit or loss.

p. Revenue recognition

The Group identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

1) Revenue from the sale of goods

Revenue from the sale of goods comes from sales of stainless steel pipes, stainless steel fittings, stainless steel plates, venetian blinds, screws, nuts and aluminum products. Sales of the aforementioned goods are recognized as revenue when the terms of trading are met or the goods are received by the buyers since the significant risks and rewards of ownership of the goods are transferred to the buyers and the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. Accounts receivable are recognized concurrently.

The Group does not recognize revenue on materials delivered to subcontractors because this delivery does not involve a transfer of control.

2) Dividend and interest income

Dividend income from investments is recognized when a shareholder’s right to receive payment has been established and provided that it is probable that the economic benefits will flow to the Group and that the amount of income can be measured reliably.

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis by reference to the principal outstanding and at the applicable effective interest rate.

q. Leasing

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

1) The Group as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

When a lease includes both land and building elements, the Group assesses the classification of each element separately as a finance or an operating lease based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the lessee. The lease payments are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of a contract. If the allocation of the lease payments can be made reliably, each element is accounted for separately in accordance with its lease classification. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease unless it is clear that both elements are operating leases; in which case, the entire lease is classified as an operating lease.

2) The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments, variable lease payments which depend on an index or a rate. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, a change in the amounts expected to be payable under a residual value guarantee, a change in the assessment of an option to purchase an underlying asset, or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

r. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other than those stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

s. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as expenses when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost) and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period in which they occur. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Group’s defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

t. Share-based payment arrangements - employee share options

The fair value at the grant date of the employee share options is expensed on a straight-line basis over the vesting period, based on the Group’s best estimates of the number of shares or options that are expected to ultimately vest, with a corresponding increase in capital surplus - employee share options. It is recognized as an expense in full at the grant date if vested immediately. The grant date of issued ordinary shares for cash which are reserved for employees is the date on which the number of shares that the employees purchase is confirmed.

u. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Income tax payable (refundable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Act in the ROC, an additional tax at 10% of unappropriated earnings is provided for as income tax in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profit against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3) Current and deferred taxes for the year

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity; in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimations and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

Key Sources of Estimation Uncertainty

Write-down of inventory

The net realizable value of inventory is the estimated selling price in the ordinary course of business less the estimated costs of completion and disposal. The estimation of net realizable value was based on current market conditions and historical experience with product sales of a similar nature. Changes in market conditions may have a material impact on the estimation of the net realizable value.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2021	**2020**
Cash on hand	$ 620	$ 534
Checking accounts and demand deposits	9,331,035	7,299,663
	$ 9,331,655	$ 7,300,197

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31	
	2021	**2020**
Financial assets - current		
Financial assets held for trading		
Derivative financial assets (not under hedge accounting)		
Foreign exchange forward contracts (b)	$ 28,234	$ 187
Metal price derivative financial instruments contracts (d)		
Swap contracts	149,439	91,238
	177,673	91,425
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Mutual funds	64,427	33,476
	$ 242,100	$ 124,901

(Continued)

	December 31	
	2021	2020
Financial assets - non-current		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Limited partnership	$ -	$ 30,000
Financial liabilities - current		
Financial liabilities held for trading		
Derivative financial liabilities (not under hedge accounting)		
Foreign exchange swap contracts (a)	$ -	$ 657
Foreign exchange forward contracts (b)	13,957	29,248
Interest rate swap contracts (c)	74	1,636
Metal price derivative financial instruments contracts (d)		
Swap contracts	167,863	26,740
Forward contracts	70,602	113,558
Future contracts	4,442	15,441
	$ 256,938	$ 187,280

(Concluded)

a. At the end of the reporting period, outstanding foreign exchange swap contracts not under hedge accounting were as follows:

December 31, 2020

	Currency	Maturity Date	Notional Amount (In Thousands)
Foreign exchange swap contracts	AUD/USD	2021.01	AUD 2,591/USD 1,974

The Group entered into foreign exchange swap contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

b. At the end of the reporting period, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

December 31, 2021

	Currency	Maturity Date	Notional Amount (In Thousands)
Buy	AUD/USD	2022.01-2022.05	AUD 19,093/USD 13,683
Buy	NZD/USD	2022.01-2022.02	NZD 89/USD 60
Sell	GBP/USD	2022.04	GBP 53/USD 70
Sell	AUD/USD	2022.01-2022.10	AUD 81,072/USD 59,265
Sell	NZD/USD	2022.01-2022.03	NZD 287/USD 206
Sell	EUR/USD	2022.02	EUR 1,150/USD 1,303
Sell	EUR/GBP	2022.02-2022.04	EUR 332/GBP 283

December 31, 2020

	Currency	Maturity Date	Notional Amount (In Thousands)
Buy	AUD/USD	2021.06	AUD 18/USD 13
Sell	AUD/USD	2021.01-2021.10	AUD 27,830/USD 20,471
Sell	NZD/USD	2021.01-2021.10	NZD 851/USD 569
Sell	EUR/GBP	2021.01-2021.03	EUR 406/GBP 366
Sell	USD/CNY	2021.02-2021.05	USD 400/CNY 2,680

The Group entered into foreign exchange forward contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

c. At the end of the reporting period, outstanding interest rate swap contracts not under hedge accounting were as follows:

December 31, 2021

Notional Amount (In Thousands)	Maturity Date	Range of Interest Rates Paid	Range of Interest Rates Received
USD 10,000	2022.03	0.29%	Libor 3 months

December 31, 2020

Notional Amount (In Thousands)	Maturity Date	Range of Interest Rates Paid	Range of Interest Rates Received
USD 40,000	2021.12-2022.03	0.17%-0.5%	Libor 1-3 months

d. At the end of the reporting period, outstanding metal price derivative financial instrument contracts not under hedge accounting were as follows:

December 31, 2021

Swap contracts

Contract	Notional Amount (In Thousands)		Transaction Amount (In Tons)	Contract Price (Per Ton)		Maturity Date
Aluminum price swaps	USD	221,099	85,977	USD	2,204-3,189	2022.01-2022.10
Aluminum price swaps	EUR	1,742	650	EUR	2,385-2,720	2022.02
Aluminum price swaps	GBP	248	125	GBP	1,977-2,072	2022.02
Aluminum price swaps of Midwestern United States	USD	8,874	14,750	USD	453-739	2022.01-2022.10
Nickel price swaps	USD	15,683	815	USD	18,098-20,143	2022.01-2022.04

Forward contracts

Contract	Notional Amount (In Thousands)		Transaction Amount (In Tons)	Contract Price (Per Ton)		Maturity Date
Aluminum price forwards	USD	129,181	47,033	USD	2,432-3,023	2022.01-2022.08
Nickel price forwards	USD	60,646	2,958	USD	17,439-20,834	2022.01-2022.07

Futures contracts

Contract	Notional Amount (In Thousands)		Transaction Amount (In Tons)	Contract Price (Per Ton)		Maturity Date
Aluminum price futures	USD	51,284	18,575	USD	2,570-3,122	2022.01-2022.02
Aluminum price futures	EUR	3,285	1,350	EUR	2,299-2,525	2022.02-2022.04
Nickel price futures	GBP	2,146	1,025	GBP	1,959-2,155	2022.01-2022.02

December 31, 2020

Swap contracts

Contract	Notional Amount (In Thousands)		Transaction Amount (In Tons)	Contract Price (Per Ton)		Maturity Date
Aluminum price swaps	USD	41,796	23,406	USD	1,551-2,134	2021.01-2021.12
Aluminum price swaps of Midwestern United States	USD	10,965	45,275	USD	215-292	2021.01-2021.04
Nickel price swaps	USD	5,947	380	USD	14,626-16,357	2021.01-2021.04

Forward contracts

Contract	Notional Amount (In Thousands)		Transaction Amount (In Tons)	Contract Price (Per Ton)		Maturity Date
Aluminum price forwards	USD	135,498	71,179	USD	1,685-2,049	2021.01-2021.07
Nickel price forwards	USD	60,310	3,662	USD	14,817-16,707	2021.01-2021.07

Futures contracts

Contract	Notional Amount (In Thousands)		Transaction Amount (In Tons)	Contract Price (Per Ton)		Maturity Date
Aluminum price futures	USD	17,270	8,675	USD	1,797-2,092	2021.01-2021.03
Aluminum price futures	EUR	5,909	3,650	EUR	1,470-1,713	2021.01-2021.04
Aluminum price futures	GBP	1,269	650	GBP	1,797-2,092	2021.01-2021.03
Nickel price futures	USD	459	30	USD	15,295	2021.01

The Group entered into aluminum price and nickel price derivative financial instrument contracts to reduce the impact of raw material price fluctuations on profitability.

The net gain (loss) attributable to the above derivative contracts in 2021 and 2020 were as follows:

	For the Year Ended December 31	
	2021	2020
Mutual funds	$ 875	$ 3,047
Foreign exchange swap contracts	22,117	(12,193)
Foreign exchange forward contracts	30,318	(5,109)
Interest rate swap contracts	(196)	(1,660)
Metal price derivative financial instrument contracts	(2,047,499)	119,216
	$ (1,994,385)	$ 103,301

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	December 31	
	2021	2020
Current		
Foreign investments		
Listed shares	$ 71,199	$ 16,452
Non-current		
Domestic investments		
Listed shares	$ 176,480	$ -
Unlisted shares	496,222	157,952
	$ 672,702	$ 157,952

These investments in equity instruments at FVTOCI are not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

9. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2021	2020
Current		
Pledged time deposits	$ 2,961,527	$ 836,786
Pledged demand deposits (reserve account)	3,440,296	1,475,163
Pledged repurchase agreements collateralized by bonds	30,591	31,042
Repurchase agreements collateralized by bonds	13,861	5,008
	$ 6,446,275	$ 2,347,999

(Continued)

	December 31	
	2021	2020
Non-current		
Pledged time deposits	$ 410,000	$ 20,000
Pledged demand deposits (reserve account)	223,025	324,468
Refundable deposits	679,911	696,167
	$ 1,312,936	$ 1,040,635

(Concluded)

a. The ranges of interest rates for time deposits (including both time deposits with original maturities of more than three months and pledged time deposits) were approximately 0.01%-2.1% and 0.07%-2.74% as of December 31, 2021 and 2020, respectively.

b. Refer to Note 33 for information relating to investments in financial assets at amortized cost pledged as security.

10. NOTES RECEIVABLE AND ACCOUNTS RECEIVABLE

	December 31	
	2021	2020
Notes receivable		
Notes receivable - operating	$ 3,879	$ 7,741
Accounts receivable		
At amortized cost		
Gross carrying amount	$ 7,315,786	$ 6,097,034
Less: Allowance for impairment loss	(47,814)	(57,924)
	$ 7,267,972	$ 6,039,110

The average credit period of the sale of goods was 30-90 days. No interest was charged on accounts receivable. The Group adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses publicly available financial information or its own trading records to rate its customers. The Group’s exposures and the credit ratings of its counterparties are continuously monitored. Credit exposure is controlled by counterparty credit limits that are reviewed and approved by the Group annually.

In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up actions are taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group’s credit risk is significantly reduced.

The Group measures the loss allowance for accounts receivable at an amount equal to lifetime ECLs. The expected credit losses on accounts receivable are estimated using a provision matrix by reference to the past default records of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status for notes receivable and the provision for loss allowance based on invoice date for accounts receivable are not further distinguished according to the Group's different customer base.

The Group writes off an account receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For accounts receivable that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following tables detail the loss allowance of notes receivable and accounts receivable based on the Group's provision matrix.

Notes receivable

The Group assessed that the notes receivable were not past due based on the past due status; thus, the Group did not recognize an expected credit loss for notes receivable as of December 31, 2021 and 2020.

Accounts receivable

December 31, 2021

	No indication of default of debtor					
	Up to 60 Days	**61 to 90 Days**	**91 to 120 Days**	**Over 120 Days**	**Indication of default of debtor**	**Total**
Expected credit loss rate	0%-1%	0%-1%	0%-1%	0%-90%	100%	
Gross carrying amount	$ 6,765,011	$ 328,692	$ 111,637	$ 100,562	$ 9,884	$ 7,315,786
Loss allowance (Lifetime ECLs)	(1,697)	(100)	(358)	(35,775)	(9,884)	(47,814)
Amortized cost	$ 6,763,314	$ 328,592	$ 111,279	$ 64,787	$ -	$ 7,267,972

December 31, 2020

	No indication of default of debtor					
	Up to 60 Days	**61 to 90 Days**	**91 to 120 Days**	**Over 120 Days**	**Indication of default of debtor**	**Total**
Expected credit loss rate	0%-1%	0%-1%	0%-1%	0%-90%	100%	
Gross carrying amount	$ 5,597,775	$ 356,511	$ 66,202	$ 66,446	$ 10,100	$ 6,097,034
Loss allowance (Lifetime ECLs)	(822)	(1)	(1)	(47,000)	(10,100)	(57,924)
Amortized cost	$ 5,596,953	$ 356,510	$ 66,201	$ 19,446	$ -	$ 6,039,110

The movements of the loss allowance of accounts receivable were as follows:

	For the Year Ended December 31	
	2021	2020
Balance at January 1	$ 57,924	$ 60,110
Add (Less): Net remeasurement of loss allowance	(8,721)	2,270
Less: Amounts written off	(181)	(2,315)
Foreign exchange gains and losses	(1,208)	(2,141)
Balance at December 31	$ 47,814	$ 57,924

Refer to Note 33 for the carrying amount of the Group's accounts receivable pledged as collateral for bank borrowings.

11. INVENTORIES

	December 31	
	2021	2020
Finished goods and merchandise	$ 35,587,515	$ 42,845,463
Work in progress	7,564,398	4,213,778
Raw materials	4,316,216	1,734,317
Materials	200,567	73,862
Merchandise in transit	103,329	59,820
Raw materials in transit	2,083,736	383,658
	$ 49,855,761	$ 49,310,898

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2021 and 2020 was $67,815,551 thousand and $50,300,169 thousand, respectively. The cost of goods sold include inventory write-downs of $20,716 thousand and $0 for the years ended December 31, 2021 and 2020, respectively.

Refer to Note 33 for the carrying amount of the Group's inventories pledged as collateral for bank borrowings.

12. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements were summarized as follows:

			Proportion of Ownership December 31		
Investor	Investee	Nature of Activities	2021	2020	Remark
The Company	Ta Chen International, Inc. ("TCI")	Manufacture and sale of stainless steel pipes, rolls and pipe fittings	100%	100%	
	Ta Chen (B.V.I.) Holdings Ltd. ("Ta Chen BVI")	Investment	100%	100%	
	Brighton-Best International (Taiwan) Inc. ("BBI-TW")	Import, export and sale of screws and nuts	39.09%	39.08%	1)

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership December 31 2021	2020	Remark
	Yinrong (Shanghai) Investment Management Limited	Investment	100%	100%	
	Ta Chen (SAMOA) Holdings LTD. ("TCH")	Investment	-	-	2)
	Wei Mei Roller Blind Co., Ltd. (Wei Mei)	Manufacture and sale of curtains and decorations	100%	100%	3)
	Ta Chen (Hong Kong) Limited	Trading	100%	100%	
	Lung Mei Cloth Co., Ltd. (Lung Mei)	Manufacture and sale of curtains and decorations	69.17%	48.75%	4)
	Ta Chen Interior Design Co., Ltd.	Interior Design and Renovation	100%	-	5)
TCI	TCI Investment Group, Inc.	Import, export and sale of screws and nuts	100%	100%	
	Empire Resources, Inc. ("ERI")	Import, export and sale of stainless steel and aluminum products	100%	100%	
	Primus Pipe and Tube Holding, Inc. (PPTH)	Investment	100%	100%	
	TCI Texarkana Inc. (TKA)	Manufacture and sale of aluminum products	100%	100%	
ERI	Empire Resources Pacific Ltd.	Import, export and sale of stainless steel and aluminum products	100%	100%	
	Imbali Metals BVBA	Import, export and sale of stainless steel and aluminum products	100%	100%	
	Empire Resources UK Ltd.	Import, export and sale of stainless steel and aluminum products	100%	100%	
	8911 Kelso Drive	Import, export and sale of stainless steel and aluminum products	100%	100%	
PPTH	Primus Pipe and Tube, Inc. (PPT)	Manufacture and sale of stainless steel	100%	100%	
Ta Chen BVI	Ta Chen (Shijiazhuang) Co., Ltd.	Manufacture and sale of stainless steel valves and casting products	93.14%	93.14%	
	Ta Chen (Changshu) Co., Ltd.	Manufacture and sale of automotive casting products	-	100%	6)
	Ta Chen (Boye) Co., Ltd.	Manufacture and sale of stainless steel valves and casting products	100%	100%	
	TMCT Products, Inc.	Investment	100%	100%	
	Los Osos Holding Inc.	Investment	100%	100%	7)
	Clarke St. Property Holdings, LLC	Investment	100%	100%	8)
Los Osos Holding Inc.	Procurmore Trading, Inc.	Trading	100%	-	12)
BBI-TW	Brighton-Best International, Inc. ("BBI-USA")	Import, export and sale of screws and nuts	100%	100%	
	Brighton-Best International (Canada) Inc. ("BBI-CA")	Import and sale of screws and nuts	100%	100%	

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership December 31 2021	Proportion of Ownership December 31 2020	Remark
	Brighton-Best International (UK), Limited (“BBI-UK”)	Import and sale of screws and nuts	100%	100%	
	Brighton-Best International (AU), Pty Ltd. (“BBI-AU”)	Import and sale of screws and nuts	100%	100%	
	Brighton-Best International (NZ), Limited (“BBI-NZ”)	Import and sale of screws and nuts	100%	100%	
	TA CHEN Empire Co., Ltd. (TCE)	Import, export and sale of aluminum products	100%	100%	
	Brighton-Best (Hong Kong) Limited	Investment	-	-	9)
	Brighton-Best International, Inc. (Cayman)	Investment	-	-	10)
Brighton-Best International, Inc.	Brighton-Best International (Brasil), Comercio de Parafusos Ltda.	Import and sale of screws and nuts	99.90%	99.90%	
Brighton-Best International Inc. (Cayman)	Cheng-Rong (Shanghai) International Trading Ltd.	Trading	-	-	11)
Brighton-Best (Hong Kong) Limited	Brighton-Best (Hong Kong) Holding Limited	Investment	-	-	9)

(Concluded)

1) The Company continually acquired shares of BBI-TW from open market. As of December 31, 2021, the percentage of ownership held by the Company increased from 39.08% as of December 31, 2020 to 39.09%. The Company has the practical ability to direct the relevant activities of BBI-TW and deems it a subsidiary.

2) The Company established TCH on December 11, 2015. As of December 31, 2021, no investment funding was remitted.

3) On September 1, 110, Pyramid Stainless Steel Co., Ltd. (“PSS”) changed its name to WEI MEI ROLLER BLIND CO., LTD.

4) The Company holds 48.75% of the shares of Lung Mei Cloth Co., Ltd. and on April 1, 2021, it obtained 20.42% of the shares from non-related parties. After the acquisition of shares, the Company held a total of 69.17% of the shares; thus, it is listed as a subsidiary. Please refer to Note 27 for relevant information on the acquisition of equity interest in Lung Mei Cloth Co., Ltd.

5) The Company was established in September 2021, and was renamed Tachen interior Design Co., Ltd. from Fanguo interior Design Co., Ltd. in November 2021.

6) Subsidiary Ta Chen BVI sold 100% of equity of Ta Chen (Changshu) Co., Ltd. to a non-related party on January 4, 2021. Please refer to Note 28 for the details.

7) Established in November 2020.

8) Established in July 2020.

9) Brighton-Best (Hong Kong) Limited and Brighton-Best (Hong Kong) Holding Limited established in May 2019. As of December 31, 2021, no investment funding was remitted.

10) Established on February 15, 2016. As of December 31, 2021, no investment funding was remitted.

11) Established in June 2016. As of December 31, 2021, no investment funding was remitted.

12) Established in September 2021.

See Tables 8 and 9 for the information of location and main business and products of subsidiaries.

b. Subsidiaries excluded from the consolidated financial statements: None.

c. Details of subsidiaries that have material non-controlling interests

Name of Subsidiary	Proportion of Ownership and Voting Rights Held by Non-controlling Interests December 31 2021	2020
BBI-TW	60.91%	60.92%

See Table 8 for information on the places of incorporation and principal places of business.

Name of Subsidiary	Profit (Loss) Allocated to Non-controlling Interests For the Year Ended December 31 2021	2020	Accumulated Non-controlling Interests December 31 2021	2020
BBI-TW	$ 1,919,032	$ 470,390	$ 5,314,959	$ 8,457,595
Others	(29,521)	1,573	85,947	21,626
	$ 1,889,511	$ 471,963	$ 5,400,906	$ 8,479,221

Summarized financial information in respect of each of the Group's subsidiaries with material non-controlling interests is set out below. The summarized financial information below represents amounts before intragroup eliminations.

BBI-TW and BBI-TW's subsidiaries:

	December 31 2021	2020
Current assets	$ 15,943,563	$ 18,834,667
Non-current assets	19,436,559	10,017,491
Current liabilities	(7,481,055)	(8,948,949)
Non-current liabilities	(8,295,914)	(3,737,919)
Equity	$ 19,603,153	$ 16,165,290
Equity attributable to:		
Owners of BBI-TW	$ 7,662,873	$ 6,317,395
Non-controlling interests of BBI-TW	11,940,280	9,847,895
	$ 19,603,153	$ 16,165,290

	For the Year Ended December 31	
	2021	2020
Revenue	$ 21,532,138	$ 15,203,419
Net profit from continuing operations	$ 3,590,819	$ 942,256
Other comprehensive income (loss) for the year	1,045,666	(285,757)
Total comprehensive income for the year	$ 4,636,485	$ 656,499
Profit attributable to:		
Owners of BBI-TW	$ 1,403,651	$ 354,499
Non-controlling interests of BBI-TW	2,187,168	587,757
	$ 3,590,819	$ 942,256
Total comprehensive income attributable to:		
Owners of BBI-TW	$ 1,812,402	$ 265,269
Non-controlling interests of BBI-TW	2,824,083	391,230
	$ 4,636,485	$ 656,499
Net cash outflow from:		
Operating activities	$ 4,677,377	$ 2,123,484
Investing activities	(6,522,694)	(447,803)
Financing activities	755,431	(2,696,365)
Effects of foreign currency exchange differences	(22,424)	(8,167)
Net cash outflow	$ (1,112,310)	$ (1,028,851)

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

a. Investments in associates

	December 31	
	2021	2020
Associates that are not individually material		
Lung Mei Cloth Co., Ltd.	$ -	$ 129,555
Amerinox Texarkana, LLC	2,029	28
	$ 2,029	$ 129,583

The Group participated in the establishment of Amerinox Texarkana, LLC for US$1,000 in December 2020, holding 49% of its shares.

The Group originally held 48.75% of the shares of Lung Mei Cloth Co., Ltd. and further acquired 20.42% of the shares from non-related parties on April 1, 2021; as its total shareholding percentage of Lung Mei Cloth Co., Ltd. is 69.17%, it is deemed as a subsidiary of the Group. Please refer to Note 27 for the related information of acquired shares of Lung Mei Cloth Co., Ltd.

Aggregate information of associates that are not individually material

	For the Year Ended December 31	
	2021 (Note)	2020
The Group's share of:		
Net profit for the year	$ 11,475	$ 3,291
Other comprehensive income (loss)	-	-
Total comprehensive income for the year	$ 11,475	$ 3,291

Note: The series includes the investment profit and loss of Lung Mei Cloth Co., Ltd. from January 1, 2021 to March 31, 2021.

b. Prepaid investment

The Company participated in the subscription of the ordinary shares of TY STEEL CO., LTD. and acquired 38.43% of the shares; the registration was completed in January 2022.

14. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are used by the Group.

Refer to Table 11 following these notes to consolidated financial statements for the movements of property, plant and equipment.

As of December 31, 2021 and 2020, the Group held farmland (included in land) of which the proprietary rights were registered in the name of others. The Group has acquired the declaration regarding the unconditional transfer of ownership from the owner, Robert Hsieh.

a. Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Land improvements	2-50 years
Buildings	
Main buildings	10-50 years
Motorized power equipment	5-10 years
Engineering systems	2-20 years
Machinery and equipment	2-25 years
Storage equipment	2-20 years
Electrical equipment	2-20 years
Transportation equipment	2-8 years
Office equipment	2-14 years
Molding equipment	2-10 years
Leasehold improvements	2-40 years
Leased assets	5-10 years
Other equipment	2-15 years

Refer to Note 33 for the carrying amount of property, plant and equipment pledged as collateral for bank borrowings.

b. In consideration of asset activation, the Group sold their land, buildings and investment properties located in the US states of Maryland, Texas and California, to non-related parties in May, September and October 2020, respectively, and then leased back all the assets mentioned above. The leaseback transactions had been recognized as right-of-use assets and lease liabilities based on IFRS 16. The amount by which the fair value exceeded the carrying amount was recognized as deductions of right-of-use assets based on the proportion of leaseback, and the amount by which the selling price exceeded the fair value was recognized as other short-term or long-term payables based on the liquidity, and amortized over the lease terms.

c. Due to the freehold nature of the equipment of the valve factories in the stainless steel and aluminum segment, the estimated future cash flows expected to arise from the related equipment decreased. The Group carried out a review of the recoverable amount of the related equipment and determined that the carrying amount exceeded the recoverable amount, which led to the recognition of an impairment loss of $37,965 thousand for the year ended December 31, 2021.

   The Group determined the recoverable amounts of the relevant assets on the basis of their fair values less costs of disposal. The fair values used in determining the recoverable amounts were categorized as Level 3 measurements.

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2021	**2020**
Carrying amount		
Land	$ 93,617	$ 125,386
Buildings	6,749,511	7,481,774
Machinery	-	4,982
	$ 6,843,128	$ 7,612,142

	For the Year Ended December 31	
	2021	**2020**
Additions to right-of-use assets	$ 413,416	$ 3,815,615
Depreciation charge for right-of-use assets		
Land	$ 12,556	$ 13,071
Buildings	977,932	924,391
Machinery	4,945	15,243
Transportation equipment	-	3,167
	$ 995,433	$ 955,872

Refer to Note 33 for the carrying amounts of the Group’s right-of-use assets pledged as collateral for bank borrowings.

b. Lease liabilities

	December 31	
	2021	**2020**
Carrying amount		
Current	$ 901,717	$ 839,187
Non-current	$ 6,589,594	$ 7,301,423

Ranges of discount rates for lease liabilities were as follows:

	December 31	
	2021	2020
Land	1.55%-1.58%	1.55%
Buildings	1.32%-3.14%	1.55%-4.13%
Machinery	-	3.14%
Transportation equipment	-	1.55%

c. Material leasing activities and terms

The Group leases buildings with lease terms of 2 to 50 years. The Group also leases land for the use of offices and operations with a lease term of 50 years.

d. Other lease information

	For the Year Ended December 31	
	2021	2020
Expenses relating to short-term leases	$ 191,335	$ 133,581
Expenses relating to low-value asset leases	$ 900	$ -
Expenses relating to variable lease payments not included in the measurement of lease liabilities	$ 252	$ 220
Total cash outflow for leases	$ (1,264,058)	$ (1,094,336)

The Group's leases of certain plant and office equipment qualify as short-term leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

16. GOODWILL AND OTHER INTANGIBLE ASSETS

		Other Intangible Assets							
	Goodwill	Customer Relationships	Non-Compete Agreements	Trademarks	Computer Software	Patents	Technical Expertise	Others	Total
Cost									
Balance at January 1, 2020	$3,986,420	$ 582,931	$ 399,927	$ 107,328	$ 3,093	$ 11,992	$1,969,686	$ 605,595	$3,680,552
Additions	-	-	3,028	3	-	-	-	-	3,031
Effects of foreign currency exchange differences	(198,982)	(29,166)	(17,665)	(5,368)	136	(600)	(98,550)	(30,303)	(181,516)
Balance at December 31, 2020	$3,790,438	$ 553,765	$ 385,290	$ 101,963	$ 3,229	$ 11,392	$1,871,136	$ 575,292	$3,502,067
Accumulated amortization and impairment									
Balance at January 1, 2020	$ (3,349)	$ (159,432)	$ (172,142)	$ (18,812)	$ (2,578)	$ (3,212)	$ (236,941)	$ (280,230)	$ (873,347)
Amortization expenses	-	(59,241)	(34,688)	(3,546)	(334)	(1,477)	(195,320)	(243,143)	(537,749)
Effects of foreign currency exchange differences	266	10,120	8,398	1,068	(47)	213	18,921	23,075	61,748
Balance at December 31, 2020	$ (3,083)	$ (208,553)	$ (198,432)	$ (21,290)	$ (2,959)	$ (4,476)	$ (413,340)	$ (500,298)	$(1,349,348)
Carrying amount at December 31, 2020	$3,787,355	$ 345,212	$ 186,858	$ 80,673	$ 270	$ 6,916	$1,457,796	$ 74,994	$2,152,719

(Continued)

		Other Intangible Assets							
	Goodwill	Customer Relationships	Non-Compete Agreements	Trademarks	Computer Software	Patents	Technical Expertise	Others	Total
Cost									
Balance at January 1, 2021	$ 3,790,438	$ 553,765	$ 385,290	$ 101,963	$ 3,229	$ 11,392	$ 1,871,136	$ 575,292	$ 3,502,067
Acquisitions through business combinations	10,519	-	-	40,900	2,720	-	-	-	43,620
Additions	-	-	55,620	278,100	8,247	-	-	-	341,967
Derecognized on disposal of subsidiary	-	-	-	-	(2,700)	-	-	-	(2,700)
Reclassifications	-	-	-	-	110,288	-	-	-	110,288
Effects of foreign currency exchange differences	(106,924)	(15,555)	(12,649)	(4,165)	(7,138)	(320)	(52,560)	(11,651)	(104,038)
Balance at December 31, 2021	$ 3,694,033	$ 538,210	$ 428,261	$ 416,798	$ 114,646	$ 11,072	$ 1,818,576	$ 563,641	$ 3,891,204
Accumulated amortization and impairment									
Balance at January 1, 2021	$ (3,083)	$ (208,553)	$ (198,432)	$ (21,290)	$ (2,959)	$ (4,476)	$ (413,340)	$ (500,298)	$ (1,349,348)
Acquisitions through business combinations	-	-	-	-	(2,033)	-	-	-	(2,033)
Derecognized on disposal of subsidiary	-	-	-	-	2,513	-	-	-	2,513
Amortization expenses	-	(56,155)	(34,924)	(8,000)	(15,899)	(1,401)	(185,138)	(74,185)	(375,702)
Reclassifications	-	-	-	-	(74,469)	-	-	-	(74,469)
Effects of foreign currency exchange differences	85	6,516	6,964	665	4,324	142	13,783	13,007	45,401
Balance at December 31, 2021	$ (2,998)	$ (258,192)	$ (226,392)	$ (28,625)	$ (88,523)	$ (5,735)	$ (584,695)	$ (561,476)	$ (1,753,638)
Carrying amount at December 31, 2021	$ 3,691,035	$ 280,018	$ 201,869	$ 388,173	$ 26,123	$ 5,337	$ 1,233,881	$ 2,165	$ 2,137,566

(Concluded)

a. BBI-USA entered into a contract with an unrelated party, PFI, LLC. for the purchase of operating assets in the fourth quarter of 2021. The purchase price was agreed upon by both parties with reference to an expert evaluation report. The purchase price and the acquisition of operating assets were as follows:

Assets acquired on the date of purchase

	Amount
Accounts receivable	$ 90,684
Inventories	350,274
Prepayments	23,488
Property, plant and equipment - storage equipment	9,134
Intangible assets - trademark	278,100
- non-competition clause	55,620
	$ 807,300

Goodwill arising from the acquisition of operating assets

	Amount
Purchase price	$ 807,300
Less: Fair value of identifiable net assets acquired	807,300
Goodwill recognized on acquisitions of operating assets	$ -

As of the date the consolidated financial statements were authorized for issue, the purchase price allocation report has not been completed; therefore, the purchase price is recognized as cash in the statements of the balance sheets, and additional goodwill arising from the acquisition is retroactively adjusted or recognized in subsequent periods to reflect the facts and circumstances at the date of the acquisition.

b. The above items of intangible assets with finite useful lives are amortized on a straight-line basis over their estimated useful lives as follows:

Customer relationships	8-13 years
Non-compete agreements	7.5-15 years
Trademarks	10-14 years
Computer software	5-10 years
Patents	5-7 years
Technical expertise	8-10 years
Others	1.5-2.4 years

c. The Group's goodwill has been tested for impairment at the end of the annual reporting period and the recoverable amount is determined based on the value in use. The value in use was calculated based on the cash flow forecast from the financial budgets covering the future five-year period, and the Group used annual discount rates of 13.13%-17.23% and 11.44%-15.74% in its test of impairment as of December 31, 2021 and 2020, respectively, to reflect the relevant specific risk in the cash-generating unit. For the years ended December 31, 2021 and 2020, the Group did not recognize any impairment loss on goodwill.

17. PREPAYMENTS AND OTHER ASSETS

	December 31	
	2021	2020
Current		
Prepayments for purchases	$ 2,141,841	$ 813,447
Other	656,349	347,340
	$ 2,798,190	$ 1,160,787
Other assets - non-current		
Prepayments for property, plant, and equipment	$ 899,934	$ 72,567
Other	4,631	6,158
	$ 904,565	$ 78,725

18. BORROWINGS

a. Short-term borrowings

	December 31	
	2021	2020
Secured borrowings		
Revolving bank borrowings	$ 6,196,736	$ 6,403,375
Borrowings of usance L/C	3,796,401	2,900,619
	$ 9,993,137	$ 9,303,994

The interest rates of short-term borrowings at the end of the reporting period were as follows:

	December 31	
	2021	2020
Revolving bank borrowings	0.9%-2.5%	0.49%-2.75%
Borrowings of usance L/C	0.85%-4.88%	0.82%-4.65%

As for the borrowings of usance L/C and revolving bank borrowings as of December 31, 2021 and 2020, the Company had signed cross currency swap contracts with financial institutions. The amount of hedged loans for interest rate and exchange rate risks was $265,728 thousand (US$9,600 thousand) and $654,186 thousand (US$22,970 thousand), respectively. Refer to Note 31 for the details.

b. Short-term bills payable

	December 31	
	2021	2020
Commercial paper	$ 1,370,000	$ 2,440,000
Less: Unamortized discounts on bills payable	411	992
	$ 1,369,589	$ 2,439,008

Outstanding short-term bills payable were as follows:

December 31, 2021

Promissory Institution	Nominal Amount	Discount Amount	Carrying Amount	Interest Rate	Collateral
Commercial paper					
China Bills	$ 80,000	$ 10	$ 79,990	Note 1	None
China Bills	240,000	41	239,959	Note 1	Pledged time deposits
China Bills	100,000	19	99,981	Note 1	Land and buildings
Mega Bills	100,000	27	99,973	Note 1	Pledged repurchase agreements collateralized by bonds
Grand Bills	100,000	19	99,981	Note 1	Pledged time deposits
International Bills	110,000	38	109,962	Note 1	Pledged time deposits
International Bills	90,000	31	89,969	Note 1	Pledged repurchase agreements collateralized by bonds
Cooperative Bills	70,000	22	69,978	Note 1	Pledged time deposits
Taiwan Bills	150,000	35	149,965	Note 1	Reserve Account
Union Bills	100,000	111	99,889	Note 1	None
Dah Chung Bills	150,000	35	149,965	Note 1	None
Ta Ching Bills	80,000	23	79,977	Note 1	None
	$1,370,000	$ 411	$1,369,589		

Note 1: The range of interest rates was 0.45%-0.89%.

December 31, 2020

Promissory Institution	Nominal Amount	Discount Amount	Carrying Amount	Interest Rate	Collateral
Commercial paper					
China Bills	$ 180,000	$ 28	$ 179,972	Note 2	None
China Bills	100,000	8	99,992	Note 2	Pledged time deposits
China Bills	240,000	20	239,980	Note 2	Land and buildings
China Bills	5,000	1	4,999	Note 2	None
Mega Bills	100,000	8	99,992	Note 2	None
Mega Bills	100,000	12	99,988	Note 2	Pledged repurchase agreements collateralized by bonds
Grand Bills	200,000	74	199,926	Note 2	None
Grand Bills	100,000	8	99,992	Note 2	Pledged repurchase agreements collateralized by bonds
International Bills	100,000	182	99,818	Note 2	None
International Bills	160,000	21	159,979	Note 2	Pledged time deposits
Cooperative Bills	150,000	161	149,839	Note 2	None
Cooperative Bills	70,000	11	69,989	Note 2	Pledged repurchase agreements collateralized by bonds
Taiwan Bills	200,000	76	199,924	Note 2	None
Taiwan Bills	150,000	25	149,975	Note 2	Pledged time deposits
Union Bills	100,000	8	99,992	Note 2	Reserve Account
Dah Chung Bills	150,000	152	149,848	Note 2	None
Dah Chung Bills	150,000	19	149,981	Note 2	Pledged time deposits
Ta Ching Bills	100,000	114	99,886	Note 2	None
Ta Ching Bills	80,000	63	79,937	Note 2	Pledged time deposits
Ta Ching Bills	5,000	1	4,999	Note 2	Pledged repurchase agreements collateralized by bonds
	$2,440,000	$ 992	$2,439,008		

Note 2: The range of interest rates was 0.40%-0.92%.

c. Long-term borrowings

	December 31 2021	December 31 2020
The Company		
1) Syndicated bank loan - 2018		
a) Loan (A) medium-term and long-term secured borrowings	$ 3,740,000	$ 6,222,500
b) Loan (B) medium-term and long-term secured borrowings	-	1,100,000
c) Loan (D) medium-term and long-term secured borrowings (commercial paper)	-	699,789

(Continued)

	December 31	
	2021	2020
2) Unsecured loans		
Due from May 2021 to February 2034, interest rates at 0.95% p.a. and 0.95%-1.83% p.a. as of December 31, 2021 and 2020, respectively	$ 300,000	$ 2,783,190
3) Secured loans		
Due from April 2022 to December 2023, interest rates at 1.2%-1.4% p.a. and 1.15%-1.4% p.a. as of December 31, 2021 and 2020, respectively	635,000	1,657,889
	4,675,000	12,463,368
The subsidiaries		
1) Syndicated bank loan		
a) TCI and TCI subsidiaries – J.P. Morgan (JPM)	15,916,000	17,144,960
b) BBI-TW - 2021	3,399,686	-
c) BBI-USA	539,760	2,036,320
d) Ta Chen HK	938,905	1,418,304
2) Medium-term and long-term secured borrowings		
Due from December 2021 to December 2031, interest rates at 0.95%-4% p.a. and 0.95%-4.64% p.a. as of December 31, 2021 and 2020, respectively	2,261,730	2,029,195
	23,056,081	22,628,779
	27,731,081	35,092,147
Less: Unamortized arrangement fee of long - term borrowings	177,209	90,982
	27,553,872	35,001,165
Less: Current portion	1,533,301	6,405,338
Long-term borrowings	$ 26,020,571	$ 28,595,827

(Concluded)

The Company

The main purposes of the syndicated loan and medium-term and long-term loans are to enhance operating revolving funds and arrange for capital expenditures in accordance with the long-term financial plans of the Company. The details are as follows:

The Company entered into a syndicated loan agreement (credit facility of up to $12.5 billion) with a syndicate of banks in October 2018 (due in October 2023). The credit line and credit used as of December 31, 2021 and 2020 were as follows:

	Credit Line (In Thousands)	Credit used as of December 31,		Loan Period	Interest Rate
		2021	2020		
Loan (A)	$ 6,550,000	$ 3,740,000	$ 6,222,500	Within 5 years from the first date of drawdown until the maturity date, inclusive of a grace period of 24 months	1.8% and 2.1% as of December 31, 2021 and 2020
Loan (B)	1,880,000	-	1,100,000	Within 5 years from the first date of drawdown until the maturity date	2% as of December 31, 2020
Loan (C)	3,370,000	-	-	Within 5 years from the first date of drawdown until the maturity date	
Loan (D)	700,000	-	700,000	Within 1 year from the first date of drawdown until the maturity date	0.5%-1.262% as of December 31, 2020
	$ 12,500,000	$ 3,740,000	$ 8,022,500		

Repayment terms were as follows:

Loan (A): Within 24 months from the first drawdown date until the maturity date, repayable in seven semiannual installments. The first two installments each repays 5% of the unsettled balance of principal; the third to sixth installments each repays 10% of the unsettled balance of principal; and the seventh installment repays 50% of the unsettled balance of principal.

Loan (B) and Loan (C): The loan must be repaid on the maturity date, mentioned in the drawdown notice; otherwise, the payment shall be made in accordance with the syndicated loan agreement.

Loan (D): From the first drawdown date until the maturity date, the loan is allowed to be used on a revolving basis. The company may renew the commercial paper under this contract. Reimbursement of the original issued commercial paper due to the proceeds of the ticket.

Under the syndicated loan agreement, the land, buildings and other facilities were pledged as collateral. In addition, the loan agreement requires the Company to maintain certain financial ratios; refer to Note 18(d) for more details.

<u>The subsidiaries</u>

1) Syndicated bank loans

a) TCI and TCI subsidiaries - J.P. Morgan

TCI, ERI, and its subsidiaries entered into a syndicated credit agreement (credit facility of up to US$ 500,000 thousand) with a syndicate of banks in May 2017. In July 2017 and October 2018, the loan agreement was re-signed, adding PPT and TKA to the loan agreement, respectively. The main purposes of the syndicated loan are to repay financial loans, enhance operating revolving funds and arrange for capital expenditures. An amendment was made to the agreement, in which the aggregate amount of the revolving commitments increased to US$975,000 thousand. The maturity date of the loan is in November 2026. TCI and ERI started using the credit from May 2017 while PPT started using the credit from September 2017 and TKA started using the credit from November 2018. The following table shows the borrowings balances and interest rates as of December 31, 2021 and 2020 (in thousands of USD).

	December 31				
	2021		**2020**		**Interest Rate**
TCI	USD	-	USD	329,800	1.94%-3.19% as of December 31, 2020
TKA	USD	575,000	USD	260,800	1.625% and 1.94% as of December 31, 2021 and 2020
PPT	USD	-	USD	11,400	1.94% as of December 31, 2020

Refer to Note 18(d) for details regarding the financial ratios required by the loan agreement.

b) BBI-TW - 2021

The subsidiary BBI-TW entered into a syndicated loan agreement (credit facility of up to $6.25 billion) with a syndicate of banks in February 2021. The main purposes of the syndicated loan are to repay existing loans and enhance operating revolving funds. The loan will be due in 5 years from the first drawdown date. The credit line and credit used as of December 31, 2021 was as follows:

	Credit Line	Credit Used (Note 2) December 31, 2021	Loan Period	Interest Rate
Loan (A)	Note 1	$ 1,500,000	Within 5 years from the first drawdown date until the maturity date	1.797%
Loan (B)	Note 1	1,700,000	Within 5 years from the first drawdown date until the maturity date	1.797%
Loan (C)	Note 1	-	Within 5 years from the first drawdown date until the maturity date	-
Loan (D)	Note 1	200,000	Within 1 year from the first drawdown date until the maturity date, if the covenants of loans (A), (B) and (C) are not breached during the loan period, loan (D) will be renewable every year within 5 years from the first drawdown date	1.70%

Note 1: As of December 31, 2021, the line of credit of the syndicated bank loan was as follows:

	December 31 2021
Loan (A)	$ 1,500,000
Loan (B)	3,750,000
Loan (C)	3,750,000 (or in USD equivalent)
Loan (D)	1,000,000

Note 2: The sum of the credit facilities of loans (B) and (C) cannot exceed $3.75 billion.

Repayment terms were as follows:

Loan (A): Within 24 months from the first drawdown date until the maturity date, repayable in 7 semiannual installments, 5% for the 1st and 2nd terms, 10% for the 3rd to 6th terms, and 50% for the 7th term.

Loan (B): Within 30 months from the drawdown date, the line of credit decreases evenly in 7 semiannual periods, 5% for the 1st and 2nd terms, 10% for the 3rd to 6th terms, and 50% for the 7th term. If the used balance of principal exceeds the available line of credit, the excess shall be repaid before the next installment payment date. Each borrowing cannot exceed the maturity date of loan (B).

Loan (C): Within 30 months from the drawdown date, the line of credit decreases evenly in 7 semiannual periods, 5% for the 1st and 2nd terms, 10% for the 3rd to 6th terms, and 50% for the 7th term. If the used balance of principal exceeds the available line of credit, the excess shall be repaid before the next installment payment date. Each borrowing cannot exceed the maturity date of loan (C).

Loan (D): From the first drawdown date until the maturity date, the loan is allowed to be used on a revolving basis.

Refer to Note 18(d) for details regarding the financial ratios required by the loan agreement.

When BBI-TW entered into the syndicated loan agreement, the certificates of deposit were pledged as collateral according to the agreement.

c) BBI-USA

The subsidiary BBI-USA entered into a syndicated loan agreement (credit facility of up to US$180,000 thousand) with a syndicate of banks in August 2013. The main purposes of the syndicated loan are to repay its existing financial loan and enhance operating revolving funds. Interest rates were 2.75% and 2.15% as of December 31, 2021 and 2020, respectively. The subsidiary BBI-USA amended the above syndicated loan agreement with the syndicate of banks on February 26, 2016. The amendments include revising the credit facility to US$260,000 thousand from February 26, 2016, and changing the loan maturity date to August 2021. The main purposes of the amended syndicated loan are the same as the original one.

On March 24, 2021, the subsidiary BBI-USA again amended the above syndicated loan agreement which was earlier amended in February 2016 with the syndicate of banks, changing the loan maturity date to August 2026. The main purposes and the credit facility of the amended syndicated loan are the same as the original one.

Refer to Note 18(d) for details regarding the financial ratios required by the loan agreement.

d) Ta Chen HK

Ta Chen HK entered into a syndicated loan agreement (credit facility of up to US$ 62,500 thousand) with a syndicate of banks in October 2019. The main purposes of the syndicated loan are to repay financial loan and enhance operations of revolving funds for Ta Chen BVI. Ta Chen HK started using the credit from December 2019. The maturity date of the loan is in December 2024. The interest rate was 1.51%-1.62% and 1.55%-1.64% as of December 31, 2021 and 2020. Refer to Note 18(d) for details regarding the financial ratios required by the loan agreement.

d. Financial covenants of syndicated loan agreements were as follows:

	The Company Syndicated Bank Loan - 2018 (Note 1)	**TCI and TCI Subsidiaries - JPM (Note 2)**	**BBI Syndicated Bank Loan - 2021 (Note 3)**	**BBI-USA Syndicated Bank Loan - 2013 (Note 4)**	**Ta Chen HK Syndicated Bank loan - 2019 (Note 1)**
Current ratio (minimum)	120%	-	130%	-	120%
Debt ratio (maximum) (Note 5)	290%	-	160%	-	290%
Interest coverage ratio (minimum) (Note 5)	2 times	-	3 times	-	2 times
Fixed-charge coverage ratio (minimum)	-	100%	-	110%	-
Tangible net worth (minimum)	13.5 billion	-	10 billion	-	13.5 billion

Note 1: The Company and Ta Chen HK are required to comply with these financial covenants in each of its annual audited consolidated financial statements and semi-annual reviewed consolidated financial statements.

Note 2: TCI is required to comply with these financial covenants in each of its annual audited financial statements and monthly financial statements (self-assessed) while the financial ratio restriction is applicable only when the unused credit lines divided by total credit lines is less than 12.5%.

Note 3: BBI-TW is required to comply with these financial covenants in each of its annual audited consolidated financial statements and semi-annual reviewed consolidated financial statements.

Note 4: BBI-USA is required to comply with these financial covenants in each of its annual audited financial statements and monthly financial statements (self-assessed).

Note 5: The total amount of debt and interest expense used by the Company, BBI-TW and Ta Chen HK in the calculation of the debt ratio and the interest coverage ratio, respectively, were determined after deducting the related liabilities and interest expense that arose from the adoption of IFRS 16.

As of and for the years ended December 31, 2021, the Company and its subsidiaries have complied with the above-stated requirements.

19. NOTES PAYABLE AND ACCOUNTS PAYABLE

	December 31	
	2021	2020
Notes payable		
Operating	$ 70,892	$ 33,174
Non-operating	23,763	29,471
	$ 94,655	$ 62,645

The non-operating notes payable listed above were used for purchasing property, plant, and equipment.

Accounts payable

Accounts payable resulted from operating activities. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

20. OTHER PAYABLES

	December 31	
	2021	2020
Current		
Other payables		
Salary and incentive bonus	$ 764,707	$ 184,180
Remuneration of directors	49,288	900
Employees' compensation	314,835	60,700
Payables for annual leave	90,927	74,064
Payables for freight and custom duties	255,599	300,881
Accrued expenses	520,342	582,476
Others	360,161	94,735
	$ 2,355,859	$ 1,297,936

21. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The Company and its subsidiary BBI-TW adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, the Company and BBI-TW make monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

The employees of the Group's subsidiaries in England, Canada, Australia and Brazil are members of state-managed retirement benefit plans operated by the respective governments of England, Canada, Australia and Brazil. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

The employees of the Group's subsidiary in the United States are covered by the local government's 401K Profit Sharing Plan. Under the plan, the subsidiary is required to contribute a specified percentage of payroll costs to the retirement benefit scheme for full-time staffs that are older than 21 years old, have worked for the subsidiary for 12 months, and have volunteered to join the plan.

b. Defined benefit plans

The subsidiary of the Group in the United States calculates and determines the present value of the defined benefit obligations and the fair value of the plan assets in accordance with local laws and regulations, and recognizes the remeasured amounts in other comprehensive income.

The Company adopted the defined benefit plan under the Labor Standards Act, under which pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Company makes contributions, equal to 15% of total monthly salaries, to a pension fund, for which the contributions are deposited in the Bank of Taiwan in the name of and administered by the pension fund monitoring committee. Before the end of each year, the Company assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Company is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Company has no right to influence the investment policy and strategy.

The amounts included in the consolidated balance sheets were as follows:

	December 31	
	2021	**2020**
Present value of defined benefit obligation	$ 341,563	$ 315,231
Fair value of plan assets	(404,214)	(371,954)
Net defined benefit liabilities (assets)	$ (62,651)	$ (56,723)

Movements of net defined benefit liabilities (assets) were as follows:

	Present Value of the Defined Benefit Obligation	**Fair Value of the Plan Assets**	**Net Defined Benefit Liabilities (Assets)**
Balance at January 1, 2020	$ 322,418	$ (345,876)	$ (23,458)
Service cost			
Current service cost	4,654	-	4,654
Net interest expense (income)	2,417	(2,684)	(267)
Recognized in profit or loss	7,071	(2,684)	4,387
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(11,100)	(11,100)

(Continued)

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities (Assets)
Actuarial loss - changes in demographic assumptions	$ 566	$ -	$ 566
Actuarial loss - changes in financial assumptions	7,160	-	7,160
Actuarial gain - experience adjustments	(11,878)	-	(11,878)
Recognized in other comprehensive income	(4,152)	(11,100)	(15,252)
Contributions from the employer	-	(22,400)	(22,400)
Benefits paid	(10,106)	10,106	-
Balance at December 31, 2020	315,231	(371,954)	(56,723)
Acquired by business combination	28,563	(24,086)	4,477
Service cost			
Current service cost	3,841	-	3,841
Net interest expense (income)	1,718	(2,039)	(321)
Recognized in profit or loss	5,559	(2,039)	3,520
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(4,942)	(4,942)
Actuarial loss - changes in demographic assumptions	8,504	-	8,504
Actuarial gain - changes in financial assumptions	(3,865)	-	(3,865)
Actuarial loss - experience adjustments	8,978	-	8,978
Recognized in other comprehensive income	13,617	(4,942)	8,675
Contributions from the employer	-	(22,600)	(22,600)
Benefits paid	(21,407)	21,407	-
Balance at December 31, 2021	$ 341,563	$ (404,214)	$ (62,651)

(Concluded)

An analysis by function of the amounts recognized in profit or loss in respect of the defined benefit plans is as follows:

	For the Year Ended December 31	
	2021	2020
Operating costs	$ 2,305	$ 2,987
Selling and marketing expenses	293	320
General and administrative expenses	922	1,080
	$ 3,520	$ 4,387

Through the defined benefit plans under the Labor Standards Act, the Company and its subsidiaries are exposed to the following risks:

1) Investment risk

   The plan assets are invested in domestic and foreign equity securities, debt securities, and bank deposits, etc. The investment is conducted at the discretion of the Bureau of Labor Funds, Ministry of Labor or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.

2) Interest risk

   A decrease in the government and corporate bond interest rates will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plans' debt investments.

3) Salary risk

   The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The principal assumptions used for the purposes of the actuarial valuations were as follows:

	December 31	
	2021	**2020**
Discount rate	0.625%	0.50%
Expected rate of salary increase	2.00%	2.00%

If possible reasonable changes in each of the significant actuarial assumptions were to occur and all other assumptions were to remain constant, the present value of the defined benefit obligation would increase (decrease) as follows:

	December 31	
	2021	**2020**
Discount rate		
0.25% increase	$ (7,701)	$ (7,161)
0.25% decrease	$ 7,976	$ 7,419
Expected rate of salary increase/decrease		
0.25% increase	$ 7,733	$ 7,183
0.25% decrease	$ (7,506)	$ (6,970)

The sensitivity analysis presented above may not be representative of the actual changes in the present value of the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	December 31	
	2021	2020
Expected contributions to the plans for the next year	$ 20,126	$ 16,305
Average duration of the defined benefit obligation	9.1-11.4 years	9.3 years

22. EQUITY

a. Ordinary shares

	December 31	
	2021	2020
Number of shares authorized (in thousands)	2,200,000	1,800,000
Shares authorized	$ 22,000,000	$ 18,000,000
Number of shares issued and fully paid (in thousands)		
Ordinary shares	2,008,466	1,658,466
Shares issued		
Ordinary shares	$ 20,084,659	$ 16,584,659

On July 23, 2021, the Company’s board of directors resolved to issue 350,000 thousand ordinary shares with a par value of $10, for a tentative consideration of $43 per share.

The portion of shares reserved for employees’ subscription has been recognized as salary expense of $158,642 thousand based on the fair value of the stock options, which was also included in capital surplus – employee stock options. The capital increase in cash had been approved by the Securities and Futures Bureau of the FSC on August 17, 2021, the board of directors determined the base date of the capital increase as October 25, 2021, and the registration for the change had been completed.

In June 2020, the shareholders resolved in their meeting to issue 24,676 thousand ordinary shares with a par value of NT$10 as the appropriation of the 2019 earnings, which were fully paid for in the amount of $246,758 thousand. On June 30, 2020, the above transaction was approved by the FSC, and the subscription base date was determined as July 21, 2020. The registration for the change had also been completed.

On July 10, 2020, the Company’s board of directors resolved to issue 500,000 thousand ordinary shares with a par value of $10, for a tentative consideration of $20 per share. On August 7, 2020, the above transaction was approved by the FSC.

Subsequently, on August 13, 2020, the Company’s board of directors resolved to reduce the number of ordinary shares issued to 400,000 thousand, for an adjusted consideration of $18 per share. The portion of shares reserved for employees’ subscription has been recognized as salary expense of $19,708 thousand based on the fair value of the stock options, which was also included in capital surplus – employee stock options. The amendment of the above capital increase in cash had been approved by the Securities and Futures Bureau of the FSC on August 24, 2020, and the payments for the shares have been fully collected. The board of directors determined the base date of the capital increase as October 27, 2020, and the registration for the change had been completed.

b. Capital surplus

	December 31	
	2021	2020
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note 1)		
Issuance of ordinary shares	$ 22,054,172	$ 11,672,302
Treasury share transactions	458,048	305,094
The difference between the consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	315,032	360,277
Expired employee share options	13,503	13,503
May only be used to offset a deficit		
Share of changes in capital surplus of subsidiary	153,061	3,186
	$ 22,993,816	$ 12,354,362

Note: Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year).

The board of directors of BBI-TW, which is the subsidiary of the Company, resolved to transfer all treasury shares to employees for $26.5 per share, The portion of share-based payment transferred for the Company's employees has been recognized as capital surplus - share of changes in capital surplus of subsidiary of $116,395 thousand.

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the amended Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as a legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of employees' compensation and remuneration of directors and supervisors before and after amendment, refer to Note 24(j) "Employees' compensation and remuneration of directors and supervisors for 2021 and 2020".

In line with current and future development plans, the Company's dividend policy is to allocate no less than 50% of the distributable earnings as shareholders' dividends and bonuses, taking into consideration the investment environment, funding needs, domestic and foreign competitive conditions and shareholders' interests. Dividends can be distributed in the form of cash or shares, out of which no less than 20% of the total dividends distributed should be in the form of cash.

Appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset a deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

Under Rule issued by the FSC and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs", the Corporation should appropriate or reverse a special reserve.

The appropriations of earnings for 2020 and 2019, approved in the shareholders' meetings on July 15, 2021 and June 22, 2020, respectively, were as follows:

	Appropriation of Earnings For the Year Ended December 31		Dividends Per Share (NT$) For the Year Ended December 31	
	2020	**2019**	**2020**	**2019**
Legal reserve	$ -	$ 182,078		
Special reserve	621,056	1,300,610		
Cash dividends	-	1,048,722	$ -	$ 0.85
Share dividends	-	246,758	-	0.2

The issuance of cash dividends of $1,326,772 thousand and $185,069 thousand from the capital surplus at NT$0.8 and NT$0.15 per share was also approved in the shareholders' meeting in July 2021 and June 2020, respectively.

The appropriation of earnings for 2021 was proposed by the Company's board of directors on March 25, 2022. The appropriation was as follows:

	Appropriation of Earnings	Dividends Per Share (NT$)
Legal reserve	$ 966,840	
Special reserve	1,775,669	
Cash dividends	3,615,239	$ 1.8
Share dividends	200,847	$ 0.1

The appropriation of earnings for 2021 is subject to the resolution of the shareholders in their meeting to be held in June 2022.

d. Other equity items

1) Exchange differences on translating the financial statements of foreign operations

	For the Year Ended December 31	
	2021	**2020**
Balance at January 1	$ (2,527,406)	$ (974,583)
Exchange differences on translating the financial statements of foreign operations	(1,078,913)	(1,552,823)
Balance at December 31	$ (3,606,319)	$ (2,527,406)

2) Unrealized gain and losses on financial assets at fair value through other comprehensive income

	For the Year Ended December 31	
	2021	**2020**
Balance at January 1	$ (7,745)	$ 515
Recognized for the year		
Unrealized gains and losses		
Equity instruments	26,315	(8,260)
Balance at December 31	$ 18,570	$ (7,745)

3) Gain (loss) on hedging instruments

	For the Year Ended December 31	
	2021	2020
Balance at January 1	$ (960,368)	$ (379,532)
Recognized for the year		
Gain (loss) on changes in the fair value of hedging instruments		
Cross-currency swaps	28,405	(5,638)
Interest rate swaps	489,889	(770,446)
Related income tax	(3,643)	3,694
Reclassification adjustment		
Hedged items affecting profit or loss		
Cross-currency swaps	(10,193)	(12,830)
Interest rate swaps	159,854	204,384
Balance at December 31	$ (296,056)	$ (960,368)

e. Non-controlling interests

	For the Year Ended December 31	
	2021	2020
Balance at January 1	$ 8,479,221	$ 9,854,067
Attributable to non-controlling interests:		
Share in profit for the year	1,889,511	471,963
Exchange differences on translating the financial statements of foreign operations	(211,094)	(223,780)
Cash dividends of subsidiaries' shareholders	(869,913)	(915,110)
The Company's shares held by subsidiaries accounted for as treasury shares	(4,428,951)	(197,579)
Disposal of Company's shares by subsidiaries recognized as treasury share transactions	270,382	178,270
Treasury shares transferred from subsidiaries	199,993	-
Treasury shares purchased by subsidiaries	-	(176,359)
Non-controlling interest arising from acquisition of subsidiaries (Note 27)	94,871	-
Adjustment to non-controlling interest for dividends paid to subsidiaries	34,497	36,120
Changes in equity in subsidiaries	60	-
Acquisition of non-controlling interests in subsidiaries	(57,671)	(548,371)
Balance at December 31	$ 5,400,906	$ 8,479,221

f. Treasury shares

Purpose of Buy-back	Shares Held by Subsidiaries (In Thousands of Shares)
Number of shares at January 1, 2021	76,933
Increase during the year	171,252
Decrease during the year	(8,624)
Number of shares at December 31, 2021	239,561
Number of shares at January 1, 2020	66,746
Increase during the year	18,817
Decrease during the year	(8,630)
Number of shares at December 31, 2020	76,933

BBI-TW and TCE held shares of the Company and classified them as financial assets at FVTPL and financial assets at FVTOCI. The Company recognized treasury shares by ownership percentage of BBI-TW and TCE.

For the purpose of investment, related information regarding shares of the Company held by subsidiaries on the balance sheet date was as follows:

Name of Subsidiary	Number of Shares Held (In Thousands of Shares)	Cost	Market Price
December 31, 2021			
BBI-TW	137,954		$ 6,380,373
TCE	101,607		$ 4,699,350
Belonging to the Company	93,644	$ 4,004,953	$ 4,331,035
December 31, 2020			
BBI-TW	65,149		$ 2,039,173
TCE	11,784		$ 368,852
Belonging to the Company	30,065	$ 1,132,861	$ 941,035

Treasury shares held by BBI-TW and TCE are bestowed shareholders' rights because the ownership percentage held by the Company was under 50%.

23. REVENUE

	For the Year Ended December 31	
	2021	2020
Revenue from contracts with customers		
Revenue from sale of goods	$ 96,886,248	$ 59,234,909

Contract balances

	December 31, 2021	December 31, 2020	January 1, 2020
Accounts receivable (Note 10)	$ 7,267,972	$ 6,039,110	$ 5,082,705

Refer to Note 38 for segment revenue information.

Contract liabilities

	December 31, 2021	December 31, 2020	January 1, 2020
Sales of goods	$ 49,206	$ -	$ -

24. PROFIT (LOSS) BEFORE INCOME TAX

a. Other operating income and expenses

	For the Year Ended December 31	
	2021	2020
Gain on disposal of investment properties	$ -	$ 191,647
Gain (loss) on disposal of property, plant and equipment	(1,227)	198,633
	$ (1,227)	$ 390,280

b. Interest income

	For the Year Ended December 31	
	2021	2020
Bank deposits and financial assets at amortized cost	$ 14,768	$ 18,737

c. Other income

	For the Year Ended December 31	
	2021	2020
Rental income	$ 2,021	$ 20,339
Packing income	21,387	16,822
Dividends	836	302
Others	131,517	157,826
	$ 155,761	$ 195,289

d. Other gains and losses

	For the Year Ended December 31	
	2021	2020
Foreign exchange gain	$ 1,139,373	$ 941,106
Foreign exchange losses	(1,455,324)	(1,445,238)
Net gain (loss) on financial assets designated as at FVTPL	(1,994,385)	103,301
Impairment loss on property, plant and equipment	(37,965)	-
Loss on disposal of subsidiaries accounted for using the equity method	(41,607)	-
Deemed as gain on disposal of accounted for using the equity method	12,197	-
Others	(15,097)	(1,764)
	$ 2,392,808	$ (402,595)

e. Finance costs

	For the Year Ended December 31	
	2021	2020
Interest on bank loans	$ 862,259	$ 1,242,215
Amortization of arrangement fees of syndicated bank loans	81,367	69,358
Loss arising on derivatives designated as hedging instruments in cash flow hedge accounting relationships reclassified from equity to profit or loss	149,661	191,554
Interest on lease liabilities	204,824	207,136
	1,298,111	1,710,263
Less: Amounts included in the cost of qualifying assets	3,726	5,231
	$ 1,294,385	$ 1,705,032

Information about capitalized interest is as follows:

	For the Year Ended December 31	
	2021	2020
Capitalized interest	$ 3,726	$ 5,231
Capitalization rate	1.51%	1.42%-1.71%

f. Impairment loss

	For the Year Ended December 31	
	2021	2020
Other receivables	$ (16,928)	$ (12,869)

g. Depreciation and amortization

	For the Year Ended December 31	
	2021	2020
Property, plant and equipment	$ 839,770	$ 777,653
Investment properties	-	1,533
Other intangible assets	375,702	537,749
Other non-current assets	605	709
Right-of-use assets	995,433	955,872
	$ 2,211,510	$ 2,273,516
An analysis of depreciation by function		
Operating costs	$ 582,518	$ 454,035
Operating expenses	1,252,685	1,281,023
	$ 1,835,203	$ 1,735,058
An analysis of amortization by function		
Operating costs	$ 605	$ 709
Operating expenses	375,702	537,749
	$ 376,307	$ 538,458

h. Operating expenses directly related to investment properties

	For the Year Ended December 31	
	2021	2020
Direct operating expenses from investment properties generating rental income	$ -	$ 1,533

i. Employee benefits expense

	For the Year Ended December 31	
	2021	2020
Short-term benefits	$ 6,462,170	$ 4,215,688
Post-employment benefits		
Defined contribution plans	116,528	73,190
Defined benefit plans (refer to Note 21)	3,520	4,387
	120,048	77,577
Total employee benefits expense	$ 6,582,218	$ 4,293,265
An analysis of employee benefits expense by function		
Operating costs	$ 1,945,790	$ 1,413,440
Operating expenses	4,636,428	2,879,825
	$ 6,582,218	$ 4,293,265

j. Employees’ compensation and remuneration of directors and supervisors for 2021 and 2020

The Company accrued employees’ compensation and remuneration of directors and supervisors at the rates of no less than 3% and no higher than 1.5%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors and supervisors. The employees' compensation and remuneration of directors and supervisors for the years ended December 31, 2021, which were approved by the Company's board of directors on March 25, 2022 were as follows:

Accrual rate

	For the Year Ended December 31, 2021
Employees' compensation	3%
Remuneration of directors and supervisors	0.46%

Amount

	For the Year Ended December 31, 2021
Employees' compensation - cash	$ 310,526
Remuneration of directors - cash	48,088

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

No employees' compensation and remuneration of directors and supervisors were estimated due to the loss before income tax for the year ended December 31, 2020.

There was no difference between the actual amounts of employees' compensation and remuneration of directors and supervisors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2020 and 2019.

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

25. INCOME TAX

a. Major components of income tax expense recognized in profit or loss

	For the Year Ended December 31	
	2021	2020
Current tax		
In respect of the current year	$ 4,154,720	$ 281,501
Adjustments for prior years	12,847	(67,858)
Income tax on unappropriated earnings	16,983	-
	4,184,550	213,643
Deferred tax		
In respect of the current year	(332,484)	(192,597)
Income tax expense recognized in profit or loss	$ 3,852,066	$ 21,046

A reconciliation of accounting profit and income tax expense is as follows:

	For the Year Ended December 31	
	2021	2020
Profit (loss) before tax	$ 15,414,494	$ (80,412)
Income tax expense calculated at the statutory rate	$ 3,789,346	$ 5,606
Non-deductible expenses (income) in determining taxable income	153,803	(17,013)
Tax - added income	2,327	-
Income tax on unappropriated earnings	16,983	-
Unrecognized loss carryforwards and deductible temporary differences	(110,711)	104,560
Adjustments for prior years	12,847	(67,858)
Deduction of income tax	(12,529)	(4,249)
Income tax expense recognized in profit or loss	$ 3,852,066	$ 21,046

The corporate tax rate applicable to companies in the ROC is 20%. The corporate tax rate applicable to subsidiaries in China is 25%, while the tax rate applicable to subsidiaries in the U.S. is 21%. Tax rates used by other entities of the Group operating in other jurisdictions are based on the tax laws in those jurisdictions.

b. Income tax expense recognized in other comprehensive income

	For the Year Ended December 31	
	2021	2020
Deferred tax		
In respect of the current year:		
Fair value changes of hedging instruments for cash flow hedges	$ (3,643)	$ 3,694
Remeasurement of defined benefit plans	1,774	(3,050)
Total income tax recognized in other comprehensive income	$ (1,869)	$ 644

c. Current tax assets and liabilities

	December 31	
	2021	2020
Current tax assets		
Tax refund receivable	$ 216	$ 161,483
Current tax liabilities		
Income tax payable	$ 973,502	$ 80,165

d. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2021

Deferred Tax Assets	**Opening Balance**	**Recognized in Profit or Loss**	**Recognized in Other Comprehensive Income**	**Exchange Differences**	**Closing Balance**
Temporary differences					
Difference between tax reporting and financial reporting - depreciation and amortization expenses	$ 16,724	$ 13,216	$ -	$ (325)	$ 29,615
Associates	308,391	391,663	-	-	700,054
Defined benefit obligations	13,898	-	1,774	-	15,672
Unrealized loss on inventories	197,882	10,959	-	(16,722)	192,119
Difference between tax reporting and financial reporting - inventory capitalization	285,545	9,893	-	(8,137)	287,301
Allowance for doubtful accounts and sales return	13,466	9,874	-	(506)	22,834
Derivative financial liabilities for hedging	3,538	-	(3,538)	-	-
Difference between profit and loss of sale-lease back disposal	91,872	(13,932)	-	(2,417)	75,523
Others	236,261	292,581	-	(7,493)	521,349
	1,167,577	714,254	(1,764)	(35,600)	1,844,467
Loss carryforward	1,064,292	(403,363)	-	(26,630)	634,299
	$ 2,231,869	$ 310,891	$ (1,764)	$ (62,230)	$ 2,478,766
Temporary differences					
Hedging instruments	$ -	$ -	$ 105	$ -	$ 105
Difference between tax reporting and financial reporting - depreciation and amortization expenses	1,244,464	(38,054)	-	(34,509)	1,171,901
Net defined benefit Assets	11,345	1,865	-	-	13,210
Unrealized gain or loss on financial instrument	-	57	-	-	57
Others	1,010	14,539	-	(203)	15,346
	$ 1,256,819	$ (21,593)	$ 105	$ (34,712)	$ 1,200,619

For the year ended December 31, 2020

Deferred Tax Assets	**Opening Balance**	**Recognized in Profit or Loss**	**Recognized in Other Comprehensive Income**	**Exchange Differences**	**Closing Balance**
Temporary differences					
Difference between tax reporting and financial reporting - depreciation and amortization expenses	$ 19,414	$ (2,608)	$ -	$ (82)	$ 16,724
Associates	364,791	(56,124)	-	(276)	308,391
Defined benefit obligations	16,948	-	(3,050)	-	13,898
Unrealized loss on inventories	212,219	(6,866)	-	(7,471)	197,882
Difference between tax reporting and financial reporting - inventory capitalization	277,267	23,521	-	(15,243)	285,545
Allowance for doubtful accounts and sales return	15,274	(83)	-	(1,725)	13,466
Derivative financial liabilities for hedging	-	-	3,538	-	3,538
Difference between profit and loss of sale-lease back disposal	-	95,321	-	(3,449)	91,872
Others	263,743	(20,489)	-	(6,993)	236,261
	1,169,656	32,672	488	(35,239)	1,167,577

(Continued)

Deferred Tax Assets	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Exchange Differences	Closing Balance
Loss carryforward	$ 235,751	$ 853,157	$ -	$ (24,616)	$ 1,064,292
	$ 1,405,407	$ 885,829	$ 488	$ (59,855)	$ 2,231,869
Deferred Tax Liabilities					
Temporary differences					
Hedging instruments	$ 156	$ -	$ (156)	$ -	$ -
Difference between tax reporting and financial reporting - depreciation and amortization expenses	614,822	685,581	-	(55,939)	1,244,464
Net defined benefit Assets	4,691	6,654	-	-	11,345
Others	-	997	-	13	1,010
	$ 619,669	$ 693,232	$ (156)	$ (55,926)	$ 1,256,819

e. Deductible temporary differences and unused loss carryforwards for which no deferred tax assets have been recognized in the consolidated balance sheets

	December 31	
	2021	2020
Loss carryforwards		
Expiry in 2026	$ 1,833	$ 1,833
Expiry in 2027	60,662	41,229
Expiry in 2028	51,954	43,145
Expiry in 2029	12,963	12,963
Expiry in 2030	260	260
Expiry in 2031	73,615	-
	$ 201,287	$ 99,430
Deductible temporary differences	$ 287,988	$ 279,134

f. Aggregate amount of temporary differences associated with investments for which deferred tax liabilities have not been recognized

The Company and BBI-TW determined that the unappropriated earnings of overseas subsidiaries would be reinvested permanently for the continuous expansion of the scale of operations and to support the needs for operating funds of overseas subsidiaries (the unappropriated earnings as of December 31, 2021 were approved by the Company's board and BBI-TW's board of directors on March 25, 2022). As a result, no deferred tax liability has been recognized on the related investment income recognized under the equity method.

As of December 31, 2021 and 2020, the taxable temporary differences associated with investments in subsidiaries for which no deferred tax liabilities have been recognized were $20,961,633 thousand and $10,703,222 thousand, respectively.

g. Income tax assessments

The tax returns of the Company, BBI-TW, Wei Mei and Lung Mei through 2019 have been assessed by the tax authorities. The tax returns of the subsidiary TCE through 2018 have been assessed by the tax authorities.

26. EARNINGS PER SHARE

Net Profit (Loss) for the Year

	For the Year Ended December 31	
	2021	2020
Profit (loss) for the year attributable to owners of the Company	$ 9,672,917	$ (573,421)

Number of Shares

Weighted average number of ordinary shares outstanding (in thousands of shares):

	For the Year Ended December 31	
	2021	2020
Weighted average number of ordinary shares used in the computation of basic earnings per share	1,679,072	1,306,681
Effect of potentially dilutive ordinary shares:		
Employees' compensation	6,714	-
Weighted average number of ordinary shares used in the computation of diluted earnings per share	1,685,786	1,306,681

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

In consideration of the net loss for the year 2020, the dilutive effect of the potential shares attributed to employees' compensation was excluded from the computation of diluted earnings per share.

27. BUSINESS COMBINATIONS

a. Subsidiaries acquired

Subsidiary	Principal Activity	Date of Acquisition	Proportion of Voting Equity Interests Acquired (%)	Consideration Transferred
Lung Mei Cloth Co., Ltd.	Manufacture and sale of curtains and decorations	April 1, 2022	20.42	$ 81,668

The Group originally held 9,750 thousand (48.75%) of the shares of Lung Mei Cloth Co., Ltd. and further acquired 4,083 thousand (20.42%) of the shares from non-related parties on April 1, 2022; as its total shareholding percentage of Lung Mei Cloth Co., Ltd. is 69.17%, it is deemed as a subsidiary of the Group. Lung Mei Cloth Co., Ltd. was acquired in order to continue the expansion of the Group's activities in curtains.

b. Consideration transferred

Acquisition-related costs amounting to $105 thousand were excluded from the consideration transferred and were recognized as expenses in the periods incurred under administrative expenses in the consolidated statements of comprehensive income. The consideration was transferred in the form of cash.

c. Assets acquired and liabilities assumed at the date of acquisition

	Lung Mei Cloth Co., Ltd.
Current assets	
Cash and cash equivalents	$ 95,970
Trade and other receivables	20,062
Inventories	75,192
Others	40,116
Non-current assets	
Property, plant and equipment	303,657
Right-of-use assets	57,928
Intangible assets	41,587
Others	10,249
Current liabilities	
Short-term borrowings	(46,000)
Trade and other payables	(79,429)
Contract liabilities	(35,224)
Lease liabilities	(35,505)
Others	(6,890)
Non-current liabilities	
Long-term borrowings	(97,979)
Lease liabilities	(23,037)
Net defined benefit liabilities - non-current	(4,477)
Others	(200)
	$ 316,020

d. Non-controlling interests

The non-controlling interest (a 30.83% ownership interest in Lung Mei Cloth Co., Ltd.) recognized at the acquisition date was measured by reference to the fair value of the non-controlling interest.

e. Goodwill recognized on acquisitions

	Lung Mei Cloth Co., Ltd.
Fair value before acquisition	$ 150,000
Consideration transferred	81,668
Plus: Non-controlling interests (30.83% in Lung Mei Cloth Co., Ltd.)	94,871
Less: Fair value of identifiable net assets acquired	(316,020)
Goodwill recognized on acquisitions	$ 10,519

As of the date the consolidated financial report was authorized for issue, the acquisition price allocation report for the acquisition of Lung Mei Cloth Co., Ltd. has not been completed; therefore, the difference between the cost of investment and the net value of equity is temporarily included under goodwill.

f. Net cash outflow on the acquisition of subsidiaries

	Lung Mei Cloth Co., Ltd.
Consideration paid in cash	$ 81,668
Less: Cash and cash equivalent balances acquired	(95,970)
	$ (14,302)

g. Impact of acquisitions on the results of the Group

The financial results of the acquirees since the acquisition dates, which are included in the consolidated statements of comprehensive income, were as follows:

	Lung Mei Cloth Co., Ltd.
Revenue	$ 435,439
Profit	$ (97,811)

If Lung Mei Cloth Co., Ltd. completed the acquisition at the beginning of 2021, the Group's revenue would have been $97,033,527 thousand, and the profit would have been $11,572,845 thousand for the year ended December 31, 2021. This pro-forma information is for illustrative purposes only and is not necessarily an indication of the revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed at the beginning of the acquisition year, 2021, nor is it intended to be a projection of future results.

28. DISPOSAL OF SUBSIDIARIES

On January 4, 2021, the Group entered into a sale agreement to dispose of Ta Chen (Changshu) Co., Ltd., which carried out its stainless steel valves and casting products manufacturing and selling operations. The disposal was completed on January 4, 2021, on which date control of Ta Chen (Changshu) Co., Ltd. passed to the acquirer.

a. Consideration received from disposal

	Ta Chen (Changshu) Co., Ltd.
Consideration received in cash	$ 370,485

b. Analysis of assets and liabilities on the date control was lost

	Ta Chen (Changshu) Co., Ltd.
Current assets	$ 348,514
Non-current assets	219,504
Current liabilities	(155,926)
Net assets disposed of	$ 412,092

c. Loss on disposal of subsidiaries

		Ta Chen (Changshu) Co., Ltd.
Consideration received	$	370,485
Net assets disposed of		(412,092)
Loss on disposals	$	(41,607)

d. Net cash inflow on disposals of subsidiaries

		Ta Chen (Changshu) Co., Ltd.
Consideration received in cash	$	370,485
Less: Cash and cash equivalent balances disposed of		42,724
	$	327,761

29. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

The Group successively acquired shares of BBI-TW from the market, leading to an increase in the shareholding ratio from 39.08% for the year ended December 31, 2020 to 39.09% for the following year.

The above transactions were accounted for as equity transactions, since the Group did not cease to have control over these subsidiaries.

For the year ended December 31, 2021

		BBI-TW
Cash consideration paid	$	(102,916)
The proportionate share of the carrying amount of the net assets of the subsidiary transferred from non-controlling interests		57,671
Differences recognized from equity transactions	$	(45,245)

Line items adjusted for equity transactions

Capital surplus	$	(45,245)

For the year ended December 31, 2020

		BBI-TW
Cash consideration paid	$	(1,140,714)
The proportionate share of the carrying amount of the net assets of the subsidiary transferred from non-controlling interests		724,730
Differences recognized from equity transactions	$	(415,984)

(Continued)

Line items adjusted for equity transactions

Capital surplus	$ (369,594)
Retained earnings	(46,390)
	$ (415,984)

(Concluded)

30. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged for 2021 and 2020.

The capital structure of the Group consists of net debt and equity of the Group.

Key management personnel of the Group review the capital structure on a quarterly basis. As part of this review, the key management personnel consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the key management personnel, in order to improve the Company's earnings and manage the overall capital structure, the Group may adjust the amount of dividends paid to shareholders, the number of new shares issued or existing debt redeemed and invested in financial instruments.

31. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments not measured at fair value

Fair value hierarchy

The carrying amounts of the Group's financial instruments that are not measured at fair value, such as cash and cash equivalents, receivables, other financial assets, bank borrowings, short-term notes and bills payable and accounts payable, approximate their fair values.

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

1) Fair value hierarchy

December 31, 2021

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	$ -	$ 177,673	$ -	$ 177,673
Mutual funds	64,427	-	-	64,427
	$ 64,427	$ 177,673	$ -	$ 242,100

(Continued)

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Foreign listed shares	$ 71,199	$ -	$ -	$ 71,199
Domestic listed shares	-	176,480	-	176,480
Domestic unlisted shares	-	-	496,222	496,222
	$ 71,199	$ 176,480	$ 496,222	$ 743,901
Financial assets for hedging				
Derivatives	$ -	$ 104,030	$ -	$ 104,030
Financial liabilities at FVTPL				
Derivatives	$ -	$ 256,938	$ -	$ 256,938
Financial liabilities for hedging				
Derivatives	$ -	$ 314,516	$ -	$ 314,516

(Concluded)

December 31, 2020

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	$ -	$ 91,425	$ -	$ 91,425
Mutual funds	33,476	-	-	33,476
Limited partnership	-	-	30,000	30,000
	$ 33,476	$ 91,425	$ 30,000	$ 154,901
Financial assets at FVTOCI				
Foreign listed shares	$ 16,452	$ -	$ -	$ 16,452
Domestic unlisted shares	-	-	157,952	157,952
	$ 16,452	$ -	$ 157,952	$ 174,404
Financial liabilities at FVTPL				
Derivatives	$ -	$ 187,280	$ -	$ 187,280
Financial liabilities for hedging				
Derivatives	$ -	$ 923,356	$ -	$ 923,356

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

2) Valuation techniques and inputs applied for the purpose of Level 2 fair value measurement

The private share of listed company is evaluated by B-S Model with the target price, option exercise price, risk-free rate, historic volatility, and the maturity date.

The fair value measurement of foreign exchange swap contracts, foreign exchange forward contracts and cross-currency swaps are based on the exchange rate quotations and corresponding yield curves. The fair value measurement of metal swap contracts, metal forward contracts and metal future contracts are based on the forward quotations of the metal and the corresponding yield curves. Option contracts were measured by option pricing models.

3) Valuation techniques and inputs applied for the purpose of Level 3 fair value measurement

The fair value of limited partnerships is estimated on the basis of net value. The fair value of domestic unlisted equity investments is evaluated based on the market approach, which compares the ratio of the stock price to the net value of similar peers.

4) Adjustment of financial instruments measured by Level 3 fair value

2021

	Financial assets at fair value through profit or loss	**Financial assets at fair value through other comprehensive income**
	Non-derivative financial assets	**Equity instruments**
Balance at January 1, 2021	$ 30,000	$ 157,952
Additions	(30,000)	170,969
Recognized in other comprehensive income	-	167,301
Balance at December 31, 2021	$ -	$ 496,222

2020

	Financial assets at fair value through profit or loss	**Financial assets at fair value through other comprehensive income**
	Non-derivative financial assets	**Equity instruments**
Balance at January 1, 2020	$ -	$ 175,622
Additions	30,000	-
Recognized in other comprehensive income	-	(17,670)
Balance at December 31, 2020	$ 30,000	$ 157,952

c. Categories of financial instruments

	December 31	
	2021	**2020**
Financial assets		
Financial assets at FVTPL		
Held for trading	$ 177,673	$ 91,425
Mandatorily classified as at FVTPL	64,427	63,476
Financial assets for hedging	104,030	-
Financial assets at amortized cost (Note 1)	24,668,699	16,921,592
Financial assets at FVTOCI	743,901	174,404

(Continued)

	December 31	
	2021	2020
Financial liabilities		
Financial liabilities at FVTPL		
Held for trading	$ 256,938	$ 187,280
Financial liabilities for hedging	314,516	923,356
Financial liabilities at amortized cost (Note 2)	43,692,835	50,206,350

(Concluded)

Note 1: The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, notes receivable, accounts receivable (related parties included), other receivables and financial assets at amortized cost (current and non-current).

Note2: The balances include financial liabilities measured at amortized cost, which comprise short-term and long-term loans (long-term loans due in one year included), short-term bills payable, accounts payable (related parties included), other payables and guarantee deposit received.

d. Financial risk management objectives and policies

The Group's major financial instruments include equity investments, accounts receivable, accounts payable, short-term bills payable and borrowings. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks are market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group sought to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives was governed by the Group's policies approved by the board of directors, which provided written principles on foreign currency risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis. The Group did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (refer to (a) below), interest rates (refer to (b) below) and other price risk (refer to (c) below).

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

a) Foreign currency risk

The Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk. Exchange rate exposures were managed within approved policy parameters utilizing foreign exchange swap contracts, foreign exchange forward contracts and foreign exchange option contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) and of the derivatives exposed to foreign currency risk at the end of the reporting period are set out in Note 36.

Sensitivity analysis

The Group was mainly exposed to the USD. The following table details the Group's sensitivity to an increase and decrease in the functional currency against the relevant foreign currencies. A positive number below indicates an increase in pre-tax profit associated with the functional currency strengthening 1% against the relevant currency. For a 1% weakening of the functional currency against the relevant currency, there would be an equal and opposite impact on pre-tax profit, and the balances below would be negative.

	USD Impact (Note)	
	For the Year Ended December 31	
	2021	**2020**
Profit or loss	$ 132,548	$ 99,473

Note: $256,728 thousand and $654,186 thousand of short-term loans that were hedged with cross-currency swaps had been deducted from the impact of USD for the years ended December 31, 2021 and 2020, respectively.

This was mainly attributable to the exposure on outstanding foreign currency and cash equivalents, receivables, other receivables, other financial assets, payables and loans, which were not hedged at the end of the reporting date.

The Group's sensitivity to foreign currency increased during the current period due to the increase in the sales of the US dollar-denominated goods, which is caused by the increase in foreign currency trade receivables. The management believes that the sensitivity analysis cannot represent the inherent risk of the exchange rate because the foreign currency risk at the balance sheet date cannot be reflected on the interim period that the sales in US dollar will vary with orders and asset investment position.

Hedge accounting

For the year ended December 31, 2021

The Group entered into cross-currency swap contracts to mitigate the risk of changes in foreign exchange rates on cash flow exposure related to its outstanding variable rate debts.

The source of hedge ineffectiveness in these hedging relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the cross-currency swaps, which is not reflected in the cash flow of the hedged item attributable to changes in foreign exchange rates. No other sources of ineffectiveness is expected to emerge from these hedging relationships.

The outstanding cross-currency swap contracts at the end of the reporting period were as follows:

December 31, 2021

					Carrying Amount
Notional Amount (in thousand)	**Maturity**	**Range of Interest Rates Paid**	**Range of Interest Rates Received**	**Line Item in Balance Sheet**	**Liability**
US$9,600	2021.4.29～ 2022.4.29	0%	2.5%	Financial liabilities for hedging	$ 1,204

For the year ended December 31, 2021

Hedged Items	Change in Value Used for Calculating Hedge Ineffectiveness	Accumulated Gains or losses on Hedging Instruments in Other Equity	
		Continuing Hedges	Hedge Accounting No Longer Applied
Cash flow hedge			
Long-term borrowings	$ -	$ 524	$ -

For the year ended December 31, 2020

The Group entered into cross-currency swap contracts to mitigate the risk of changes in foreign exchange rates on cash flow exposure related to its outstanding variable rate debts.

The source of hedge ineffectiveness in these hedging relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the cross-currency swaps, which is not reflected in the cash flow of the hedged item attributable to changes in foreign exchange rates. No other sources of ineffectiveness is expected to emerge from these hedging relationships.

The outstanding cross-currency swap contracts at the end of the reporting period were as follows:

December 31, 2020

Notional Amount (in thousand)	Maturity	Range of Interest Rates Paid	Range of Interest Rates Received	Line Item in Balance Sheet	Carrying Amount Liability
US$5,000	2020.3.20～2021.3.22	0%	1.46%	Financial liabilities for hedging	$ 12,428
US$9,600	2020.4.29～2021.5.4	0.25%	2.75%	Financial liabilities for hedging	21,235
US$8,370	2020.5.4～2021.5.6	0.1%	2.60%	Financial liabilities for hedging	18,116

For the year ended December 31, 2020

Hedged Items	Change in Value Used for Calculating Hedge Ineffectiveness	Accumulated Gains or losses on Hedging Instruments in Other Equity	
		Continuing Hedges	Hedge Accounting No Longer Applied
Cash flow hedge			
Long-term borrowings	$ -	$ (17,688)	$ -

For the year ended December 31, 2021

Comprehensive Income		Hedging Gains (Losses) Recognized in OCI		Amount Reclassified to P/L and the Adjusted Line Item Due to Hedged Future Cash Flows No Longer Expected to Occur (iv)
Cash flow hedge				
Forecast cash flow interest rate risk	$	18,212	$	10,193

For the year ended December 31, 2020

Comprehensive Income		Hedging Gains (Losses) Recognized in OCI		Amount Reclassified to P/L and the Adjusted Line Item Due to Hedged Future Cash Flows No Longer Expected to Occur (iv)
Cash flow hedge				
Forecast cash flow interest rate risk	$	(18,466)	$	12,830

b) Interest rate risk

The Group was exposed to interest rate risk because the Group borrowed funds at both fixed and floating interest rates. The risk is managed by the Group through maintaining an appropriate mix of fixed and floating rate borrowings.

The carrying amount of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	December 31			
		2021		2020
Cash flow interest rate risk				
Financial assets	$	12,792,107	$	8,158,148
Financial liabilities		35,692,449		41,806,114

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for both derivative and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the reporting period was outstanding for the whole year.

If interest rates had been 1% higher and all other variables were held constant, the Group's pre-tax profit for the years ended December 31, 2021 and 2020 would have been lower by $226,346 thousand and $329,938 thousand, respectively (which deducted the impact of loans hedged with cross-currency swaps amounting to $265,728 thousand and $654,186 thousand, respectively).

Hedge accounting

The Group entered into interest rate swap contracts to mitigate the risk of changes in interest rates on the cash flow exposure related to its outstanding variable rate debts, and those transactions are designated as cash flow hedges. Interest rate swap contracts are settled on a monthly basis. Floating rate on interest swap contracts is an interbank interest rate. The Group will settle the difference between fixed and floating interest rate on a net basis.

The source of hedge ineffectiveness in these hedging relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the foreign exchange forward contracts, which is not reflected in the fair value of the hedged item attributable to changes in foreign exchange rates. No other sources of ineffectiveness is expected to emerge from these hedging relationships.

The outstanding interest rate swap contracts at the end of the reporting period were as follows:

December 31, 2021

Notional Amount (in thousand)	Maturity	Range of Interest Rates Paid	Range of Interest Rates Received	Line Item in Balance Sheet	Carrying Amount Asset	Carrying Amount Liability
USD 300,000	2027.5.6	1.78%	USD LIBOR-1month	Financial liabilities for hedging	$ -	$ 241,311
USD 50,000	2027.5.6	0.67%	USD LIBOR-1month	Financial Assets for hedging	40,923	-
USD 100,000	2024.5.6	1.31%	USD LIBOR-1month	Financial Assets for hedging	872	-
USD 100,000	2023.5.6	1.27%	USD LIBOR-1month	Financial liabilities for hedging	-	14,871
USD 50,000	2022.5.6	2.89%	USD LIBOR-1month	Financial liabilities for hedging	-	16,312
USD 50,000	2022.5.8	3.03%	USD LIBOR-1month	Financial liabilities for hedging	-	17,455
USD 25,000	2024.5.6	1.37%	USD LIBOR-1month	Financial liabilities for hedging	-	6,756
USD 50,000	2024.5.7	1.37%	USD LIBOR-1month	Financial liabilities for hedging	-	16,607
USD 75,000	2027.5.6	1.10%	USD LIBOR-1month	Financial Assets for hedging	23,751	-
USD 50,000	2027.5.6	0.70%	USD LIBOR-1month	Financial Assets for hedging	38,484	-
					$ 104,030	$ 313,312

2021

Hedged Items	Change in Value Used for Calculating Hedge Ineffectiveness	Accumulated Gains or Losses on Hedging Instruments in Other Equity: Continuing Hedges	Accumulated Gains or Losses on Hedging Instruments in Other Equity: Hedge Accounting No Longer Applied
Cash flow hedge			
Syndicated Loans of J.P. Morgan (JPM)	$ -	$ (209,282)	$ -

Comprehensive Income	Hedging Gains (Losses) Recognized in OCI	Amount Reclassified to P/L and the Adjusted Line Item: Due to Hedged Item Affecting P/L
Cash flow hedge		
Fluctuations of interest of loan	$ 649,743	$ (159,854)

December 31, 2020

Notional Amount (in thousand)	Maturity	Range of Interest Rates Paid	Range of Interest Rates Received	Line Item in Balance Sheet	Carrying Amount Liability
USD 75,000	2024.5.6	1.98%	USD LIBOR-1month	Financial liabilities for hedging	$ 129,084
USD 30,000	2024.5.6	1.93%	USD LIBOR-1month	Financial liabilities for hedging	50,187
USD 95,000	2024.5.6	2.47%	USD LIBOR-1month	Financial liabilities for hedging	208,413
USD 50,000	2024.5.6	2.48%	USD LIBOR-1month	Financial liabilities for hedging	110,174
USD 50,000	2024.5.6	2.59%	USD LIBOR-1month	Financial liabilities for hedging	115,480
USD 100,000	2024.5.6	1.31%	USD LIBOR-1month	Financial liabilities for hedging	28,753
USD 100,000	2023.5.6	1.27%	USD LIBOR-1month	Financial liabilities for hedging	32,326
USD 50,000	2022.5.6	2.89%	USD LIBOR-1month	Financial liabilities for hedging	56,570
USD 50,000	2022.5.8	3.03%	USD LIBOR-1month	Financial liabilities for hedging	59,771
USD 25,000	2024.5.7	1.20%	USD LIBOR-1month	Financial liabilities for hedging	24,263
USD 50,000	2024.5.7	1.37%	USD LIBOR-1month	Financial liabilities for hedging	56,556
					$ 871,577

2020

Hedged Items	Change in Value Used for Calculating Hedge Ineffectiveness	Accumulated Gains or Losses on Hedging Instruments in Other Equity: Continuing Hedges	Accumulated Gains or Losses on Hedging Instruments in Other Equity: Hedge Accounting No Longer Applied
Cash flow hedge			
Syndicated Loans of J.P. Morgan (JPM)	$ -	$ (871,577)	$ -

Comprehensive Income	Hedging Gains (Losses) Recognized in OCI	Amount Reclassified to P/L and the Adjusted Line Item: Due to Hedged Item Affecting P/L
Cash flow hedge		
Fluctuations of interest of loan	$ (566,062)	$ (204,834)

The cash flow hedge includes the risk of LIBOR against USD. On December 31, 2021, the amount of interest rate exchange contracts used for hedging was US$575,000 thousand. As the target interest rate may be withdrawn on June 30, 2023, the Group has assigned special personnel to continuously observe the market conditions and the progress of the interest rate index management agency in developing alternative interest rate indicators, and to evaluate the overall risk of the Group against the interest rate indicator for research. The conversion to other interest rate indicators is expected to be completed in December 2022.

Before the uncertainty caused by the change in interest rate indicators disappears, the Group assumes that neither the risk aversion in the interest rate risk hedging relationship nor the interest rate indicators based on the hedging tools will change due to the change in interest rate indicators. The Group assessed that after it revised the contract and clearly stipulated that the LIBOR would be replaced by another target interest rate, the relevant uncertainty would be eliminated.

For the adjustment information of other equity for hedging, refer to Note 22.

c) Other price risk

The Group was exposed to market price risk through its investments in metal (i.e. aluminum and nickel) price swap contracts which aimed to lower the impact of material price fluctuations on profitability.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to market price risks at the end of the reporting period.

With regard to the unsettled aluminum and nickel price derivative instrument contracts, if market prices had been 1% higher/lower, pre-tax loss for years ended December 31, 2021 and 2020 would have increased/decreased by $11,558 thousand and $3,143 thousand, respectively, as a result of the changes in fair value of investments at fair value through profit or loss. With regard to the unsettled aluminum and nickel price swap contracts, the Group had recognized unrealized losses of $93,468 thousand and unrealized gain $64,501 thousand for years ended December 31, 2021 and 2020, respectively.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at the end of the reporting period, the Group’s maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of counterparties to discharge an obligation and financial guarantees provided by the Group, could arise from:

a) The carrying amount of the respective recognized financial assets as stated in the consolidated balance sheets; and

b) The maximum amount the entity would have to pay if the financial guarantee is called upon, irrespective of the likelihood of the guarantee being exercised.

The Group adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collaterals, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Group uses other publicly available financial information and its own trading records to rate its major customers. The Group’s exposures and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty credit limits that are reviewed and approved by the risk management committee annually.

Accounts receivable consisted of a large number of customers which are spread across diverse industries and geographical areas. Ongoing credit evaluations are performed on the financial condition of customers with accounts receivable.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As of December 31, 2021 and 2020, the Group had available unutilized short-term bank loan facilities as set out in (3) below.

a) Liquidity and interest rate risk table for non-derivative financial liabilities

The following table details the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed repayment periods. The table was drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The table included both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

To the extent that interest rates are floating, the undiscounted amount was derived from the interest rate curve at the end of the reporting period.

December 31, 2021

	On Demand and Less than 1 year	More than 1 Year
Non-derivative financial liabilities		
Non-interest bearing liabilities	$ 4,716,422	$ 59,591
Lease liabilities	1,070,336	8,090,002
Fixed interest rate bank loans	1,450,534	561,558
Floating interest rate bank loans	10,853,423	27,957,673
	$ 18,090,715	$ 36,668,824

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5+ Years
Lease liabilities	$ 1,070,336	$ 3,697,840	$ 4,392,162

December 31, 2020

	On Demand and Less than 1 year	More than 1 Year
Non-derivative financial liabilities		
Non-interest bearing liabilities	$ 3,374,156	$ 88,002
Lease liabilities	1,034,037	8,510,654
Fixed interest rate bank loans	3,167,560	641,825
Floating interest rate bank loans	15,115,425	29,188,367
	$ 22,691,178	$ 38,428,848

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5+ Years
Lease liabilities	$ 1,034,037	$ 3,648,420	$ 4,862,234

b) Liquidity and interest rate risk table for derivative financial liabilities

The following table details the Group's liquidity analysis for its derivative financial instruments. The table was based on the undiscounted contractual net cash inflows and outflows on derivative instruments that settled on a net basis. When the amount payable or receivable was not fixed, the amount disclosed was determined by reference to the projected interest rates as illustrated by the yield curves at the end of the reporting period.

December 31, 2021

	Less than 1 Year	1-5 Years
Net settled		
Foreign exchange forward contracts	$ 13,957	$ -
Cross-currency swap contracts	1,204	-
Interest rate swap contracts	33,841	-
Metal price derivative contracts	242,907	-
	$ 291,909	$ -

December 31, 2020

	Less than 1 Year	1-5 Years
Net settled		
Foreign exchange forward contracts	$ 29,248	$ -
Cross-currency swap contracts	51,779	-
Foreign exchange swap contracts	657	-
Interest rate swap contracts	1,636	-
Metal price derivative contracts	155,739	-
	$ 239,059	$ -

c) Financing facilities

	December 31	
	2021	2020
Unsecured bank overdraft facilities, reviewed annually:		
Amount used	$ 6,139,610	$ 5,675,972
Amount unused	13,640,564	2,700,841
	$ 19,780,174	$ 8,376,813
Secured bank loan facilities which may be extended by mutual agreement:		
Amount used	$ 32,954,921	$ 41,160,382
Amount unused	38,755,276	36,377,519
	$ 71,710,197	$ 77,537,901

32. TRANSACTIONS WITH RELATED PARTIES

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

a. The names of the related parties and their relationships with the Group

Related Party Name	Relationship
Jinn Her Enterprise Co., Ltd.	Corporate director of subsidiaries
Fang Sheng Screw Co., Ltd.	Associate of the directors of Subsidiaries
LPJR INVESTMENT LLC. (LPJR)	Related party in substance
Ou Bo Hua Company	Related party in substance
WINLINK FASTENERS CO., LTD.	Related party in substance (Note 2)
Tong Win International Co., Ltd. (Tong Win)	Related party in substance (Note 2)
Lung Mei Cloth Co., Ltd.	Associate (Note 1)

Note1: The transaction amounts and account balances disclosed in this note were generated during the

time the Company was an unconsolidated subsidiary till April 1, 2021.

Note2: Detail of transactions are disclosed after it became related parties since June 15, 2020.

b. Sales of goods

Line Item	Related Party Category / Name	For the Year Ended December 31 2021	For the Year Ended December 31 2020
Revenue from sale of goods	Associate	$ 20,064	$ 70,677

The items and prices of the sales to related parties do not have similar items to which they can be compared. The collection term to related parties is the same as third parties' term.

c. Purchases of goods and purchase allowances

Related Party Category / Name	For the Year Ended December 31 2021	For the Year Ended December 31 2020
Jinn Her Enterprise Co., Ltd.	$ 844,285	$ 1,118,951
Fang Sheng Screw Co., Ltd.	440,106	595,713
Tong Win	1,088,355	63,317
Related party in substance	209,926	225,637
	$ 2,582,672	$ 2,003,618

The items and prices of the purchases from related parties do not have similar items to which they can be compared. The Company's payment term to related parties is 5 to 90 days or prepaid; and the payment term to third parties is prepaid or 0 to 90 days.

d. Receivables from related parties

Line Item	Related Party Category / Name	December 31 2021	December 31 2020
Accounts receivable	Associate	$ -	$ 8,239
Other receivables	Associate	$ -	$ 33
	Corporate director of subsidiaries	529	654
	Related party in substance	-	138
		$ 529	$ 825

The outstanding accounts receivable from related parties are unsecured and no interest was accrued.

e. Payables to related parties

Line Item	Related Party Category / Name	December 31 2021	December 31 2020
Accounts payable	Corporate director of subsidiaries	$ 67,803	$ 144,792
	Related party in substance	36,159	11,967
		$ 103,962	$ 156,759

The outstanding accounts payable to related parties are unsecured and no interest was accrued.

f. Prepayments

Related Party Category / Name	December 31 2021	December 31 2020
Corporate director of subsidiaries	$ 182,268	$ 234,489

g. Payments for property, plant and equipment

Related Party Category / Name	For the Year Ended December 31, 2020
Related party in substance	
LPJR	$ 408,441

h. Refundable deposits (recognized as financial assets at amortized cost - non-current)

Related Party Category / Name	December 31 2021	December 31 2020
Related party in substance	$ 1,900	$ 1,600

i. Lease agreements - the Group is lessee

1) The Company entered into a contract with its related parties in substance to rent office space, dormitories, and show rooms from December 2021 to December 2022, and the rental is based on similar asset's market rental rates and fixed lease payments are paid quarterly.

   Lease expenses included expenses relating to short-term leases, low-value asset leases and variable lease payments that do not depend on an index or a rate. Future lease payables related to short-term leases, low-value asset leases are as follows:

	December 31 2021	December 31 2020
Future lease payables	$ 11,490	$ 3,952

2) The Group entered into a contract with its related parties in substance to rent a plant from September 2018 to August 2028. The Group has prepaid the rent of the first year and determined to pay the rest on a monthly basis.

   The Group purchased the plant from its related party in substance in 2020 and the contract was terminated in 2020.

Related Party Category / Name	For the Year Ended December 31, 2020
Interest expense	
Related party in substance	$ 2,234
Lease expense	
Related party in substance	$ 9,936

j. Remuneration of key management personnel

	For the Year Ended December 31	
	2021	2020
Short-term employee benefits	$ 566,832	$ 318,552
Post-employment benefits	1,282	1,189
Share-based payment	5,896	621
	$ 574,010	$ 320,362

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals.

33. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings:

	December 31	
	2021	2020
Financial assets at amortized cost (pledged time deposits, pledged demand deposits and pledged repurchase agreements collateralized by bonds)	$ 7,065,439	$ 2,687,459
Accounts receivable	6,036,615	4,668,270
Inventories	45,915,100	43,057,969
Property, plant and equipment, net	4,924,644	4,978,247
Right-of-use assets	24,198	18,537
	$ 63,965,996	$ 55,410,482

34. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of December 31, 2021 and 2020 were as follows:

a. Unused letters of credit for purchases of raw materials as of December 31, 2021 and 2020 were as follows:

	December 31	
	2021	2020
Unused letters of credit for purchases of raw materials	$ 717,439	$ 453,826

b. Unrecognized commitments were as follows:

	December 31	
	2021	2020
Acquisition of property, plant and equipment	$ 5,061,939	$ 293,652

c. As of December 31, 2021, the subsidiary BBI-USA provided a letter of credit in the amount of $141,168 thousand (US $5,100 thousand) to Hudson Insurance Company, the insurance company of the customs broker of BBI-USA, as collateral for the customs investigation described below.

d. The U.S. Customs and Border Protection ("CBP") has conducted an investigation into BBI-USA (including the import procedures, information about main vendors or manufacturers, product content, place of production, control of antidumping products, etc.) in accordance with the Tariff Act of 1930 in the U.S. since April 2014. The U.S. CBP's main investigation is to determine the country of origin of certain steel threaded rods that BBI-USA imported through merchants; in order to examine whether the manufacturers of fasteners in China sell products to America through triangular trades so as to avoid antidumping duties. The matter is still in the investigation phase, and BBI-USA has been cooperating actively and taking the relevant measures. As of the date the consolidated financial statements were authorized for issue, BBI-USA has not received investigation reports or administrative punishment from the U.S. CBP. According to the statement from the attorney of BBI-USA, BBI-USA should not be subjected to such antidumping import duties or additional penalty.

35. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

In March 2022, TKA signed a syndicated loan with syndicate members including First Commercial Bank for a total amount of US$85,000 thousand for the purpose of building a new plant and replenishing the operating capital of TKA. As of March 25, 2022, the loan has not been utilized.

36. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

December 31, 2021

	Foreign Currency (In Thousands)	Exchange Rate		Carrying Amount (In Thousands)
Financial assets				
Monetary items				
USD	$ 542,941	27.68		$ 15,028,607
USD	4,340	6.3757	(USD:CNY)	120,121
EUR	3,549	31.32		111,161
EUR	3,781	7.2197	(EUR:CNY)	118,524
CAD	13,747	21.62		297,208
AUD	28,271	20.08		567,674
Financial liabilities				
Monetary items				
USD	68,377	27.68		1,892,662
USD	2,015	6.3757	(USD:CNY)	55,787
USD	6,459	5.5805	(USD:BRL)	178,775
USD	769	1.2803	(USD:CAD)	21,299
USD	402	1.3785	(USD:AUD)	11,116
AUD	2,518	1.0630	(AUD:NZD)	48,298

December 31, 2020

	Foreign Currency (In Thousands)	Exchange Rate		Carrying Amount (In Thousands)
Financial assets				
Monetary items				
USD	$ 375,962	28.48		$ 10,707,403
USD	6,881	6.5249	(USD:CNY)	195,969
EUR	1,596	35.02		55,894
EUR	3,238	8.025	(EUR:CNY)	113,413
GBP	2,219	38.9		86,319
CAD	6,348	22.35		141,867
AUD	19,596	21.95		430,139
CNY	10,584	4.377		46,324
NZD	1,348	20.58		27,736

(Continued)

	Foreign Currency (In Thousands)	Exchange Rate		Carrying Amount (In Thousands)
Financial liabilities				
Monetary items				
USD	$ 47,758	28.48		$ 1,360,147
USD	2,015	6.5249	(USD:CNY)	57,399
USD	4,791	5.1967	(USD:BRL)	136,443
USD	1,975	1.2743	(USD:CAD)	56,252
AUD	2,087	1.0666	(AUD:NZD)	45,804

(Concluded)

The Group is mainly exposed to the foreign exchange risk of the USD. The following information was aggregated by the functional currencies of the Group, and the exchange rates between respective functional currencies and the presentation currency were disclosed. The significant realized and unrealized foreign exchange gains (losses) were as follows:

	For the Year Ended December 31			
	2021		2020	
Foreign Currency	Exchange Rate	Net Foreign Exchange Gain (Loss)	Exchange Rate	Net Foreign Exchange Gain (Loss)
NTD	1 (NTD:NTD)	$ (303,135)	1 (NTD:NTD)	$ (486,961)
USD	28.0090 (USD:NTD)	4,598	29.5492 (USD:NTD)	3,557
BRL	5.1930 (BRL:NTD)	(4,662)	5.7752 (BRL:NTD)	(12,890)
CAD	22.3533 (CAD:NTD)	1,120	22.06 (CAD:NTD)	1,687
NZD	19.83 (NZD:NTD)	(254)	19.21 (NZD:NTD)	(1,163)
GBP	38.5567 (GBP:NTD)	(1,314)	37.94 (GBP:NTD)	723
AUD	21.0558 (AUD:NTD)	(782)	20.39 (AUD:NTD)	397
CNY	4.3417 (CNY:NTD)	(11,522)	4.2827 (CNY:NTD)	(9,482)
		$ (315,951)		$ (504,132)

37. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

1) Financing provided to others (Table 1)

2) Endorsements/guarantees provided (Table 2)

3) Marketable securities held (excluding investments in subsidiaries, associates and joint ventures) (Table 3)

4) Marketable securities acquired or disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital (Table 4)

5) Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital (None)

6) Disposal of individual real estate at prices of at least NT$300 million or 20% of the paid-in capital (None)

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 5)

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 6)

9) Trading in derivative instruments (Notes 7 and 31)

10) Intercompany relationships and significant intercompany transactions (Table 7)

b. Information on investees (Table 8)

c. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 9)

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses (Tables 1, 2, 5, 6, 7 and 9):

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period

c) The amount of property transactions and the amount of the resultant gains or losses

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes

e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds

f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services

d. Information on major shareholders: the name, amount and proportion of shareholders who hold more than 5 % of the shares (Table 10).

38. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance is based on the types of goods provided. Stainless steel and aluminum segment as well as screw head and nuts segments are the main segments for the Group.

Specifically, the Group’s reportable segments were as follows:
Stainless steel and aluminum segment - the Company, TCI, PPTH, ERI, TCH,TKA, PSS, TCE, Ta Chen BVI and its subsidiaries mainly focus on manufacturing and selling of stainless steel pipes, stainless steel pipe fittings as well as selling stainless steel plates (rolls), bars and aluminum products.

Screws and nuts segment - TIG, BBI-TW, BBI-USA, BBI-CA, BBI-UK, BBI-AU, BBI-NZ and BBI-BZ mainly focus on selling screws and nuts.

Curtains and decoration segment – Lung Mei and Wei Mei mainly focus on the manufacture and sale of curtains and decorations.

a. Segment revenue and results

	Stainless Steel and Aluminum	Screws and Nuts	Curtains and Decorations	Adjustments and Eliminations	Total
For the year ended December 31, 2021					
Revenue from external customers	$ 76,936,080	$ 19,514,729	$ 435,439	$ -	$ 96,886,248
Inter-segment revenue	13,718,913	2,170,465	-	(15,889,378)	-
Segment revenue	$ 90,654,993	$ 21,685,194	$ 435,439	$(15,889,378)	$ 96,886,248
Segment income	$ 14,478,106	$ 4,593,822	$ (109,237)	$ (26,080)	$ 18,936,611
Non-operating income and expenses					(2,239,207)
Finance costs					(1,294,385)
Share of associates accounted for using the equity method					11,475
Profit before income tax					$ 15,414,494
For the year ended December 31, 2020					
Revenue from external customers	$ 45,800,711	$ 13,434,198	$ -	$ -	$ 59,234,909
Inter-segment revenue	5,903,951	1,956,044	-	(7,859,995)	-
Segment revenue	$ 51,704,662	$ 15,390,242	$ -	$ (7,859,995)	$ 59,234,909
Segment income	$ (183,001)	$ 1,578,222	$ -	$ 427,546	$ 1,822,767
Non-operating income and expenses					(201,438)
Finance costs					(1,705,032)
Share of associates accounted for using the equity method					3,291
Profit before income tax					$ (80,412)

Segment profit represented the profit before tax earned by each segment without allocation of central administration costs and directors’ salaries, rental revenue, interest income, gains or losses on disposals of financial instruments, foreign exchange gains or losses, valuation gains or losses on financial instruments, finance costs and income tax expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

b. Geographical information

The Group operates in three principal geographical areas - USA, Taiwan and China.

The Group's revenue from continuing operations from external customers and information about its non-current assets by geographical location are detailed below:

	Revenue from External Customers For the Year Ended December 31 2021	2020
USA	$ 88,736,475	$ 52,652,621
China	1,156,369	1,241,671
Taiwan	4,471,082	3,420,046
Others	2,522,322	1,920,571
	$ 96,886,248	$ 59,234,909

	Non-current Assets December 31 2021	2020
USA	$ 20,064,179	$ 20,646,381
China	667,677	927,644
Taiwan	5,747,606	5,180,388
Others	991,425	1,045,013
	$ 27,470,887	$ 27,799,426

Non-current assets excluded those classified as investments accounted for using the equity method financial instruments (include prepayments for investments), goodwill and deferred tax assets.

c. Information about major customers

The customer contributing 10% or more to the Group's revenue was as follows:

	For the Year Ended December 31			
	2021		2020	
	Amount	%	Amount	%
Customer A	$ 10,531,831	11	$ 4,746,874	8

TA CHEN STAINLESS PIPE CO., LTD. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing (Note 2)	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
0	The Company	Wei Mei Window, Inc.	Other receivables from related parties	Y	$ 60,000	$ 60,000	$ 60,000	-	2	$ -	Operating capital	$ -	None	$ -	$ 4,902,521	$ 19,610,084
1	Ta Chen (B.V.I.) Holdings Ltd.	TMCT Product, Inc.	Other receivables from related parties	Y	277,380	-	-	2%	2	-	Operating capital	-	None	-	1,763,546	1,763,546
2	Brighton-Best International (Taiwan) Inc.	Brighton-Best International (NZ), Limited	Other receivables from related parties	Y	1,443	-	-	-	1	7,254	-	-	None	-	7,254	8,505,981
		Brighton-Best International (NZ), Limited	Other receivables from related parties	Y	5,068	4,723	-	-	2	-	Operating capital	-	None	-	3,917,686	7,841,261
		Brighton-Best International (AU), Pty Ltd.	Other receivables from related parties	Y	202,302	105,750	105,750	-	1	587,170	-	-	None	-	587,170	8,505,981
		Brighton-Best International (Brasil), Comercio de Parafusos Ltda.	Other receivables from related parties	Y	37,027	36,197	30,371	-	1	77,550	-	-	None	-	77,550	8,505,981
		Brighton-Best International (Brasil), Comercio de Parafusos Ltda.	Other receivables from related parties	Y	17,121	-	-	-	2	-	Operating capital	-	None	-	3,917,686	7,841,261
		Brighton-Best International（UK）, Limited	Other receivables from related parties	Y	8,639	-	-	-	1	136,803	-	-	None	-	136,803	8,505,981
		Brighton-Best International, Inc.	Other receivables from related parties	Y	197,456	-	-	-	1	6,724,348	-	-	None	-	6,724,348	8,505,981
3	Brighton-Best International, Inc.	Brighton-Best International (Brasil), Comercio de Parafusos Ltda.	Other receivables from related parties	Y	85,605	83,040	83,040	-	2	-	Operating capital	-	None	-	1,804,234	3,615,383
		Brighton-Best International (Canada), Inc.	Other receivables from related parties	Y	71,338	69,200	-	-	2	-	〃	-	None	-	1,804,234	3,615,383
4	Brighton-Best International (AU), Pty Ltd.	Brighton-Best International (NZ), Limited	Other receivables from related parties	Y	44,176	44,176	39,355	-	2	-	〃	-	None	-	170,769	341,538
5	Ta Chen Empire Co., Ltd.	Ta Chen International, Inc.	Other receivables from related parties	Y	2,036,515	-	-	-	1	1,550,573	-	-	None	-	1,550,573	2,356,112
		Empire Resources, Inc.	Other receivables from related parties	Y	564,934	-	-	-	1	347,713	-	-	None	-	347,713	2,356,112
		Brighton-Best International (Taiwan) Inc.	Other receivables from related parties	Y	1,000,000	-	-	-	2	-	Operating capital	-	None	-	1,178,056	2,356,112
6	Empire Resources, Inc.	8911 Kelso Drive	Other receivables from related parties	Y	104,825	-	-	-	2	-	〃	-	None	-	3,377,410	3,377,410
		Ta Chen International, Inc.	Other receivables from related parties	Y	2,758,405	2,758,405	960,496	-	2	-	〃	-	None	-	3,377,410	3,377,410
		Imbali Metals BVBA	Other receivables from related parties	Y	222,480	222,480	175,432	1M LIBOR+1.75%	2	-	Operating capital	-	None	-	3,377,410	3,377,410
7	Primus Pipe and Tube Holding, Inc.	Ta Chen International, Inc.	Other receivables from related parties	Y	13,400	13,400	13,400	1M LIBOR+1.75%	2	-	〃	-	None	-	944,690	944,690
8	Ta Chen (Hong Kong) Limited	Ta Chen (Boye) Co., Ltd.	Other receivables from related parties	Y	333,136	194,298	194,298	4.5%	2	-	〃	-	None	-	1,125,170	1,125,170
		The Company	Other receivables from related parties	Y	692,000	692,000	692,000	-	2	-	〃	-	None	-	1,125,170	1,125,170
		Ta Chen International, Inc.	Other receivables from related parties	Y	740,480	-	-	-	2	-	〃	-	None	-	1,125,170	1,125,170
9	Ta Chen International, Inc.	Primus Pipe and Tube, Inc.	Other receivables from related parties	Y	245,880	-	-	Prime-0.125%	2	-	〃	-	None	-	34,821,769	34,821,769
10	TCI Investment Group, Inc.	Ta Chen International, Inc.	Other receivables from related parties	Y	44,235	-	-	-	2	-	〃	-	None	-	160,403	160,403
11	8911 Kelso Drive	Empire Resources. Inc.	Other receivables from related parties	Y	83,790	80,655	80,655	-	2	-	〃	-	None	-	81,450	81,450

Note 1:

	Financing Limit for Each Borrower	Aggregate Financing Limit
The Company	10% of net worth in recently audited financial statements or reviewed financial statements	40% of net worth in recently audited financial statements or reviewed financial statements
Ta Chen (B.V.I.) Holdings Ltd.	100% of net worth in recently audited financial statements or reviewed financial statements	100% of net worth in recently audited financial statements or reviewed financial statements
Brighton-Best International (Taiwan) Inc.	For business transaction: Recently business transaction amount	For business transaction: Recently business transaction amount plus 40% of net worth in recently audited financial statements or reviewed financial statements
	For short-term financing: 20% of net worth in recently audited financial statements or reviewed financial statements	For short-term financing: 40% of net worth in recently audited financial statements or reviewed financial statements
Brighton-Best International, Inc.	20% of net worth in recently audited financial statements or reviewed financial statements	40% of net worth in recently audited financial statements or reviewed financial statements
Brighton-Best International (AU), Pty Ltd.	20% of net worth in recently audited financial statements or reviewed financial statements	40% of net worth in recently audited financial statements or reviewed financial statements
Ta Chen Empire Co., Ltd.	Recently business transaction amount or 20% of net worth in recently audited financial statements or reviewed financial statements	Recently business transaction amount plus 40% of net worth in recently audited financial statements or reviewed financial statements
Ta Chen International Inc.	100% of net worth in recently audited financial statements or reviewed financial statements	100% of net worth in recently audited financial statements or reviewed financial statements
Empire Resources, Inc.	100% of net worth in recently audited financial statements or reviewed financial statements	100% of net worth in recently audited financial statements or reviewed financial statements
Primus Pipe and Tube Holding, Inc.	Recently business transaction amount and not exceed 40% of net worth in recently audited financial statements or reviewed financial statements	100% of net worth in recently audited financial statements or reviewed financial statements
TA CHEN (Changshu) Co., Ltd.	100% of net worth in recently audited financial statements or reviewed financial statements	100% of net worth in recently audited financial statements or reviewed financial statements
Ta Chen (Hong Kong) Limited	Recently business transaction amount and not exceed 40% of net worth in recently audited financial statements or reviewed financial statements	500% of net worth in recently audited financial statements or reviewed financial statements
TCI Investment Group, Inc.	Recently business transaction amount and not exceed 40% of net worth in recently audited financial statements or reviewed financial statements	100% of net worth in recently audited financial statements or reviewed financial statements

The net worth mentioned above is the total equity attributable to owners of the lender.

Note 2: The nature for financing is as follows:

1) Business transaction

2) The need for short-term financing

TA CHEN STAINLESS PIPE CO., LTD. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 1)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 1)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	The Company	Ta Chen (B.V.I.) Holdings Ltd.	Subsidiary	$ 98,050,420	$ 4,082,423	$ 4,082,423	$ 99,873	$ -	8		Y	N	N
		Ta Chen (Hong Kong) Limited	Subsidiary	98,050,420	2,138,760	2,138,760	2,138,760	-	4		Y	N	N
		Lungmei Curtain Inc.	Subsidiary	98,050,420	200,000	200,000	200,000	-	-		Y	N	N
		Ta Chen (Shijiazhuang) Co., Ltd.	Sub-subsidiary	98,050,420	145,700	145,700	145,700	-	-		Y	N	Y
		Empire Resources, Inc.	Sub-subsidiary	98,050,420	181,170	181,170	181,170	-	-		Y	N	N
		Ta Chen (Boye) Co., Ltd.	Sub-subsidiary	98,050,420	162,396	154,980	154,980	-	-		Y	N	Y
		TMCT Products, Inc.	Sub-subsidiary	98,050,420	174,132	174,132	174,132	-	-	$ 98,050,420	Y	N	N
1	Brighton-Best International (Taiwan) Inc.	Brighton-Best International (AU), Pty Ltd.	Subsidiary	15,682,522	132,987	120,722	-	-	0.62		Y	N	N
		Ta Chen Empire Co., Ltd.	Subsidiary	15,682,522	3,065,000	-	-	-	-		Y	N	N
		Brighton-Best International (NZ), Limited	Subsidiary	15,682,522	93,568	87,198	-	-	0.44	19,603,153	Y	N	N
2	Ta Chen International, Inc.	Empire Resources Pacific, Ltd.	Sub-subsidiary	69,643,538	29,230,500	29,230,500	29,230,500	-	84		N	N	N
		TCI Investment Group, Inc.	Subsidiary	69,643,538	29,230,500	29,230,500	29,230,500	-	84		N	N	N
		Empire Resources, Inc.	Subsidiary	69,643,538	29,230,500	29,230,500	29,230,500	-	84		N	N	N
		TCI Texarkana, Inc.	Subsidiary	69,643,538	33,396,800	33,396,800	31,044,000	-	96		N	N	N
		Primus Pipe and Tube Holding, Inc.	Subsidiary	69,643,538	29,230,500	29,230,500	29,230,500	-	84		N	N	N
		Primus Pipe and Tube, Inc.	Sub-subsidiary	69,643,538	29,230,500	29,230,500	29,230,500	-	84		N	N	N
		Imbali Metals BVBA	Sub-subsidiary	69,643,538	711,400	711,400	711,400	-	2		N	N	N
		Empire Resources (UK) Limited.	Sub-subsidiary	69,643,538	711,400	711,400	711,400	-	2	69,643,538	N	N	N
3	Empire Resources, Inc.	Ta Chen International, Inc.	Parent company	67,548,200	29,230,500	29,230,500	29,230,500	-	865		N	N	N
		Empire Resources Pacific, Ltd.	Subsidiary	67,548,200	29,230,500	29,230,500	29,230,500	-	865		N	N	N
		TCI Investment Group, Inc.	Fellow subsidiaries	67,548,200	29,230,500	29,230,500	29,230,500	-	865		N	N	N
		TCI Texarkana, Inc.	Fellow subsidiaries	67,548,200	29,230,500	29,230,500	29,230,500	-	865		N	N	N
		Primus Pipe and Tube Holding, Inc.	Fellow subsidiaries	67,548,200	29,230,500	29,230,500	29,230,500	-	865		N	N	N
		Primus Pipe and Tube, Inc.	Fellow subsidiaries	67,548,200	29,230,500	29,230,500	29,230,500	-	865	67,548,200	N	N	N
4	TCI Investment Group, Inc.	Ta Chen International, Inc.	Parent company	56,141,050	29,230,500	29,230,500	29,230,500	-	18,223		N	N	N
		Empire Resources Pacific, Ltd.	Fellow subsidiaries	56,141,050	29,230,500	29,230,500	29,230,500	-	18,223		N	N	N
		Empire Resources, Inc.	Fellow subsidiaries	56,141,050	29,230,500	29,230,500	29,230,500	-	18,223		N	N	N
		TCI Texarkana, Inc.	Fellow subsidiaries	56,141,050	29,230,500	29,230,500	29,230,500	-	18,223		N	N	N
		Primus Pipe and Tube Holding, Inc.	Fellow subsidiaries	56,141,050	29,230,500	29,230,500	29,230,500	-	18,223		N	N	N
		Primus Pipe and Tube, Inc.	Fellow subsidiaries	56,141,050	29,230,500	29,230,500	29,230,500	-	18,223	56,141,050	N	N	N
5	Empire Resources Pacific, Ltd.	Ta Chen International, Inc.	Parent company	8,280,000	29,230,500	29,230,500	29,230,500	-	10,590,761		N	N	N
		TCI Investment Group, Inc.	Fellow subsidiaries	8,280,000	29,230,500	29,230,500	29,230,500	-	10,590,761		N	N	N
		Empire Resources, Inc.	Parent company	8,280,000	29,230,500	29,230,500	29,230,500	-	10,590,761		N	N	N
		TCI Texarkana, Inc.	Fellow subsidiaries	8,280,000	29,230,500	29,230,500	29,230,500	-	10,590,761		N	N	N
		Primus Pipe and Tube Holding, Inc.	Fellow subsidiaries	8,280,000	29,230,500	29,230,500	29,230,500	-	10,590,761		N	N	N
		Primus Pipe and Tube, Inc.	Fellow subsidiaries	8,280,000	29,230,500	29,230,500	29,230,500	-	10,590,761	8,280,000	N	N	N
6	Primus Pipe and Tube Holding, Inc.	Ta Chen International, Inc.	Parent company	33,064,150	29,230,500	29,230,500	29,230,500	-	3,094		N	N	N
		Empire Resources, Inc.	Fellow subsidiaries	33,064,150	29,230,500	29,230,500	29,230,500	-	3,094		N	N	N
		TCI Investment Group, Inc.	Fellow subsidiaries	33,064,150	29,230,500	29,230,500	29,230,500	-	3,094		N	N	N
		Empire Resources Pacific, Ltd.	Fellow subsidiaries	33,064,150	29,230,500	29,230,500	29,230,500	-	3,094		N	N	N
		TCI Texarkana, Inc.	Fellow subsidiaries	33,064,150	29,230,500	29,230,500	29,230,500	-	3,094		N	N	N
		Primus Pipe and Tube, Inc.	Subsidiary	33,064,150	29,230,500	29,230,500	29,230,500	-	3,094	33,064,150	N	N	N
7	Primus Pipe and Tube, Inc.	Ta Chen International, Inc.	Parent company	39,097,190	29,230,500	29,230,500	29,230,500	-	4,112		N	N	N
		Empire Resources, Inc.	Fellow subsidiaries	39,097,190	29,230,500	29,230,500	29,230,500	-	4,112		N	N	N
		TCI Investment Group, Inc.	Fellow subsidiaries	39,097,190	29,230,500	29,230,500	29,230,500	-	4,112		N	N	N
		Empire Resources Pacific, Ltd.	Fellow subsidiaries	39,097,190	29,230,500	29,230,500	29,230,500	-	4,112		N	N	N
		TCI Texarkana, Inc.	Fellow subsidiaries	39,097,190	29,230,500	29,230,500	29,230,500	-	4,112		N	N	N
		Primus Pipe and Tube Holding, Inc.	Parent company	39,097,190	29,230,500	29,230,500	29,230,500	-	4,112	39,097,190	N	N	N
8	TCI Texarkana, Inc.	Empire Resources Pacific, Ltd.	Fellow subsidiaries	32,864,120	29,230,500	29,230,500	29,230,500	-	445		N	N	N
		Primus Pipe and Tube Holding, Inc.	Fellow subsidiaries	32,864,120	29,230,500	29,230,500	29,230,500	-	445		N	N	N
		Primus Pipe and Tube, Inc.	Fellow subsidiaries	32,864,120	29,230,500	29,230,500	29,230,500	-	445		N	N	N
		TCI Investment Group, Inc.	Fellow subsidiaries	32,864,120	29,230,500	29,230,500	29,230,500	-	445		N	N	N
		Empire Resources, Inc.	Fellow subsidiaries	32,864,120	29,230,500	29,230,500	29,230,500	-	445		N	N	N
		Ta Chen International, Inc.	Parent company	32,864,120	29,230,500	29,230,500	29,230,500	-	445	32,864,120	N	N	N

Note 1:

	Endorsements/Guarantees Limit for Each Borrower	Aggregate Endorsements/Guarantees Limit
The Company	200% of net worth in recently audited financial statements or reviewed financial statements	200% of net worth in recently audited financial statements or reviewed financial statements
Brighton-Best International (Taiwan) Inc.	80% of net worth in recently audited financial statements or reviewed financial statements	100% of net worth in recently audited financial statements or reviewed financial statements
Ta Chen International, Inc.	200% of net worth in recently audited financial statements or reviewed financial statements	200% of net worth in recently audited financial statements or reviewed financial statements
Empire Resources, Inc.	2,000% of net worth in recently audited financial statements or reviewed financial statements	2,000% of net worth in recently audited financial statements or reviewed financial statements
TCI Investment Group, Inc.	35,000% of net worth in recently audited financial statements or reviewed financial statements	35,000% of net worth in recently audited financial statements or reviewed financial statements
Empire Resources Pacific, Ltd.	3,000,000% of net worth in recently audited financial statements or reviewed financial statements	3,000,000% of net worth in recently audited financial statements or reviewed financial statements
Primus Pipe and Tube Holding, Inc.	3,500% of net worth in recently audited financial statements or reviewed financial statements	3,500% of net worth in recently audited financial statements or reviewed financial statements
Primus Pipe and Tube, Inc.	5,500% of net worth in recently audited financial statements or reviewed financial statements	5,500% of net worth in recently audited financial statements or reviewed financial statements
TCI Texarkana, Inc.	500% of net worth in recently audited financial statements or reviewed financial statements	500% of net worth in recently audited financial statements or reviewed financial statements

TABLE 3

TA CHEN STAINLESS PIPE CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021			
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value
The Company	Mutual funds						
	Nomura Global High Dividend Fund Accumulate TWD	None	Financial assets at fair value through profit or loss - current	42,757.8	$ 983	-	$ 983
	Yuanta New ASEAN Balanced Fund USD	″	″	600,000	5,316	-	5,316
	Capital ASEAN Fund TWD	″	″	61,156.3	664	-	664
	O-Bank No.1 Real Estate Investment Trust	″	″	1,000,000	9,110	-	9,110
	Eastspring Investment Capital Protected Fund Series	″	″	15,000	4,351	-	4,351
	Capital Conservative Allocation Fund of Funds A TWD	″	″	200,000	1,946	-	1,946
	Union Multi-Asset High Income Fund A TWD	″	″	200,000	1,818	-	1,818
	Amundi TW - US Dollar Core Fixed Income Fund - A2 TWD	″	″	100,000	1,001	-	1,001
	Shin Kong Hang Seng TECH Index Fund (TWD)	″	″	100,000	548	-	548
	UBS (TW) Bond Fund - Fixed Income Fund of Funds (TWD) A	″	″	200,000	1,814	-	1,814
	PGIM USD High Yield Bond Fund-TWD(A)	″	″	200,000	2,020	-	2,020
	TCB Global Healthcare M-A Income Fund A TWD	″	″	500,000	5,020	-	5,020
	PineBridge ESG Quantitative Income & Growth Fund A USD	″	″	27,863.17	8,210	-	8,210
	KGI ESG Sustainable Emerging Market Bond Fund - TWD A	″	″	500,000	4,907	-	4,907
	KGI ESG Sustainable Emerging Market Bond Fund - USD A	″	″	15,000	4,076	-	4,076
	PineBridge ESG Quantitative Global Equity Fund A (TWD)	″	″	150,000	1,576	-	1,576
	Amundi Funds - Global Ecology ESG U USD (C)	″	″	373.92	855	-	855
	HSBC ESG Sustainable Multi-Asset Fund of Funds ACHTWD	″	″	150,000	1,485	-	1,485
	FSITC Glbl Artificl Intlignc Fd TWD	″	″	78,658	1,455	-	1,455
	ABITL US Umbrella Fund - ABITL US Growth Fund - A2 TWD	″	″	250,417	3,100	-	3,100
	BlackRock Global Funds - Global Allocation Fund A2	″	″	1,947.29	4,172	-	4,172
					$ 64,427		$ 64,427
	Unlisted shares - ROC						
	IBT VII Venture Capital Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	435,296	$ 4,353	2.5	$ 4,353
	Sunny Bank Ltd.	″	″	1,633,531	12,000	0.05	12,000
	JING YUH Metal Industrial Co., Ltd.	″	″	870,000	48,720	9.09	48,720
	Greencasa Co., Ltd.	″	″	553,824	10,799	18	10,799
					$ 75,872		$ 75,872
Los Osos Holding, Inc.	Foreign listed shares						
	PT Alumindo Light Metal Industry Tbk	None	Financial assets at fair value through other comprehensive income - non-current	32,822,200	$ 19,097	0.86	$ 19,097
	Hulamin Ltd.	″	″	6,530,732	52,102	2.12	52,102
					$ 71,199		$ 71,199
Brighton-Best International (Taiwan) Inc.	Unlisted shares - ROC						
	Tung Mung Development Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	34,174,790	$ 420,350	9.6	$ 420,350
	Listed shares - ROC						
	Right Way Industrial Co., Ltd.	″	″	16,000,000	$ 176,480	8.93	$ 176,480
	Listed shares - ROC						
	Ta Chen Stainless Pipe Co., Ltd.	Parent company	Financial assets at fair value through profit or loss - current	4,218,720	$ 195,116	0.21	$ 195,116
	Ta Chen Stainless Pipe Co., Ltd	Parent company	Financial assets at fair value through other comprehensive income - non-current	133,735,280	$ 6,185,257	6.66	$ 6,185,257
Ta Chen Empire Co., Ltd. (TEC)	Listed shares - ROC						
	Ta Chen Stainless Pipe Co., Ltd.	Ultimate parent company	Financial assets at fair value through profit or loss - current	5,137,423	$ 237,606	0.26	$ 237,606
	Ta Chen Stainless Pipe Co., Ltd.	″	Financial assets at fair value through other comprehensive income - non-current	96,470,145	$ 4,461,744	4.8	$ 4,461,744

Note1: The marketable securities in Table 3 refer to equity securities, debt securities, mutual funds and securities derived from the list above.

Note2: Refer to Table 8 and Table 9 for information regarding investment in subsidiaries.

TABLE 4

TA CHEN STAINLESS PIPE CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Other	Ending Balance	
					Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Carrying Amount	Gain (Loss) on Disposal	Amount	Number of Shares	Amount
Ta Chen (B.V.I) Holdings. Ltd.	Ta Chen (Changshu) Co., Ltd.	Investments accounted for using the equity method	－	Subsidiary	-	$ 412,092	-	$ -	-	$ 370,485	$ 412,092	($ 41,607)	$ -	-	$ -
Brighton-Best International (Taiwan) Inc.	Ta Chen Stainless Pipe Co., Ltd. - Listed shares - ROC	Financial assets at fair value through other comprehensive income - on-current	－	Parent company	60,930,600	1,907,127	72,804,680	3,240,091	-	-	-	-	1,038,039 (Note)	133,735,280	6,185,257
Ta Chen Empire Co., Ltd.	Ta Chen Stainless Pipe Co., Ltd. - Listed shares - ROC	Financial assets at fair value through profit or loss – current	－	ultimate parent entity	11,784,423	368,852	1,977,000	49,733	8,624,000	497,014	497,014	-	316,035 (Note)	5,137,423	237,606
	Ta Chen Stainless Pipe Co., Ltd. - Listed shares - ROC	Financial assets at fair value through other comprehensive income - on-current	－	ultimate parent entity	-	-	96,470,145	4,302,889	-	-	-	-	158,855 (Note)	96,470,145	4,461,744

Note: Valuation interest.

TA CHEN STAINLESS PIPE CO., LTD. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
The Company	Ta Chen International, Inc.	Subsidiaries (100% ownership)	(Sale)	$ (13,081,124)	(86)	Within 120-180 days	The price is decided taking both local market price in the US and the operation costs of TCI into consideration. There is no third-party that could be compared	For third-party, 90 days for domestic sales and 30-90 days for export sales.	$ 6,543,647	95	-
	Ta Chen (Hong Kong) Limited.	Subsidiaries (100% ownership)	(Sale)	(168,648)	(1)	Within 180 days	No third-party could be compared	No third-party could be compared	-	-	-
Ta Chen International, Inc.	Empire Resources, Inc.	Fellow subsidiaries Subsidiaries (100% ownership)	(Sale)	(1,047,580)	(2)	Within 60 days	The price is decided taking both local market price in the US and the operation cost of TCI into consideration	Same	6,515	-	-
	TCI Texarkana, Inc.	Subsidiaries (100% ownership)	Purchase	11,712,773	28	Within 30 days	The price is decided taking both local market price in the US and the operation cost of TCI into consideration	Same	(675,503)	(8)	-
	Primus Pipe and Tube, Inc.	Fellow subsidiaries	Purchase	526,732	1	Within 30 days	General market price	Same	(51,934)	(1)	-
	Ta Chen (Hong Kong) Limited.	Fellow subsidiaries	Purchase	168,648	-	Within 120-180 days	The price is decided taking both local market price in the US and the operation cost of TCI into consideration	No third-party could be compared	-	-	-
Empire Resources, Inc.	TCI Texarkana, Inc.	Subsidiaries (100% ownership)	Purchase	1,760,624	69	Within 30 days	General market price	Same	(104,375)	(53)	-
Ta Chen (Shijiazhuang) Co., Ltd.	Ta Chen (Boye) Co., Ltd.	Subsidiaries (100% ownership)	Purchase	214,351	51	T/T 90 days	General market price consideration. There is no third-party that could be compared.	Same	(41,960)	(51)	-
Brighton-Best International (Taiwan) Inc.	Brighton-Best International, Inc.	Subsidiaries (100% ownership)	(Sale)	(6,720,795)	(84)	Within 180 days	No third-party could be compared	No third-party could be compared	2,077,534	78	-
Brighton-Best International (Taiwan), Inc.	Brighton-Best International (AU), Pty Ltd.	Subsidiaries (100% ownership)	(Sale)	(586,623)	(7)	Within 180 days	No third-party could be compared	No third-party could be compared	304,376	11	-
	Brighton-Best International (Canada), Inc.	Subsidiaries (100% ownership)	(Sale)	(452,660)	(6)	Within 180 days	No third-party could be compared	No third-party could be compared	175,587	7	-
	Brighton-Best International (UK), Limited	Subsidiaries (100% ownership)	(Sale)	(136,592)	(2)	Within 180 days	No third-party could be compared	No third-party could be compared	43,040	2	-
	Fang Sheng Screw Co., Ltd.	Corporate directors	Purchase	440,106	7	Within 45-90 days or prepaid	No third-party could be compared	Note	(55,919)	(9)	-
	Jinn Her Enterprise Co., Ltd.	Corporate directors	Purchase	303,226	4	T/T 45 days after final acceptance or prepaid	No third-party could be compared	Note	(5,460)	(1)	-
	Tong Win International Co., Ltd.	Referred party in substance	Purchase	1,088,355	16	T/T 5 days after acceptance	No third-party could be compared	Note	(16,833)	(3)	-
	Winlink Fasteners Co., Ltd.	Referred party in substance	Purchase	209,926	3	T/T 5 days after acceptance	No third-party could be compared	Note	(19,326)	(3)	-
Brighton-Best International, Inc.	Jinn Her Enterprise Co., Ltd.	Corporate directors of parent entity	Purchase	541,059	6	T/T 45 days after final acceptance or prepaid	No third-party could be compared	Note	(6,424)	-	-
Ta Chen Empire Co., Ltd.	Ta Chen International, Inc.	Fellow subsidiaries	(Sale)	(2,127,060)	(100)	Within 180 days	No third-party could be compared	No third-party could be compared	466,859	100	-

Note: The payment term for third parties is prepaid or 0 to 90 days.

TA CHEN STAINLESS PIPE CO., LTD. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Related Party	Relationship	Ending Balance (Note 1)	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
The Company	Ta Chen International, Inc.	Subsidiaries (100% ownership)	$ 6,543,647	2.78	$ -	-	$ 1,904,789	$ -
Ta Chen (B.V.I.) Holdings Ltd.	Ta Chen (Shijiazhuang) Co., Ltd.	Subsidiaries (93.14% ownership)	197,668	Note 3	-	-	-	-
TCI Texarkana, Inc.	Ta Chen International, Inc.	Parent company	675,503	13.84	-	-	-	-
	Empire Resources, Inc.	Fellow subsidiaries	104,375	10.17	-	-	-	-
Empire Resources, Inc.	Ta Chen International, Inc.	Parent company	960,496	Note 2	-	-	-	-
	Imbali Metals BVBA	Subsidiaries (100% ownership)	175,432	Note 2	-	-	-	-
Ta Chen (Hong Kong) Limited	Ta Chen (Boye) Co., Ltd.	Subsidiaries (100% ownership)	194,298	Note 2	-	-	-	-
	The Company	Parent Company	692,000	Note 2	-	-	-	-
Brighton-Best International (Taiwan) Inc.	Brighton-Best International, Inc.	Subsidiaries (100% ownership)	2,077,534	2.99	-	-	2,077,534	-
	Brighton-Best International（AU）, Pty Inc.	Subsidiaries (100% ownership)	304,376	2.24	-	-	106,646	-
	Brighton-Best International（AU）, Pty Inc.	Subsidiaries (100% ownership)	105,750	Note 2	-	-	25,322	-
	Brighton-Best International（Canada）, Inc.	Subsidiaries (100% ownership)	175,587	3.01	-	-	132,314	-
Ta Chen Empire Co., Ltd.	Ta Chen International, Inc.	Fellow subsidiaries	466,859	4.05	-	-	97,907	-

Note1: The ending balance of receivables includes both trade receivables-related parties and other receivables-related parties.

Note2: The ending balance primarily consists of other receivables for financing purpose, which is not applicable for the calculation of turnover rate.

Note3: The ending balance primarily consists of dividends receivable, which is not applicable for the calculation of turnover rate.

TA CHEN STAINLESS PIPE CO., LTD. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2021
(Amounts in Thousands of New Taiwan Dollars)

No.	Investee Company	Counterparty	Relationship (Note)	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms	% of Total Sales or Assets
0	The Company	Ta Chen International Inc.	1	Revenue from sale of goods	$ 13,081,124	The price is decided by taking both local market price in the US and the operation costs of TCI into consideration. Collection term is 4-6 months.	14
		〃	1	Accounts receivables	6,543,647	-	6
		Ta Chen (Hong Kong) Limited	1	Revenue from sale of goods	168,648	No comparable transactions available	-
		〃	1	Other Payable	692,000	-	1
		Lung Mei Cloth Co., Ltd.	1	Revenue from sale of goods	66,398	-	-
		〃	1	Accounts receivable	8,438	-	-
		Wei Mei Roller Blind Co., Ltd.		Other receivable	60,000		-
1	Ta Chen International Inc.	Ta Chen (Hong Kong) Limited	3	Cost of goods sold	168,648	The price is decided by taking both local market price in the US and the operation costs of TCI into consideration. Collection term is 4-6 months.	-
		Primus Pipe and Tube Inc.	3	Cost of goods sold	526,732	General market price, payment term is 40 days	1
		〃	3	Accounts payable	51,934	-	-
		TCI Texarkana, Inc.	3	Revenue from sale of goods	72,393	The price is decided by taking both local market price in the US and the operation costs of TCI into consideration. Collection term is 4-6 months.	-
		〃	3	Accounts receivable	16,990	-	-
		〃	3	Cost of goods sold	11,712,773	-	12
		〃	3	Accounts Payable	675,503	The price is decided by taking both local market price in the US and the operation costs of TCI into consideration. Collection term is 1 month.	1
		〃	3	Other receivable	14,623,344	-	14
		Empire Resources, Inc.	3	Revenue from sale of goods sold	1,047,580	The price is decided by taking both local market price in the US and the operation costs of TCI into consideration. Collection term is 1 month.	1
		〃	3	Accounts receivable	6,515	-	-
		〃	3	Other payable	960,496	-	1
		Ta Chen Empire Co., Ltd.	3	Cost of goods sold	2,127,060	General market price, payment term is 4~6 months	2
		〃	3	Accounts payable	466,859	-	-
2	Empire Resources, Inc.	TCI Texarkana, Inc.	3	Cost of goods sold	1,760,624	No comparable transactions available	2
		〃	3	Accounts payable	104,375	-	-
		Imbali Metals BVBA	3	Other receivable	175,432	-	-
		8911 Kelso Drive	3	Other payable	80,655	-	-
3	Ta Chen (B.V.I.) Holdings Ltd.	Ta Chen (Shijiazhuang) Co., Ltd.	3	Other receivables	197,668	-	-
4	Ta Chen (Hong Kong) Limited	Ta Chen (Boye) Co., Ltd.	3	Other receivables	194,298	-	-

(Continued)

No.	Investee Company	Counterparty	Relationship (Note)	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms	% of Total Sales or Assets
5	Ta Chen (Shijiazhuang) Co., Ltd	Ta Chen (Boye) Co., Ltd.	3	Cost of goods sold	$ 214,351	General market price, payment term is 3 months	-
		〃	3	Accounts payable	41,960	-	-
6	Brighton-Best International (Taiwan) Inc.	Brighton-Best International, Inc.	1	Revenue from sale of goods	6,720,795	No comparable transactions available	7
		〃	1	Accounts receivables	2,077,534	-	2
		〃	1	Non-operating income	134,534	No comparable transactions available	-
		Brighton-Best International (Canada), Inc.	1	Revenue from sale of goods	452,660	No comparable transactions available	-
		〃	1	Accounts receivables	175,587	-	-
		Brighton-Best International (UK), Inc.	1	Revenue from sale of goods	136,592	No comparable transactions available	-
		〃	1	Accounts receivables	43,040	-	-
		Brighton-Best International (AU), Pty Ltd.	1	Revenue from sale of goods	586,623	No comparable transactions available	1
		〃	1	Accounts receivables	304,376	-	-
		〃	1	Other receivables	105,750	-	-
		Brighton-Best International (NZ), Limited	1	Revenue from sale of goods	7,254	No comparable transactions available	-
		〃	1	Accounts receivables	4,363	-	-
		Brighton-Best International (Brasil), Limited - Comercio de Parafusos Ltdu.	1	Revenue from sale of goods	77,550	No comparable transactions available	-
		〃	1	Accounts receivables	53,565	-	-
		〃	1	Other receivable	42,170	-	-
7	Brighton-Best International, Inc.	Brighton-Best International (Canada), Inc.	3	Revenue from sale of goods	65,690	By contractual terms	-
		〃	3	Accounts receivables	18,548	-	-
		〃	3	Other receivables	2,751	-	-
		Brighton-Best International (AU), Pty Ltd.	3	Revenue from sale of goods	24,513	By contractual terms	-
		〃	3	Trade receivable	11,116	-	-
		Brighton-Best International (UK), Limited	3	Revenue from sale of goods	5,441	By contractual terms	-
		Brighton-Best International (NZ), Limited	3	Revenue from sale of goods	3,130	By contractual terms	-
			3	Accounts receirable	2,027	-	-
		Brighton-Best International (Brasil), Comercio de Parafusos Ltda.	3	Other receivables	83,040	-	-
	Brighton-Best International (AU), Pty Ltd.	Brighton-Best International (NZ), Limited	3	Revenue from sale of goods	26,436	By contractual terms	-
		〃	3	Accounts receivables	11,165	-	-
		〃	3	Other receivable	39,400	-	-

Note 1: The relationships with counterparties are as follows:

1) Parent to subsidiaries

2) Subsidiaries to parent

3) Subsidiaries to subsidiaries

(Concluded)

TA CHEN STAINLESS PIPE CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2021			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2021	December 31, 2020	Number of Shares	%	Carrying Amount			
The Company	Ta Chen International, Inc.	U.S.A	Manufacture and sale of stainless steel pipes, rolls and pipe fittings	$ 23,327,317	$ 23,327,317	734,836	100	$ 32,614,117	$ 7,641,401	$ 7,776,840	Note 2
	Ta Chen (B.V.I.) Holdings Ltd.	British Virgin Islands	Investment	990,817	990,817	32,625,300	100	1,762,704	(69,546)	(63,211)	Note 3
	Brighton-Best International (Taiwan) Inc.	Taiwan	Import, export and sale of screws and nuts	7,202,307	7,099,391	403,258,040	39.09	3,122,164	3,575,993	1,185,097	Note 7
	Pyramid Stainless Steel Co., Ltd.	Taiwan	Manufacture and sale of stainless steel rolls and plates	30,600	100,000	10,000,000	100	29,861	(705)	(705)	
	Lung Mei Cloth. Ltd.	Taiwan	Manufacture and sale of curtains and cloth products	206,468	124,800	13,833,414	69.17	164,774	(77,932)	(57,567)	Note 9
	Ta Chen (Hong Kong) Limited.	Hong Kong	Trade	279,720	279,720	10,000,000	100	225,034	(9,161)	(9,161)	
	TA CHEN (SAMOA) Holdings Ltd.	Samoa	Investment	-	-	-	-	-	-	-	Note 4
	Ta Chen Interior Design Co., Ltd.	Taiwan	Interior design	50,000	-	5,000,000	100	49,956	(44)	(44)	
Ta Chen International, Inc.	TCI Investment Group, Inc.	U.S.A	Import, export and sale of screws and nuts	94,950	94,950	3,000	100	160,403	23,575		
	Empire Resources, Inc.	U.S.A	Import, export and sale of stainless steel and aluminum products	1,714,340	1,714,340	8,250,455	100	3,377,410	464,750		
	Primus Pipe and Tube Holding, Inc.	U.S.A	Investment	877,540	877,540	29,000	100	944,690	97,066		
	TCI Texarkana, Inc.	U.S.A	Manufacture and sale of aluminum products	9,286,500	9,286,500	60,000	100	6,572,824	252,258		
Primus Pipe and Tube Holding, Inc.	Primus Pipe and Tube, Inc.	U.S.A	Manufacture and sale of stainless steel	873,575	873,575	1,000	100	710,858	94,655		
Empire Resources, Inc.	Empire Resources Pacific, Ltd.	U.S.A	Import, export and sale of stainless steel and aluminum products	-	-	100	100	276	(2,309)		Note 6
	Imbali Metals BVBA	Belgium	Import, export and sale of stainless steel and aluminum products	624	624	1,000	100	209,866	33,047		〃
	Empire Resources (UK) Ltd.	United Kingdom	Import, export and sale of stainless steel and aluminum products	208,224	208,224	5,400,000	100	288,193	21,922		〃
	8911 Kelso Drive	U.S.A	Import, export and sale of stainless steel and aluminum products	-	-	-	100	-	233		〃
Brighton-Best International (Taiwan) Inc.	Brighton-Best International, Inc.	U.S.A	Import, export, and sale of screws and nuts	5,801,521	5,801,521	186,480	100	8,322,140	2,078,651		Note 2
	Brighton-Best International (AU), Pty Ltd.	Australia	Import and sale of screws and nuts	1,498,544	1,498,544	54,000,000	100	855,358	1,798		〃
	Brighton-Best International (Canada), Inc.	Canada	Import and sale of screws and nuts	381,149	381,149	12,003,893	100	664,549	147,148		〃
	Brighton-Best International (UK), Limited	United Kingdom	Import and sale of screws and nuts	453,097	453,097	9,200,000	100	406,722	44,106		〃
	Brighton-Best International (NZ), Limited	New Zealand	Import and sale of screws and nuts	19,328	19,328	1,000	100	14,139	4,895		〃
	Ta Chen Empire Co., Ltd.	Taiwan	Import, export, and sale of aluminium products	5,300,000	5,300,000	530,000,000	100	5,890,281	421,671		
	Brighton-Best (Hong Kong) Limited	Hong Kong	Investment	-	-	-	-	-	-		Note 8
	Brighton-Best International Inc. (Cayman)	Cayman	Investment	-	-	-	-	-	-		Note 5
Brighton-Best International, Inc.	Brighton-Best International (Brasil), Comercio de Parafusos Ltda.	Brazil	Import and sale of screws and nuts	6,486	6,486	3,996,000	100	(61,217)	7,645		
Brighton-Best (Hong Kong) Limited	Brighton-Best (Hong Kong) Holding Inc.	Hong Kong	Investment	-	-	-	-	-	-		Note 8
Ta Chen (B.V.I.) Holding, Inc.	TMCT Products, Inc.	U.S.A	Investment	126,140	14,740	4,500	100	106,461	(12,060)		
	Los Osos Holdings, Inc.	U.S.A	Investment	68,462	68,462	-	100	113,463	(36)		
	Clarke St. Property Holding, LLC	U.S.A	Investment	14,240	14,240	-	100	13,736	(102)		
TMCT Products, Inc.	Amerinox Texarkana, LLC	U.S.A	Manufacture of aluminum products	28	28	-	49	2,029	4,462		
Los Osos Holding, Inc.	Procurmore Trading, Inc.	U.S.A	Trade	557	-	-	100	554	-		

Note 1: Refer to Table 9 for information regarding investment in mainland China.

Note 2: The difference between the share of profit (loss) and net income (loss) of the investee was the effect of tax rate of unrealized gross profit.

Note 3: The difference between the share of profit (loss) and net income (loss) of the investee was the effect of realized gross profit from upstream transactions with sub-subsidiaries.

Note 4: Established in December 2015 and no investment funding has been remitted.

Note 5: Established in February 2016 and no investment funding has been remitted.

Note 6: It’s the trans-investment company of the acquired company; hence, no original investment amount is listed.

Note 7: The difference between the share of profit (loss) and net income (loss) of the investee was the effect of unrealized gross profit from sidestream transactions among subsidiaries.

Note 8: Established in May 2019 and no investment funding has been remitted.

Note 9: The difference is due to increasing shareholding of Lung Mei on April 1, 2021.

TA CHEN STAINLESS PIPE CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital (Note 2)	Method of Investment (Note 4)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021 (Note 2)	Remittance of Funds (Note 2)		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2021 (Note 2)	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 1 and 7)	Carrying Amount as of December 31, 2021	Accumulated Repatriation of Investment Income as of December 31, 2021	Note
					Outward	Inward							
Ta Chen (Shijiazhuang) Co., Ltd.	Manufacture and sale of stainless steel valves and casting products	$ 141,168	(2) Ta Chen (B.V.I.) Holdings Ltd.	$ 116,347	$ -	$ -	$ 116,347	$ 9,236	93.14	$ 8,602	$ 287,322	$ -	
Ta Chen (Boye) Co., Ltd.	Manufacture and sale of stainless steel valves and casting products	330,361	(2) Ta Chen (B.V.I.) Holdings Ltd.(Note 5)	275,195	-	-	275,195	144	100	144	421,069	-	
Ta Chen (Changshu) Co., Ltd.	Manufacture and sale of automotive casting products	276,800	(2) Ta Chen (B.V.I.) Holdings Ltd.	276,800	-	276,800	-	-	-	-	-	-	
Yinrong (Shanghai) Investment Management Limited	Investment	2,138	(3) The Company	2,138	-	-	2,138	33	100	32	6,022	-	
Cheng-Rong (Shanghai) International Trading Ltd. (Note 6)	Investment	-	(2) Brighton-Best International Inc. （Cayman）	-	-	-	-	-	-	-	-	-	

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2021 (Note 2)	Investment Amount Authorized by Investment Commission, MOEA (Note 2)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Note 3)
$ 393,680	$ 881,676	$ 29,415,126

Note 1: Calculated from the financial statements reviewed and attested by Taiwan parent company’s CPA.

Note 2: The amounts were calculated based on the foreign exchange rate as of December 31, 2021. (USD1:NTD27.68)

Note 3: The limit on investment in mainland China pursuant to “Principle of investment or Technical Cooperation in mainland China” is calculated as shown below:
$49,025,210 thousand x 60% = $29,415,126 thousand

Note 4: Methods of investment are classified as below:

1) Direct investment.

2) Investments through a holding company registered in a third region.

3) Others

Note 5: Inclusive of $61,424 thousand (US$1,993 thousand) capital increase out of retained earnings.

Note 6: Established in June 2016 and no investment funding has been remitted.

Note 7: The difference is caused by the recognition of amortization attributed to unrealized gain on selling assets.

TABLE 10

TA CHEN STAINLESS PIPE CO., LTD.

INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2021

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Brighton-Best International (Taiwan) Inc.	137,954,000	6.86
Ta Chen Empire Co., Ltd.	101,607,568	5.05

Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preference shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note 2: If a shareholder delivers the shareholdings to the trust, the above information will be disclosed by the individual trustor who opened the trust account. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, please refer to Market Observation Post System.

TABLE 11

TA CHEN STAINLESS PIPE CO., LTD. AND SUBSIDIARIES

MOVEMENTS OF PROPERTY, PLANT AND EQUIPMENT
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

	Land	Land Improvements	Buildings	Machinery and Equipment	Storage Equipment	Electrical Equipment	Transportation Equipment	Office Equipment	Molding Equipment	Leasehold Improvements	Leased Assets	Other Equipment	Property Under Construction	Total
Cost														
Balance at January 1, 2020	$ 4,031,433	$ 153,195	$ 4,253,968	$ 8,820,496	$ 1,807,858	$ 320,317	$ 172,983	$ 669,482	$ 249,377	$ 200,526	$ 1,810	$ 225,749	$ 1,013,139	$ 21,920,333
Additions	389,100	8,487	260,035	362,935	14,319	7,292	3,626	10,196	2,597	3,583	-	14,911	321,416	1,398,497
Disposals	(372,337)	(28,195)	(557,363)	(135,340)	(8,050)	(4,232)	(3,644)	(17,338)	(27,161)	-	-	(14,047)	(815)	(1,168,522)
Reclassifications	12,809	500	117,123	406,872	17,745	18,750	15,681	1,594	240	(1,505)	-	36,788	(363,741)	262,856
Effects of foreign currency exchange differences	(21,982)	(3,492)	36,785	(245,948)	(84,682)	-	(15,495)	(20,715)	-	(5,417)	(91)	49	25,378	(335,610)
Balance at December 31, 2020	$ 4,039,023	$ 130,495	$ 4,110,548	$ 9,209,015	$ 1,747,190	$ 342,127	$ 173,151	$ 643,219	$ 225,053	$ 197,187	$ 1,719	$ 263,450	$ 995,377	$ 22,077,554
Accumulated Depreciation														
Balance at January 1, 2020	$ -	$ 42,290	$ 1,102,924	$ 3,888,258	$ 1,287,165	$ 158,981	$ 121,474	$ 481,656	$ 243,042	$ 161,225	$ 1,810	$ 156,176	$ -	$ 7,645,001
Depreciation expenses	-	(246)	188,556	334,664	122,341	21,742	16,427	47,199	3,162	9,874	-	33,934	-	777,653
Disposals	-	-	(183,695)	(116,994)	(2,928)	(4,232)	(1,656)	(12,786)	(27,161)	-	-	(9,771)	-	(359,223)
Reclassifications	-	-	-	(106)	-	-	-	-	-	-	-	(54)	-	(160)
Effects of foreign currency exchange differences	-	(620)	(1,219)	(66,695)	(65,016)	-	244	(15,521)	-	(5,164)	(91)	(120)	-	(154,202)
Balance at December 31, 2020	$ -	$ 41,424	$ 1,106,566	$ 4,039,127	$ 1,341,562	$ 176,491	$ 136,489	$ 500,548	$ 219,043	$ 165,935	$ 1,719	$ 180,165	$ -	$ 7,909,069
Carrying amounts at December 31, 2020	$ 4,039,023	$ 89,071	$ 3,003,982	$ 5,169,888	$ 405,628	$ 165,636	$ 36,662	$ 142,671	$ 6,010	$ 31,252	$ -	$ 83,285	$ 995,377	$ 14,168,485
Cost														
Balance at January 1, 2021	$ 4,039,023	$ 130,495	$ 4,110,548	$ 9,209,015	$ 1,747,190	$ 342,127	$ 173,151	$ 643,219	$ 225,053	$ 197,187	$ 1,719	$ 263,450	$ 995,377	$ 22,077,554
Additions	27,359	919	65,127	309,797	33,059	230	28,019	19,436	5,620	9,978	-	9,614	240,240	749,398
Disposals	-	-	(431)	(70,150)	(5,105)	(600)	(12,804)	(11,042)	(1,125)	(2,344)	-	(8,509)	-	(112,110)
Reclassifications	802	-	614,089	144,219	-	-	-	(109,567)	243	226	-	18	(730,463)	(80,433)
Derecognized on disposal of a subsidiary	-	-	(215,959)	(337,886)	-	-	(12,320)	(12,856)	-	-	-	-	-	(579,021)
Acquisitions through business combinations	173,591	-	97,128	52,967	-	-	15,540	20,470	-	88,666	-	2,183	-	450,545
Effects of foreign currency exchange differences	4,206	(1,632)	(105,182)	(162,530)	(52,585)	-	(2,422)	(20,442)	-	(3,376)	(48)	(364)	(10,658)	(355,033)
Balance at December 31, 2021	$ 4,244,981	$ 129,782	$ 4,565,320	$ 9,145,432	$ 1,722,559	$ 341,757	$ 189,164	$ 529,218	$ 229,791	$ 290,337	$ 1,671	$ 266,392	$ 494,496	$ 22,150,900
Accumulated Depreciation and Impairment														
Balance at January 1, 2021	$ -	$ 41,424	$ 1,106,566	$ 4,039,127	$ 1,341,562	$ 176,491	$ 136,489	$ 500,548	$ 219,043	$ 165,935	$ 1,719	$ 180,165	$ -	$ 7,909,069
Depreciation expenses	-	7,970	166,952	430,682	112,490	22,099	15,950	28,312	3,686	17,391	-	34,238	-	839,770
Disposals	-	-	(185)	(67,536)	(3,251)	(600)	(11,277)	(10,255)	(1,125)	(2,261)	-	(8,467)	-	(104,957)
Reclassifications	-	-	-	99	-	-	-	(74,596)	-	28	-	-	-	(74,469)
Impairment losses recognized	-	-		37,965	-	-	-	-	-	-	-	-	-	37,965
Derecognized on disposal of a subsidiary	-	-	(123,627)	(251,622)	-	-	(8,230)	(14,101)	-	-	-	-	-	(397,580)
Acquisitions through business combinations	-	-	21,826	35,338	-	-	7,742	17,618	-	63,226	-	1,138	-	146,888
Effects of foreign currency exchange differences	-	(205)	(2,392)	(36,005)	(41,219)	1	(1,592)	(16,102)	(1)	(2,479)	(48)	(337)	-	(100,379)
Balance at December 31, 2021	$ -	$ 49,189	$ 1,169,140	$ 4,188,048	$ 1,409,582	$ 197,991	$ 139,082	$ 431,424	$ 221,603	$ 241,840	$ 1,671	$ 206,737	$ -	$ 8,256,307
Carrying amounts at December 31, 2021	$ 4,244,981	$ 80,593	$ 3,396,180	$ 4,957,384	$ 312,977	$ 143,766	$ 50,082	$ 97,794	$ 8,188	$ 48,497	$ -	$ 59,655	$ 494,496	$ 13,894,593