

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Silergy Corp.

Introduction

We have reviewed the accompanying consolidated balance sheets of Silergy Corp. and its subsidiaries as of September 30, 2020 and 2019, the related consolidated statements of comprehensive income for the three months ended September 30, 2020 and 2019 and for the nine months ended September 30, 2020 and 2019, the consolidated statements of changes in equity and cash flows for the nine months then ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the consolidated financial statements). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Conclusion

Based on our reviews nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not give a true and fair view of the consolidated financial position of Silergy Corp. and its subsidiaries as of September 30, 2020 and 2019, its consolidated financial performance for the three months ended September 30, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for the nine months ended September 30, 2020 and 2019 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Deloitte & Touche
Taipei, Taiwan
Republic of China

November 11, 2020

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

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

	September 30, 2020 (Reviewed)		December 31, 2019 (Audited after Restatement)		September 30, 2019 (Reviewed)	
	Amount	%	Amount	%	Amount	%
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	\$ 5,242,364	28	\$ 4,507,653	27	\$ 3,535,661	23
Financial assets at amortized cost - current	854,535	5	1,811,075	11	1,719,106	11
Accounts receivable, net	1,245,286	7	940,390	6	991,402	6
Other receivables	78,825	-	292,060	2	93,128	1
Inventories	2,457,972	13	1,923,495	11	1,621,218	10
Non-current assets held for sale	1,030,826	6	-	-	-	-
Prepayments	142,613	1	132,228	1	90,491	1
Total current assets	<u>11,052,421</u>	<u>60</u>	<u>9,606,901</u>	<u>58</u>	<u>8,051,006</u>	<u>52</u>
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current	1,148,577	6	1,608,505	9	1,596,118	10
Investments accounted for using equity method	1,254,201	7	509,379	3	544,992	4
Property, plant and equipment	1,165,051	6	1,122,619	7	1,066,929	7
Right-of-use assets	108,970	1	119,275	1	120,593	1
Investment properties	566,833	3	463,424	3	466,029	3
Goodwill	2,204,600	12	2,141,244	13	2,430,194	16
Other intangible assets	877,714	5	1,019,682	6	1,080,244	7
Deferred tax assets	33,375	-	29,427	-	32,043	-
Refundable deposits	40,510	-	43,035	-	46,166	-
Net defined benefit assets - non-current	1,193	-	1,160	-	1,348	-
Long-term prepayments	38,965	-	7,157	-	18,424	-
Total non-current assets	<u>7,439,989</u>	<u>40</u>	<u>7,064,907</u>	<u>42</u>	<u>7,403,080</u>	<u>48</u>
TOTAL	<u>\$ 18,492,410</u>	<u>100</u>	<u>\$ 16,671,808</u>	<u>100</u>	<u>\$ 15,454,086</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings	\$ -	-	\$ 100,000	1	\$ -	-
Accounts payable	524,485	3	689,094	4	538,643	3
Accounts payable - related parties	-	-	1,104	-	631	-
Other payables	604,365	3	469,351	3	409,404	3
Current tax liabilities	4,880	-	10,458	-	-	-
Lease liabilities - current	37,527	-	34,937	-	33,928	-
Other current liabilities	152,067	1	28,831	-	53,035	-
Total current liabilities	<u>1,323,324</u>	<u>7</u>	<u>1,333,775</u>	<u>8</u>	<u>1,035,641</u>	<u>6</u>
NON-CURRENT LIABILITIES						
Financial liabilities at fair value through profit or loss - non-current	32,674	-	32,861	-	-	-
Deferred tax liabilities	18,579	-	19,173	-	20,599	-
Lease liabilities - non-current	49,493	1	61,135	1	62,943	1
Guarantee deposits	5,389	-	6,588	-	8,508	-
Other payables - non-current	-	-	13,491	-	18,624	-
Total non-current liabilities	<u>106,135</u>	<u>1</u>	<u>133,248</u>	<u>1</u>	<u>110,674</u>	<u>1</u>
Total liabilities	<u>1,429,459</u>	<u>8</u>	<u>1,467,023</u>	<u>9</u>	<u>1,146,315</u>	<u>7</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY						
Share capital						
Common shares	925,444	5	914,802	5	910,511	6
Capital surplus	7,556,308	41	6,752,006	41	6,439,491	42
Retained earnings						
Legal reserve	996,568	5	763,980	5	763,980	5
Special reserve	703,512	4	237,236	1	237,236	1
Unappropriated earnings	7,830,728	42	7,019,735	42	6,336,876	41
Total retained earnings	<u>9,530,808</u>	<u>51</u>	<u>8,020,951</u>	<u>48</u>	<u>7,338,092</u>	<u>47</u>
Other equity						
Exchange differences on translating foreign operations	(1,023,183)	(6)	(703,512)	(4)	(283,432)	(2)
Unearned employee benefits	(253,359)	(1)	(136,158)	(1)	(96,891)	-
Total other equity	<u>(1,276,542)</u>	<u>(7)</u>	<u>(839,670)</u>	<u>(5)</u>	<u>(380,323)</u>	<u>(2)</u>
Total equity attributable to owners of the Company	<u>16,736,018</u>	<u>90</u>	<u>14,848,089</u>	<u>89</u>	<u>14,307,771</u>	<u>93</u>
NON-CONTROLLING INTERESTS	<u>326,933</u>	<u>2</u>	<u>356,696</u>	<u>2</u>	<u>-</u>	<u>-</u>
Total equity	<u>17,062,951</u>	<u>92</u>	<u>15,204,785</u>	<u>91</u>	<u>14,307,771</u>	<u>93</u>
TOTAL	<u>\$ 18,492,410</u>	<u>100</u>	<u>\$ 16,671,808</u>	<u>100</u>	<u>\$ 15,454,086</u>	<u>100</u>

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

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

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2020		2019		2020		2019	
	(Reviewed)		(Reviewed)		(Reviewed)		(Reviewed)	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE, NET	\$ 3,643,635	100	\$ 2,878,458	100	\$ 9,798,066	100	\$ 7,455,861	100
OPERATING COSTS	<u>1,861,723</u>	<u>51</u>	<u>1,543,573</u>	<u>54</u>	<u>4,931,158</u>	<u>50</u>	<u>4,002,008</u>	<u>54</u>
GROSS PROFIT	<u>1,781,912</u>	<u>49</u>	<u>1,334,885</u>	<u>46</u>	<u>4,866,908</u>	<u>50</u>	<u>3,453,853</u>	<u>46</u>
OPERATING EXPENSES								
Selling and marketing expenses	200,495	5	171,220	6	548,918	5	470,317	6
General and administrative expenses	204,315	6	159,084	6	550,127	6	408,125	6
Research and development expenses	560,773	15	443,599	15	1,536,593	16	1,210,693	16
Expected credit (reversed) loss	<u>(2,587)</u>	<u>-</u>	<u>7,057</u>	<u>-</u>	<u>1,254</u>	<u>-</u>	<u>5,682</u>	<u>-</u>
Total operating expenses	<u>962,996</u>	<u>26</u>	<u>780,960</u>	<u>27</u>	<u>2,636,892</u>	<u>27</u>	<u>2,094,817</u>	<u>28</u>
OTHER OPERATING INCOME AND EXPENSES, NET	<u>37,961</u>	<u>1</u>	<u>4,291</u>	<u>-</u>	<u>46,207</u>	<u>-</u>	<u>13,065</u>	<u>-</u>
PROFIT FROM OPERATIONS	<u>856,877</u>	<u>24</u>	<u>558,216</u>	<u>19</u>	<u>2,276,223</u>	<u>23</u>	<u>1,372,101</u>	<u>18</u>
NON-OPERATING INCOME AND EXPENSES								
Interest income	24,973	1	21,893	1	55,157	-	61,880	1
Other income	20,791	-	10,991	-	123,419	1	53,174	1
Interest expenses	(179)	-	(186)	-	(716)	-	(597)	-
Foreign exchange (loss) gain, net	(44,351)	(1)	24,835	1	(32,230)	-	30,485	1
Share of loss of associates	(70,459)	(2)	(17,913)	(1)	(122,145)	(1)	(53,534)	(1)
Gain (Loss) on financial instruments at fair value through profit or loss	13,240	-	13,529	1	(41,264)	-	252,533	3
Miscellaneous expenses	<u>(8,947)</u>	<u>-</u>	<u>(2,497)</u>	<u>-</u>	<u>(27,344)</u>	<u>-</u>	<u>(3,902)</u>	<u>-</u>
Total non-operating income and expenses	<u>(64,932)</u>	<u>(2)</u>	<u>50,652</u>	<u>2</u>	<u>(45,123)</u>	<u>-</u>	<u>340,039</u>	<u>5</u>
PROFIT BEFORE INCOME TAX	791,945	22	608,868	21	2,231,100	23	1,712,140	23
INCOME TAX EXPENSE	<u>(24,119)</u>	<u>(1)</u>	<u>(19,931)</u>	<u>(1)</u>	<u>(52,602)</u>	<u>(1)</u>	<u>(69,274)</u>	<u>(1)</u>
NET PROFIT FOR THE PERIOD	<u>767,826</u>	<u>21</u>	<u>588,937</u>	<u>20</u>	<u>2,178,498</u>	<u>22</u>	<u>1,642,866</u>	<u>22</u>
OTHER COMPREHENSIVE (LOSS) INCOME								
Items that will not be reclassified subsequently to profit or loss:								
Exchange differences arising from translation to the presentation currency	(283,380)	(8)	(11,271)	-	(491,739)	(5)	134,907	2

(Continued)

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

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

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2020		2019		2020		2019	
	Amount	%	Amount	%	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating foreign operations	\$ 229,051	6	\$ (147,044)	(5)	\$ 146,182	2	\$ (164,515)	(2)
Share of the other comprehensive income (loss) of associates accounted for using equity method	<u>25,677</u>	<u>1</u>	<u>(15,949)</u>	<u>(1)</u>	<u>21,555</u>	<u>-</u>	<u>(16,588)</u>	<u>(1)</u>
Other comprehensive (loss) income for the period, net of income tax	<u>(28,652)</u>	<u>(1)</u>	<u>(174,264)</u>	<u>(6)</u>	<u>(324,002)</u>	<u>(3)</u>	<u>(46,196)</u>	<u>(1)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 739,174</u>	<u>20</u>	<u>\$ 414,673</u>	<u>14</u>	<u>\$ 1,854,496</u>	<u>19</u>	<u>\$ 1,596,670</u>	<u>21</u>
NET PROFIT ATTRIBUTABLE TO:								
Owners of the Company	\$ 772,934	21	\$ 588,937	20	\$ 2,196,603	22	\$ 1,642,866	22
Non-controlling interests	<u>(5,108)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,105)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 767,826</u>	<u>21</u>	<u>\$ 588,937</u>	<u>20</u>	<u>\$ 2,178,498</u>	<u>22</u>	<u>\$ 1,642,866</u>	<u>22</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owners of the Company	\$ 739,724	20	\$ 414,673	14	\$ 1,876,287	19	\$ 1,596,670	21
Non-controlling interests	<u>(550)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(21,791)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 739,174</u>	<u>20</u>	<u>\$ 414,673</u>	<u>14</u>	<u>\$ 1,854,496</u>	<u>19</u>	<u>\$ 1,596,670</u>	<u>21</u>
EARNINGS PER SHARE								
Basic	<u>\$ 8.41</u>		<u>\$ 6.54</u>		<u>\$23.98</u>		<u>\$18.29</u>	
Diluted	<u>\$ 8.01</u>		<u>\$ 6.39</u>		<u>\$22.82</u>		<u>\$17.82</u>	

(Concluded)

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

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	Equity Attributable to Owners of the Company						Other Equity						
	Common Shares		Capital Surplus	Retained Earnings			Exchange Differences on Translating Foreign Operations	Unearned Employee Benefits	Total Other Equity	Total	Non-controlling Interest	Total Equity	
	Shares	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings							Total Retained Earnings
BALANCE AT JANUARY 1, 2019	90,257	\$ 902,566	\$ 6,061,816	\$ 580,995	\$ 363,370	\$ 5,337,529	\$ 6,281,894	\$ (237,236)	\$ (71,579)	\$ (308,815)	\$ 12,937,461	\$ -	\$ 12,937,461
Appropriation of the 2018 earnings													
Legal reserve	-	-	-	182,985	-	(182,985)	-	-	-	-	-	-	-
Special reserve	-	-	-	-	(126,134)	126,134	-	-	-	-	-	-	-
Cash dividends distributed by Silergy Corp.	-	-	-	-	-	(586,668)	(586,668)	-	-	-	(586,668)	-	(586,668)
	-	-	-	182,985	(126,134)	(643,519)	(586,668)	-	-	-	(586,668)	-	(586,668)
Recognition of employee share options by Silergy Corp.	-	-	168,026	-	-	-	-	-	-	-	168,026	-	168,026
Net profit for the nine months ended September 30, 2019	-	-	-	-	-	1,642,866	1,642,866	-	-	-	1,642,866	-	1,642,866
Other comprehensive loss for the nine months ended September 30, 2019, net of income tax	-	-	-	-	-	-	-	(46,196)	-	(46,196)	(46,196)	-	(46,196)
Total comprehensive income (loss) for the nine months ended September 30, 2019	-	-	-	-	-	1,642,866	1,642,866	(46,196)	-	(46,196)	1,596,670	-	1,596,670
Issue of common shares under employee share options	572	5,718	93,868	-	-	-	-	-	-	-	99,586	-	99,586
Recognition of restricted employee shares issued by Silergy Corp.	222	2,227	115,781	-	-	-	-	-	(25,312)	(25,312)	92,696	-	92,696
BALANCE AT SEPTEMBER 30, 2019	91,051	\$ 910,511	\$ 6,439,491	\$ 763,980	\$ 237,236	\$ 6,336,876	\$ 7,338,092	\$ (283,432)	\$ (96,891)	\$ (380,323)	\$ 14,307,771	\$ -	\$ 14,307,771
BALANCE AT JANUARY 1, 2020	91,481	\$ 914,802	\$ 6,752,006	\$ 763,980	\$ 237,236	\$ 7,019,735	\$ 8,020,951	\$ (703,512)	\$ (136,158)	\$ (839,670)	\$ 14,848,089	\$ 356,696	\$ 15,204,785
Appropriation of the 2019 earnings													
Legal reserve	-	-	-	232,588	-	(232,588)	-	-	-	-	-	-	-
Special reserve	-	-	-	-	466,276	(466,276)	-	-	-	-	-	-	-
Cash dividends distributed by Silergy Corp.	-	-	-	-	-	(686,101)	(686,101)	-	-	-	(686,101)	-	(686,101)
	-	-	-	232,588	466,276	(1,384,965)	(686,101)	-	-	-	(686,101)	-	(686,101)
Change in percentage of ownership interests in subsidiaries	-	-	7,972	-	-	-	-	-	-	-	7,972	(7,972)	-
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	(1,308)	-	-	-	-	-	-	-	(1,308)	-	(1,308)
Recognition of employee share options by Silergy Corp.	-	-	220,162	-	-	-	-	-	-	-	220,162	-	220,162
Net profit for the nine months ended September 30, 2020	-	-	-	-	-	2,196,603	2,196,603	-	-	-	2,196,603	(18,105)	2,178,498
Other comprehensive loss for the nine months ended September 30, 2020, net of income tax	-	-	-	-	-	(645)	(645)	(319,671)	-	(319,671)	(320,316)	(3,686)	(324,002)
Total comprehensive income (loss) for the nine months ended September 30, 2020	-	-	-	-	-	2,195,958	2,195,958	(319,671)	-	(319,671)	1,876,287	(21,791)	1,854,496
Issue of common shares under employee share options	825	8,254	308,741	-	-	-	-	-	-	-	316,995	-	316,995
Recognition of restricted employee shares issued by Silergy Corp.	239	2,388	268,735	-	-	-	-	-	(117,201)	(117,201)	153,922	-	153,922
BALANCE AT SEPTEMBER 30, 2020	92,545	\$ 925,444	\$ 7,556,308	\$ 996,568	\$ 703,512	\$ 7,830,728	\$ 9,530,808	\$ (1,023,183)	\$ (253,359)	\$ (1,276,542)	\$ 16,736,018	\$ 326,933	\$ 17,062,951

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

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2020 (Reviewed)	2019 (Reviewed)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 2,231,100	\$ 1,712,140
Adjustments for:		
Expected credit loss on trade receivables	1,254	5,682
Net loss (gain) on financial instruments at fair value through profit or loss	41,264	(252,533)
Depreciation expenses	124,290	75,393
Amortization expenses	142,881	138,282
Interest income	(55,157)	(61,880)
Interest expenses	716	597
Compensation cost of employee share options	220,162	168,026
Compensation cost of restricted employee shares	153,922	92,696
Share of loss of associates	122,145	53,534
Loss on disposal of property, plant and equipment	263	71
Property, plant and equipment transferred to expenses	-	5
Gains on disposal of intangible assets	(46,470)	(13,136)
Write-down of inventories	44,395	72,052
Unrealized loss on foreign currency exchange	786	56
Changes in operating assets and liabilities		
Increase in accounts receivable	(299,143)	(415,199)
Decrease in other receivables	218,800	74,223
(Increase) decrease in inventories	(553,783)	15,876
Increase in prepayments	(10,022)	(10,174)
Increase in defined benefit assets - non-current	(33)	(39)
(Decrease) increase in accounts payable	(164,058)	63,360
(Decrease) increase in accounts payable - related parties	(1,104)	47
Increase in other payables	132,813	12,729
Increase in other current liabilities	123,236	27,450
Cash generated from operations	2,428,257	1,759,258
Interest received	35,889	52,888
Interest paid	(716)	-
Income tax paid	(49,739)	(103,644)
Net cash generated from operating activities	<u>2,413,691</u>	<u>1,708,502</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of financial assets at amortized cost	956,540	303,790
Purchase of financial assets at fair value through profit or loss	(562,286)	(59,501)
Proceeds from sale of financial assets at fair value through profit or loss	88,225	-
Liquidating distribution from financial assets at fair value through profit or loss	44,159	-

(Continued)

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

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2020 (Reviewed)	2019 (Reviewed)
Acquisition of investments accounted for using equity method	\$ (1,105,767)	\$ -
Net cash outflow on business combinations	(152,776)	(30,980)
Acquisition of property, plant and equipment	(260,866)	(418,895)
Proceeds from disposal of property, plant and equipment	-	8
Acquisition of intangible assets	(40,216)	(30,362)
Proceeds from disposal of intangible assets	34,113	-
Increase in prepayments for equipment	(19,108)	(14,108)
Decrease (increase) in refundable deposits	<u>2,525</u>	<u>(6,313)</u>
Net cash used in investing activities	<u>(1,015,457)</u>	<u>(256,361)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	(100,000)	-
(Decrease) increase in guarantee deposits	(1,199)	1,778
Repayment of the principal portion of lease liabilities	(28,271)	(26,534)
Cash dividends paid	(683,341)	(583,486)
Proceeds from exercise of employee share options	<u>316,995</u>	<u>99,586</u>
Net cash used in financing activities	<u>(495,816)</u>	<u>(508,656)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(167,707)</u>	<u>(26,244)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	734,711	917,241
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>4,507,653</u>	<u>2,618,420</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 5,242,364</u>	<u>\$ 3,535,661</u>

(Concluded)