

**CHAILEASE HOLDING COMPANY LIMITED
AND SUBSIDIARIES**

Consolidated Financial Statements

**With Independent Auditors' Report
For the Years Ended December 31, 2021 and 2020**

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Representation Letter

The entities that are required to be included in the combined financial statements of Chailease Holding Company Limited as of and for the year ended December 31, 2021 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10 endorsed by the Financial Supervisory Commission, "Consolidated Financial Statements." In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Chailease Holding Company Limited and Subsidiaries do not prepare a separate set of combined financial statements.

Company Name: Chailease Holding Company Limited
Chairman: Fong Long, Chen
Date: February 25, 2022



安侯建業聯合會計師事務所

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Independent Auditors' Report

To the Board of Directors of Chailease Holding Company Limited:

Opinion

We have audited the consolidated financial statements of Chailease Holding Company Limited and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2021 and 2020, the related consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of 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 at 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 with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the 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 Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of 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 of the current period. These matters were addressed in the context of our audit of the consolidated financial statements taken as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters individually. Based on our judgment, the key audit matters that should be disclosed in this audit report are as follows:

1. Impairment assessment of accounts receivable

Refer to Note (4) (g) "Financial instruments" and Note (5) "Significant accounting assumptions and judgments, and major sources of estimation uncertainty" and Note (6) (d) "accounts receivable, net" to the consolidated financial statements for the details of the information about impairment assessment on accounts receivable.

Description of key audit matter:

The Group is engaged primarily in providing various services of leasing and financing, in which accounts receivable is a significant account of the Group. Impairment allowances are provided on accounts receivable based on management's best estimate of the potential losses in the accounts receivable portfolios at the balance sheet date. Management exercise judgment in making assumptions and estimations when calculating for impairment allowances on both individually and collectively assessed accounts receivables.

How the matter was addressed in our audit:

In relation to the key audit matter above, we have performed certain key audit procedures that included evaluating the adequacy of the Group's impairment policy on financial assets; testing to check compliance with the internal control on the process of evaluating impairment losses on loans and receivable; evaluating the assumptions and data used in the calculation; testing and evaluating the appropriateness of the expected credit loss model used by management while calculating the expected credit loss; and evaluating the adequacy of the Group's disclosure for Impairment allowances on loans and receivables.

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 IFRSs, IASs, IFRC, 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 the Audit Committee) are responsible for overseeing the Group's financial reporting process.

Auditor's 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 auditor's 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 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 propriety of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the propriety 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 auditor's 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 auditor's 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 appropriate audit evidence regarding the financial information of the 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 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 of the current period 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 audit resulting in this independent auditors' report are Shu-Min Hsu and Wan-Wan Lin.

KPMG

Taipei, Taiwan (Republic of China)
February 25, 2022

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial statements of financial position, financial performance and cash flows in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards, International Accounting Standards, interpretation as well as related guidance endorsed by the Financial Supervisory Commission of 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 accepted and applied in the Republic of China.

CHAILEASE HOLDING COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
December 31, 2021 and 2020
(Amounts Expressed in Thousands of New Taiwan Dollars)

		<u>2021.12.31</u>		<u>2020.12.31</u>				<u>2021.12.31</u>		<u>2020.12.31</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>			<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Assets						LIABILITIES AND EQUITY					
Current assets :						Current Liabilities :					
1100	Cash and cash equivalents (Notes (6)(a) and (7))	\$ 46,374,548	7	32,796,805	6	2100	Short-term borrowings (Notes (6)(k), (7) and (8))	\$ 66,335,264	9	56,025,737	9
1110	Current financial assets at fair value through profit or loss (Note (6)(b))	1,393,619	-	821,296	-	2110	Short-term notes and bills payable (Notes (6)(j) and (8))	90,275,406	13	83,998,707	14
1136	Current financial assets at amortized cost (Note (6)(b) and (7))	22,320,694	3	14,418,945	2	2126	Current financial liabilities for hedging (Note (6)(c))	543,826	-	1,402,120	-
1139	Current financial assets for hedging (Notes (6)(b) and (6)(c))	7,381	-	118,697	-	2170	Accounts and notes payable	6,278,622	1	6,826,884	1
1170	Accounts receivable, net (Notes (6)(d), (7) and (8))	427,555,719	60	375,719,022	63	2230	Current tax liabilities	7,712,732	1	3,011,666	1
1476	Other current financial assets (Notes (7) and (8))	7,209,104	1	5,524,900	1	2280	Current lease liabilities (Note (6)(m) and (7))	1,308,272	-	949,959	-
1479	Other current assets (Notes (6)(c) and (7))	<u>6,928,821</u>	<u>1</u>	<u>8,584,757</u>	<u>2</u>	2305	Other current financial liabilities (Notes (7))	62,114,671	9	55,729,072	9
		<u>511,789,886</u>	<u>72</u>	<u>437,984,422</u>	<u>74</u>	2320	Long-term liabilities, current portion (Note (6)(k), (6)(l), (7) and (8))	183,990,034	25	163,482,916	28
						2399	Other current liabilities	<u>5,345,095</u>	<u>1</u>	<u>4,640,995</u>	<u>1</u>
								<u>423,903,922</u>	<u>59</u>	<u>376,068,056</u>	<u>63</u>
Non-current assets :						Non-current Liabilities :					
1510	Non-current financial assets at fair value through profit or loss (Note (6)(b) and (6)(l))	20,936	-	28,147	-	2511	Non-current financial liabilities for hedging (Note (6)(c))	8,413	-	-	-
1517	Non-current financial assets at fair value through other comprehensive income (Note (6)(b))	930,663	-	828,361	-	2530	Bonds payable (Notes (6)(l))	39,567,568	5	19,871,998	3
1535	Non-current financial assets at amortized cost (Note (6)(b))	8,173,072	1	4,279,012	1	2540	Long-term borrowings (Notes (6)(k), (7) and (8))	118,771,845	17	84,797,353	14
1530	Non-current financial assets for hedging (Note(6)(b) and (6)(c))	301,897	-	-	-	2570	Deferred tax liabilities(Notes (6)(o))	3,739,732	1	3,005,005	1
1550	Investments accounted for using equity method (Note (6)(f))	1,759,104	-	1,807,241	-	2580	Non-current lease liabilities (Note (6)(m) and (7))	3,754,831	1	3,272,489	1
1600	Property, plant and equipment (Notes (6)(g), (7) and (8))	52,240,669	7	44,043,357	7	2600	Other non-current liabilities(Notes (6)(n))	<u>6,966,342</u>	<u>1</u>	<u>6,330,063</u>	<u>1</u>
1755	Right-of-use assets (Notes(6)(h) and (7))	5,034,463	1	4,197,210	1			<u>172,808,731</u>	<u>25</u>	<u>117,276,908</u>	<u>20</u>
1780	Intangible assets (Note (6)(i))	93,845	-	97,776	-		Total Liabilities	<u>596,712,653</u>	<u>84</u>	<u>493,344,964</u>	<u>83</u>
1840	Deferred tax assets (Note (6)(o))	4,377,432	1	4,121,825	1		Equity attributable to owners of the Company : (Note (6)(p))				
1930	Long-term accounts receivable, net (Notes (6)(d), (7) and (8))	117,154,981	16	94,146,913	16	3110	Ordinary share	14,503,944	2	13,813,280	3
1995	Other non-current assets (Notes (7) and (8))	<u>11,349,968</u>	<u>2</u>	<u>1,789,570</u>	-	3120	Preferred share	1,500,000	-	1,500,000	-
		201,437,030	28	155,339,412	26	3200	Capital surplus	31,050,217	4	30,883,964	5
						3320	Special reserve	3,307,294	1	3,283,275	1
						3350	Unappropriated retained earnings	63,225,727	9	49,322,515	8
						3400	Other equity items	<u>(3,963,115)</u>	<u>(1)</u>	<u>(3,307,294)</u>	<u>(1)</u>
							Total equity attributable to owners of the Company	109,624,067	15	95,495,740	16
						36XX	Non-controlling interests	<u>6,890,196</u>	<u>1</u>	<u>4,483,130</u>	<u>1</u>
							Total equity	<u>116,514,263</u>	<u>16</u>	<u>99,978,870</u>	<u>17</u>
TOTAL ASSETS		<u>\$ 713,226,916</u>	<u>100</u>	<u>593,323,834</u>	<u>100</u>	TOTAL LIABILITIES AND EQUITY		<u>\$ 713,226,916</u>	<u>100</u>	<u>593,323,834</u>	<u>100</u>

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

CHAILEASE HOLDING COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
For the Years Ended December 31, 2021 and 2020
(Amounts Expressed in Thousands of New Taiwan Dollars)

		For the years ended December 31,			
		2021		2020	
		Amount	%	Amount	%
	Operating revenues: (Note (7))				
4111	Sales revenue	\$ 5,132,662	7	4,210,818	7
4810	Interest revenue - installment sales	13,648,813	19	10,880,685	18
4820	Interest revenue - capital leases	24,544,166	34	20,718,562	35
4300	Rental revenue - operating leases	4,585,134	6	3,820,500	6
4230	Interest revenue - loans	6,109,708	9	5,065,606	9
4240	Other interest revenue	8,689,291	12	6,270,379	11
4881	Other operating revenue	9,449,780	13	8,511,209	14
		<u>72,159,554</u>	<u>100</u>	<u>59,477,759</u>	<u>100</u>
	Operating costs: (Note (7))				
5111	Cost of sales	2,898,870	4	2,268,549	4
5240	Interest expense	9,454,373	13	8,937,992	15
5300	Cost of rental revenue	3,239,625	4	2,679,246	4
5800	Other operating costs	3,895,252	5	2,881,238	5
		<u>19,488,120</u>	<u>26</u>	<u>16,767,025</u>	<u>28</u>
	Gross profit from operation	<u>52,671,434</u>	<u>74</u>	<u>42,710,734</u>	<u>72</u>
6400	Operating expenses (Note (7))	13,515,416	19	12,290,324	21
6450	Expected credit loss (Note (6)(d))	6,347,682	9	7,123,450	12
6500	Net other income and expenses (Note (6)(s))	<u>676,496</u>	<u>1</u>	<u>378,926</u>	<u>1</u>
	Operating profit	<u>33,484,832</u>	<u>47</u>	<u>23,675,886</u>	<u>40</u>
	Non-operating income and expenses:				
7100	Interest income	248,611	-	217,503	-
7130	Dividend income	31,224	-	47,268	-
7020	Other gains and losses (Note (6)(t) and (7))	853,609	1	753,364	1
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method (Note (6)(f))	36,115	-	(28,527)	-
		<u>1,169,559</u>	<u>1</u>	<u>989,608</u>	<u>1</u>
7900	Profit before income tax	34,654,391	48	24,665,494	41
7950	Less: Income tax expenses (Note (6) (o))	<u>11,959,591</u>	<u>17</u>	<u>7,127,073</u>	<u>12</u>
	Profit for the period	<u>22,694,800</u>	<u>31</u>	<u>17,538,421</u>	<u>29</u>
	Other comprehensive income (loss):				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Gains on remeasurements of defined benefit plans	65,967	-	4,223	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	127,075	-	(78,337)	-
8349	Less: Income tax related to components that will not be reclassified to profit or loss (Note (6)(o))	<u>13,193</u>	<u>-</u>	<u>845</u>	<u>-</u>
	Total components of other comprehensive income that will not be reclassified to profit or loss	<u>179,849</u>	<u>-</u>	<u>(74,959)</u>	<u>-</u>
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361	Exchange differences on translation	(1,514,522)	(2)	(570,370)	(1)
8368	Gains (losses) on hedging instrument (Note (6)(c))	223,483	1	326,829	1
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss (Note (6)(f))	(6,217)	-	38,148	-
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss (Note (6)(o))	<u>(31,370)</u>	<u>-</u>	<u>(71,454)</u>	<u>-</u>
	Total components of other comprehensive income that will be reclassified to profit or loss	<u>(1,265,886)</u>	<u>(1)</u>	<u>(133,939)</u>	<u>-</u>
	Other comprehensive income (net of tax)	<u>(1,086,037)</u>	<u>(1)</u>	<u>(208,898)</u>	<u>-</u>
8500	Total comprehensive income for the period	<u>\$ 21,608,763</u>	<u>30</u>	<u>17,329,523</u>	<u>29</u>
	Profit attributable to:				
8610	Owners of the Company	\$ 21,643,760	30	16,857,199	28
8620	Non-controlling interests	<u>1,051,040</u>	<u>1</u>	<u>681,222</u>	<u>1</u>
		<u>\$ 22,694,800</u>	<u>31</u>	<u>17,538,421</u>	<u>29</u>
	Comprehensive income attributable to:				
8710	Owners of the Company	\$ 21,049,865	29	16,839,001	28
8720	Non-controlling interests	<u>558,898</u>	<u>1</u>	<u>490,522</u>	<u>1</u>
		<u>\$ 21,608,763</u>	<u>30</u>	<u>17,329,523</u>	<u>29</u>
9750	Basic earnings per share (NT dollars) (Note (6)(q))	<u>\$ 14.80</u>		<u>11.62</u>	

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

CHAILEASE HOLDING COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Years Ended December 31, 2021 and 2020
(Amounts Expressed in Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company										
						Other Equity Items			Total equity attributable to owners of the Company	Non-controlling interests	Total equity
	Share Capital		Retained Earnings		Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Gains (losses) on hedging instruments				
	Ordinary share	Preferred share	Capital surplus	Special reserve	Unappropriated retained earnings						
Balance at January 1, 2020	\$ 13,282,000	-	17,379,467	2,095,945	40,287,825	(3,239,314)	(219,957)	175,996	69,761,962	4,176,058	73,938,020
Profit for the year ended December 31, 2020	-	-	-	-	16,857,199	-	-	-	16,857,199	681,222	17,538,421
Other comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	5,821	(272,511)	(78,337)	326,829	(18,198)	(190,700)	(208,898)
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	16,863,020	(272,511)	(78,337)	326,829	16,839,001	490,522	17,329,523
Earnings distribution and appropriation:											
Special reserve appropriated	-	-	-	1,187,330	(1,187,330)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(6,109,720)	-	-	-	(6,109,720)	-	(6,109,720)
Stock dividends of ordinary share	531,280	-	-	-	(531,280)	-	-	-	-	-	-
Other changes in capital surplus	-	-	623	-	-	-	-	-	623	-	623
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(183,450)	(183,450)
Issuance of preferred shares	-	1,500,000	13,489,161	-	-	-	-	-	14,989,161	-	14,989,161
Effects on the long-term equity investment not recognized based on shareholding ratios	-	-	14,713	-	-	-	-	-	14,713	-	14,713
Balance at December 31, 2020	13,813,280	1,500,000	30,883,964	3,283,275	49,322,515	(3,511,825)	(298,294)	502,825	95,495,740	4,483,130	99,978,870
Profit for the year ended December 31, 2021	-	-	-	-	21,643,760	-	-	-	21,643,760	1,051,040	22,694,800
Other comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	61,926	(1,006,379)	127,075	223,483	(593,895)	(492,142)	(1,086,037)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	21,705,686	(1,006,379)	127,075	223,483	21,049,865	558,898	21,608,763
Earnings distribution and appropriation:											
Special reserve appropriated	-	-	-	24,019	(24,019)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(6,906,640)	-	-	-	(6,906,640)	-	(6,906,640)
Cash dividends of preferred share	-	-	-	-	(181,151)	-	-	-	(181,151)	-	(181,151)
Stock dividends of ordinary share	690,664	-	-	-	(690,664)	-	-	-	-	-	-
Issuance of convertible bonds	-	-	149,771	-	-	-	-	-	149,771	-	149,771
Other changes in capital surplus	-	-	952	-	-	-	-	-	952	-	952
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	1,848,168	1,848,168
Change in equity of associates and joint ventures accounted for using equity method	-	-	14,059	-	-	-	-	-	14,059	-	14,059
Effects on the long-term equity investment not recognized based on shareholding ratios	-	-	1,471	-	-	-	-	-	1,471	-	1,471
Balance at December 31, 2021	\$ 14,503,944	1,500,000	31,050,217	3,307,294	63,225,727	(4,518,204)	(171,219)	726,308	109,624,067	6,890,196	116,514,263

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

CHAILEASE HOLDING COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2021 and 2020
(Amounts Expressed in Thousands of New Taiwan Dollars)

	For the years ended December 31,	
	2021	2020
Cash flows from operating activities:		
Profit before tax	\$ 34,654,391	24,665,494
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	5,171,853	4,404,909
Amortization expense	147,400	175,369
Expected credit loss	6,347,682	7,123,450
Net (gain) loss on financial assets or liabilities at fair value through profit or loss	(62,430)	4,301
Interest expense	9,496,361	8,991,038
Interest income	(53,240,589)	(43,152,735)
Dividend income	(31,224)	(47,268)
Share of (gain) loss of associates and joint ventures accounted for using equity method	(36,115)	28,527
Gain on disposal of property, plant and equipment	(114,626)	(135,394)
Loss on disposal of foreclosed assets	142,161	193,424
Impairment loss on non-financial assets	427,550	323,887
Effect of changes and subletting in lease contract	(119)	(529)
Total adjustments to reconcile profit	(31,752,096)	(22,091,021)
Changes in operating assets and liabilities:		
Changes in operating assets:		
Increase in financial assets at fair value through profit or loss, mandatorily measured at fair value	(506,286)	(538,434)
Increase in accounts receivable	(89,314,774)	(74,585,211)
(Increase) decrease in other current financial assets	(1,409,173)	3,316,424
Decrease (increase) in other current assets	1,517,948	(2,563,023)
Proceeds from sales of operating lease assets and operating equipment	2,198,369	1,371,745
Purchase of operating lease assets and operating equipment	(14,632,276)	(14,803,213)
Increase in other operating assets	(9,717,974)	(893,986)
Total changes in operating assets	(111,864,166)	(88,695,698)
Changes in operating liabilities:		
(Decrease) increase in accounts and notes payable	(502,263)	180,382
Increase in long term and short-term debts	423,361,762	356,236,368
Repayment of long term and short-term debts	(326,582,863)	(296,032,240)
Increase in other current financial liabilities	6,601,444	9,348,849
Decrease in accrued pension liabilities	(12,612)	(9,617)
Increase in other current liabilities	728,711	1,031,050
Increase (decrease) in other non-current operating liabilities	839,682	(877,337)
Total changes in operating liabilities	104,433,861	69,877,455
Total changes in operating assets and liabilities	(7,430,305)	(18,818,243)
Total adjustments	(39,182,401)	(40,909,264)
Cash flows used in operations	(4,528,010)	(16,243,770)
Interest received	52,907,335	42,866,159
Dividends received	72,882	47,268
Interest paid	(9,551,405)	(8,890,226)
Income taxes paid	(6,733,891)	(6,321,469)
Net cash flows provided by operating activities	32,166,911	11,457,962
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	-	(10,000)
Proceeds from disposal of financial assets at fair value through other comprehensive income	16,172	-
Capital reduction of financial assets at fair value through other comprehensive income	2,448	-
Acquisition of financial assets at amortized cost	(23,594,874)	(16,137,947)
Proceeds from disposal of financial assets at amortized cost	11,799,065	11,008,860
Acquisition of investments accounted for using equity method	(3,219)	(202,218)
Proceeds from capital reduction of investments accounted for using equity method	-	1,165
Acquisition of property, plant and equipment	(754,473)	(179,652)
Proceeds from disposal of property, plant and equipment	130,313	98,371
Acquisition of intangible assets	(4,390)	(8,938)
Proceeds from disposal of foreclosed assets	-	67,842
Acquisition of right-of-use assets	(21,884)	(12,346)
Proceeds from disposal of right-of-use assets	4,543	20,841
Net cash flows used in investing activities	(12,426,299)	(5,354,022)
Cash flows from financing activities:		
Distribution of cash dividend	(7,087,782)	(6,109,712)
Increase capital in cash	-	14,989,161
Change in non-controlling interests	1,848,168	(183,450)
Payment of lease liabilities	(661,530)	(600,074)
Other financing activities	952	623
Net cash flows (used in) provided by financing activities	(5,900,192)	8,096,548
Effect of exchange rate changes on cash and cash equivalents	(262,677)	(64,229)
Net increase in cash and cash equivalents	13,577,743	14,136,259
Cash and cash equivalents at beginning of period	32,796,805	18,660,546
Cash and cash equivalents at end of period	\$ 46,374,548	32,796,805

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

CHAILEASE HOLDING COMPANY LIMITED AND SUBSIDIARIES
Notes to Consolidated Financial Statements
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(1) Company history

Chailease Holding Company Limited (the “Company”) is an investment holding company, which was founded on December 24, 2009 under the Company Act of Cayman Islands. The Company has been listed on the Main Board of the Taiwan Stock Exchange Corporation (TWSE) since December 13, 2011.

The Company and its subsidiaries (“the Group”) were engaged primarily in providing various services of leasing and financing.

(2) Approval date and procedures of the consolidated financial statements

The consolidated financial statements were authorized for issuance by Audit Committee and Board of Directors on February 25, 2022.

(3) New standards, amendments and interpretations adopted:

- (a) The impact of the International Financial Reporting Standards (“IFRSs”) endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2021:

- Amendments to IFRS 4 “Extension of the Temporary Exemption from Applying IFRS 9”
- Amendments to IFRS 9, IAS39, IFRS7, IFRS 4 and IFRS 16 “Interest Rate Benchmark Reform—Phase 2”

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from April 1, 2021:

- Amendments to IFRS 16 “Covid-19-Related Rent Concessions beyond June 30, 2021”

- (b) The impact of IFRS issued by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2022, would not have a significant impact on its consolidated financial statements:

- Amendments to IAS 16 “Property, Plant and Equipment—Proceeds before Intended Use”
- Amendments to IAS 37 “Onerous Contracts—Cost of Fulfilling a Contract”
- Annual Improvements to IFRS Standards 2018–2020
- Amendments to IFRS 3 “Reference to the Conceptual Framework”

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- (c) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective date per IASB
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of balance sheet, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity.	January 1, 2023
Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”	The amendments narrowed the scope of the recognition exemption so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.	January 1, 2023

The Group is evaluating the impact of its initial adoption of the abovementioned standards or interpretations on its consolidated financial position and consolidated financial performance. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Amendments to IAS 1 “Disclosure of Accounting Policies”
- Amendments to IAS 8 “Definition of Accounting Estimates”

(4) Summary of significant accounting policies

The significant accounting policies presented in the consolidated financial statements are summarized below. Except for those specifically indicated, the following accounting policies were applied consistently throughout the periods presented in the consolidated financial statements.

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(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to “the Regulations”) and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission, R.O.C.

(b) Basis of preparation

1.Basis of measurement

The consolidated financial statements have been prepared on historical cost basis except for the following material accounts in the statement of financial position:

- 1) Financial assets at fair value through profit or loss are measured at fair value;
- 2) Financial assets at fair value through other comprehensive income are measured at fair value;
- 3) Hedge financial instruments are measured at fair value;
- 4) The defined benefit liabilities (assets) are measured at fair value of plan assets, less the present value of the defined benefit obligation, limited as explained in Note 4(n).

2.Functional and presentation currency

The functional currency of each entity of the Group is determined based on the primary economic environment in which the entity operates. The Group consolidated financial statements are presented in New Taiwan Dollar, which is the Company’s functional currency. Unless otherwise specified, all financial information presented in New Taiwan Dollar has been rounded to the nearest thousand.

(c) Basis of consolidation

1.Principle of preparation of the consolidated financial statements

The consolidated financial statements comprise the Company and its subsidiaries. The Group ‘controls’ an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of the subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intra-group balances and transactions, and any unrealized income and expenses arising from Intra-group transactions, are eliminated in preparing the consolidated financial statements. The Group attributes the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The Group prepares consolidated financial statements using uniform accounting policies for like transactions and other events in similar circumstances.

CHAILEASE HOLDING COMPANY LIMITED AND SUBSIDIARIES

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Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received will be recognized directly in equity, and the Group will attribute it to the owners of the parent.

2. List of subsidiaries in the consolidated financial statements

Investor	Name of Subsidiary	Primary Business	Shareholding Ratio		Note
			2021.12.31	2020.12.31	
The Company	Chailease International Company (Malaysia) Limited	Investment	100.00 %	100.00 %	
"	Golden Bridge (B.V.I.) Corp.	Investment	100.00 %	100.00 %	
"	Chailease International Financial Services Co., Ltd.	Installment sales, leasing overseas and financial consulting	100.00 %	100.00 %	
"	Chailease International Company (Hong Kong) Limited	Investment	100.00 %	100.00 %	
"	Chailease International Financial Services (Liberia) Corp.	Leasing	100.00 %	100.00 %	
"	Chailease International Financial Services (Labuan) Co., Ltd.	Leasing	100.00 %	100.00 %	
"	Chailease International Fortune Corp. (Liberia)	Leasing	100.00 %	100.00 %	
"	Chailease International Financial Services (Singapore) Pte. Ltd.	Financing	100.00 %	100.00 %	
Chailease International Financial Services (Liberia) Corp.	Chailease Bright Co., Ltd.	Ship leasing business	100.00 %	-	% The subsidiary was established on August 4, 2021.
"	Chailease Virtue Co., Ltd.	Ship leasing business	100.00 %	-	% The subsidiary was established on August 4, 2021.
"	Chailease Cherish Co., Ltd.	Ship leasing business	100.00 %	-	% The subsidiary was established on August 4, 2021, and was invested on December 15, 2021.
Golden Bridge (B.V.I.) Corp.	My Leasing (Mauritius) Corp.	Investment	100.00 %	100.00 %	
My Leasing (Mauritius) Corp.	Chailease International Finance Corporation	Leasing	97.89 %	97.89 %	
My Leasing (Mauritius) Corp. and Chailease International Finance Corporation	Chailease Finance International Corp.	Leasing	100.00 %	100.00 %	

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Investor	Name of Subsidiary	Primary Business	Shareholding Ratio		Note
			2021.12.31	2020.12.31	
Chailease International Finance Corporation	Chailease International Corp.	Trading	100.00 %	100.00 %	
"	Jirong Real Estate Co., Ltd.	House property leasing and management	100.00 %	100.00 %	
"	Chailease International Commercial Factoring Corporation	Factoring	100.00 %	100.00 %	
"	Chailease Commercial Factoring Corporation	Factoring	100.00 %	-	% The subsidiary was established on December 3, 2021.
Chailease International Company (Malaysia) Limited	Chailease International Company (UK) Limited	Consulting, aircraft leasing and investment	100.00 %	100.00 %	
"	Chailease Berjaya Credit Sdn. Bhd.	Installment sales	70.00 %	70.00 %	
"	Chailease Royal Leasing Plc.	Leasing	60.00 %	60.00 %	
"	Chailease Berjaya Finance Corporation	Leasing and financing	63.08 %	63.08 %	
"	Chailease Royal Finance Plc.	Financing	60.00 %	60.00 %	
"	Chailease Capital (Thailand) Co., Ltd.	Investment	49.00 %	49.00 %	
"	Chailease Royal Insurance Broker Plc.	Insurance brokers	60.00 %	-	% Chailease International Company (Malaysia) Limited invested in this subsidiary on January 7, 2021.
Chailease International Company (UK) Limited	Chailease Finance Co., Ltd.	Installment sales, leasing, and factoring	100.00 %	100.00 %	
Chailease International Company (Hong Kong) Limited	PT Chailease Indonesia Finance	Financing	75.00 %	75.00 %	
"	PT Chailease Finance Indonesia	Financing	85.00 %	-	% Chailease International Company (Hong Kong) Limited invested in this subsidiary on August 31, 2021.
"	Chailease Management Consulting Co., Limited	Consulting	100.00 %	100.00 %	
Chailease Berjaya Credit Sdn. Bhd.	Chailease Agency Sdn. Bhd.	Insurance brokers	100.00 %	100.00 %	
"	Chailease Services Sdn. Bhd.	Insurance brokers	100.00 %	100.00 %	
Chailease Finance Co., Ltd.	Fina Finance & Trading Co., Ltd.	Installment sales, trading, and factoring	100.00 %	100.00 %	
"	Chailease Specialty Finance Co., Ltd.	Installment sales	100.00 %	100.00 %	

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Investor	Name of Subsidiary	Primary Business	Shareholding Ratio		Note
			2021.12.31	2020.12.31	
Chailease International Company (Malaysia) Limited, Chailease Capital (Thailand) Co., Ltd. and Chailease Finance Co., Ltd.	Asia Sermkij Leasing Public Co., Ltd.	Installment sales of automobiles	50.41 %	49.99 %	
Chailease Finance Co., Ltd.	Chailease Finance (B.V.I.) Company, Ltd.	Installment sales, leasing overseas, and financial consulting	- %	100.00 %	The subsidiary has been approved to be liquidated on December 27, 2021. The liquidation is in progress.
"	Chailease International Leasing Company Limited (Vietnam)	Leasing	100.00 %	100.00 %	
"	Chailease International Trading Company Limited (Vietnam)	Trading	100.00 %	100.00 %	
"	Chailease Auto Rental Co., Ltd.	Leasing	100.00 %	100.00 %	
"	Chailease Insurance Brokers Co., Ltd.	Personal and property insurance brokers	100.00 %	100.00 %	
"	Chailease Cloud Service Co., Ltd.	Software of cloud products, leasing, and installment sales	100.00 %	100.00 %	
"	Chailease Finance Securitization Trust 2019	Special purpose entity	- %	- %	The subsidiary was established on December 11, 2019. (Note a)
"	Yun Tang Inc.	Solar power business	100.00 %	100.00 %	
"	Chailease Energy Integration Co., Ltd	Solar power business	100.00 %	100.00 %	
"	Chailease Power Technology Co., Ltd.	Solar power business	100.00 %	100.00 %	
"	Chung Cheng Energy Integration Co., Ltd.	Solar power business	100.00 %	100.00 %	
"	Ho Lien Energy Integration Co., Ltd.	Solar power business	100.00 %	100.00 %	
"	Tai Yuan Energy Integration Co., Ltd.	Solar power business	100.00 %	100.00 %	
"	Chung Ho Energy Integration Co., Ltd.	Solar power business	100.00 %	100.00 %	
"	Chung Yen Energy Integration Co., Ltd.	Solar power business	100.00 %	100.00 %	
"	TUNG FENG INC.	Solar power business	100.00 %	100.00 %	
"	He To Energy Integration Co., Ltd.	Solar power business	100.00 %	100.00 %	The subsidiary was established on November 2, 2020.

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Investor	Name of Subsidiary	Primary Business	Shareholding Ratio		Note
			2021.12.31	2020.12.31	
Chailease Finance Co., Ltd.	Chung Yu Energy Integration Co., Ltd.	Solar power business	100.00 %	100.00 %	The subsidiary was established on November 2, 2020.
"	Jung Yu Energy Integration Co., Ltd.	Solar power business	100.00 %	100.00 %	The subsidiary was established on November 3, 2020.
"	Chung Wei Energy Integration Co., Ltd.	Solar power business	100.00 %	100.00 %	The subsidiary was established on November 2, 2020.
"	TUNG CHING ENERGY TECHNOLOGY INC.	Solar power business	100.00 %	-	% Chailease Finance Co., Ltd. invested this subsidiary on February 18, 2021.
Chailease Power Technology Co., Ltd.	CHU CHIANG SOLAR ENERGY INC.	Solar power business	100.00 %	-	% Chailease Power Technology Co., Ltd. invested in this subsidiary on September 6, 2021.
Jung Yu Energy Integration Co., Ltd.	Chung Ming Co., Ltd.	Solar power business	100.00 %	-	% The subsidiary was established on June 28, 2021.
"	Chung Yao Co., Ltd.	Solar power business	100.00 %	-	% The subsidiary was established on June 29, 2021.
"	Yao Jih Co., Ltd.	Solar power business	100.00 %	-	% The subsidiary was established on August 13, 2021.
"	Ho Hsuan Co., Ltd.	Solar power business	100.00 %	-	% The subsidiary was established on August 16, 2021.
"	Hsia Ching Co., Ltd.	Solar power business	100.00 %	-	% The subsidiary was established on August 26, 2021.
Chung Ho Energy Integration Co., Ltd.	Tien Hsing Integration Co., Ltd.	Solar power business	100.00 %	-	% Chung Ho Energy Integration Co., Ltd. invested in this subsidiary on August 27, 2021.
Ho Lien Energy Integration Co., Ltd.	Tien Sin Intelligent Green Energy Co., Ltd.	Solar power business	80.00 %	-	% Ho Lien Energy Integration Co., Ltd. invested in this subsidiary on April 23, 2021.
"	Tien Jen Energy Co., Ltd.	Solar power business	80.00 %	-	% Ho Lien Energy Integration Co., Ltd. invested in this subsidiary on April 23, 2021.
"	Tien Chu Energy Co., Ltd.	Solar power business	80.00 %	-	% Ho Lien Energy Integration Co., Ltd. invested in this subsidiary on April 23, 2021.

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Investor	Name of Subsidiary	Primary Business	Shareholding Ratio		Note
			2021.12.31	2020.12.31	
Ho Lien Energy Integration Co., Ltd.	Tien Jui Energy Co., Ltd.	Solar power business	80.00 %	- %	Ho Lien Energy Integration Co., Ltd. invested in this subsidiary on April 23, 2021.
"	Tien Ying Energy Co., Ltd.	Solar power business	80.00 %	- %	Ho Lien Energy Integration Co., Ltd. invested in this subsidiary on April 23, 2021.
Fina Finance & Trading Co., Ltd.	Chailease Consumer Finance Co., Ltd.	Factoring, trading-in, management, and valuation on accounts receivable; installment sales; financial instrument	100.00 %	100.00 %	
"	Chailease Credit Services Co., Ltd.	Installment sales and leasing	100.00 %	100.00 %	
The Company and Chailease Finance Co., Ltd.	Grand Pacific Holdings Corp.	Financing leasing, real estate, and mortgage	100.00 %	100.00 %	
Chailease Consumer Finance Co., Ltd. and Chailease Credit Services Co., Ltd.	Chuang Ju Limited Partnership	Installment sales and leasing	100.00 %	100.00 %	
Chailease Specialty Finance Co., Ltd. and Chailease Cloud Service Co., Ltd.	Sing Chuang Limited Partnership	Installment sales and leasing	100.00 %	100.00 %	
Grand Pacific Holdings Corp.	Grand Pacific Financing Corp. (California)	Financing, leasing and financial consulting	100.00 %	100.00 %	
"	Grand Pacific Main Street Development, Inc.	Real estate development	100.00 %	100.00 %	
Asia Sermkij Leasing Public Co., Ltd.	Bangkok Grand Pacific Lease Public Company Limited	Leasing and financing consulting	99.99 %	99.99 %	
"	SK Insurance Broker Co., Ltd.	Insurance brokers	100.00 %	100.00 %	

Note a: For purposes of trading and investment, the Group set up a number of special purpose entities (SPE) in which it does not have any direct or indirect shareholding.

These SPEs are consolidated if the substance of the Group's relationship with the SPEs and the assessment of their risks and rewards, disclosed that the Group has control over the SPEs. The control of an SPE by the Group may exists if:

- (i) the Group has power over the SPE;
- (ii) the Group has exposure, or rights, to variable returns from its involvement with the SPE;
- (iii) the Group has ability to use its power over to affect the amount of the SPE's returns.

3.List of subsidiaries which are not included in the consolidated financial statements: None.

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(d) Foreign Currencies

1.Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group entities at the exchange rates at the dates of the transactions. At the end of each subsequent reporting period, monetary items denominated in foreign currencies are translated into the functional currencies using the exchange rate at that date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currencies using the exchange rate at the date that the fair value was determined. Nonmonetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Exchange differences are generally recognized in profit or loss, except for those differences relating to the following, which are recognized in other comprehensive income:

- 1) an investment in equity securities designated as at fair value through other comprehensive income;
- 2) a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or
- 3) qualifying cash flow hedges to the extent that the hedges are effective.

2.Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the presentation currency at average exchange rate. Exchange differences are recognized in other comprehensive income.

When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of any part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interest. When the Group disposed of only part of investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange differences arising from such a monetary item that are considered to form part of the net investment in the foreign operation and are recognized in other comprehensive income.

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(e) Classification of current and non-current assets and liabilities

An asset is classified as current under one of the following criteria, and all other assets are classified as non-current.

1. It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is expected to be realized within twelve months after the reporting period; or
4. The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current under one of the following criteria, and all other liabilities are classified as non-current.

An entity shall classify a liability as current when:

1. It is expected to be settled in the normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is due to be settled within twelve months after the reporting period; or
4. The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by issuing equity instruments do not affect its classification.

(f) Cash and cash equivalents

Cash comprises cash on hand and demand deposit. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits which meet the above definition and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes should be recognized as cash equivalents.

Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

(g) Financial instruments

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

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1. Financial assets

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

On initial recognition, a financial asset is classified as measured at amortized cost; fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

1) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

2) Fair value through other comprehensive income (FVOCI)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an instrument-by-instrument basis.

Debt investments at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

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Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to profit or loss.

Dividend income is recognized in profit or loss on the date on which the Group's right to receive payment is established.

3) Fair value through profit or loss (FVTPL)

All financial assets not classified as amortized cost or FVOCI described as above are measured at FVTPL, including derivative financial assets. Trade receivables that the Group intends to sell immediately or in the near term are measured at FVTPL; however, they are included in the 'trade receivables' line item. On initial recognition, the Group may irrevocably designate a financial asset, which meets the requirements to be measured at amortized cost or at FVOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

4) Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated — e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, and are consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

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5) Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial assets on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group’s claim to cash flows from specified assets (e.g. non-recourse features).

6) Impairment of financial assets

The Group recognizes loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, amortized costs, notes and accounts receivable, other receivable, leases receivable, guarantee deposit paid and other financial assets), debt investments measured at FVOCI.

The Group measures loss allowances at an amount equal to lifetime expected credit loss (ECL), except for the following which are measured as 12-month ECL:

- accounts receivables and debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

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When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment as well as forward-looking information.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls. (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial assets is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or delay of payments;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charge to profit or loss and is recognized in other comprehensive income instead of reducing the carrying amount of the asset.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

7) Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

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The Group enters into transactions whereby it transfers assets recognized in its statement of balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

2. Financial liabilities and equity instruments

1) Classification of debt or equity

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

2) Equity instrument

An equity instrument is any contract that evidences residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognized as the amount of consideration received, less the direct cost of issuing.

3) Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

4) Derecognition of financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

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

3. Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency and interest rate exposures.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in profit or loss.

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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, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

1) Fair value hedges

The fair value change on qualifying hedging instruments is recognized in profit or loss except when the hedging instrument hedges an equity instrument designated at FVOCI in which case it is recognized in other comprehensive income.

The carrying amount of a hedged item not already measured at fair value is adjusted for the fair value change attributable to the hedged risk with a corresponding entry in profit or loss. For debt instruments measured at FVOCI, the carrying amount is not adjusted as it is already at fair value, but the hedging gain or loss is recognized in profit or loss instead of other comprehensive income. When the hedged item is an equity instrument designated at FVOCI, the hedging gain or loss remains in other comprehensive income to match that of the hedging instrument.

Where hedging gains or losses are recognized in profit or loss, they are recognized in the same line as the hedged item.

2) Cash flow hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognized in other comprehensive income and accumulated under 'other equity - gains (losses) on hedging instruments, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss.

The Group designates the changes in fair value of the spot element of the cross currency swap and interest rate swap as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of the forward exchange contracts is separately accounted for as a cost of hedging and accumulated in a separate component within equity.

Amounts previously recognized in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognized hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognized in other comprehensive income and accumulated in equity are removed from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability. Furthermore, if the Group expects that some or all of the loss accumulated in other equity will not be recovered in the future, that amount is immediately reclassified to profit or loss.

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If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. The discontinuation is accounted for prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to profit or loss.

3) Hedge of a net investment in a foreign operation

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the foreign currency forward contracts relating to the effective portion of the hedge is recognized in other comprehensive income and accumulated in 'other equity - gains (losses) on hedging instruments. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss.

Gains and losses on the hedging instrument accumulated in other equity are reclassified to profit or loss on the disposal or partial disposal of the foreign operation.

(h) Investment in associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over their financial and operating policies.

Investments in associates are accounted for using the equity method and are recognized initially at cost. The cost of the investment includes transaction costs. The carrying amount of the investment in associates includes goodwill arising from the acquisition less any accumulated impairment losses.

The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of those associates, after adjustments to align their accounting policies with those of the Group, from the date on which significant influence commences until the date on which significant influence ceases. The Group recognizes any changes of its proportionate share in the investee within capital surplus, when an associate's equity changes due to reasons other than profit and loss or comprehensive income, which did not result in changes in actual significant influence.

Gains and losses resulting from transactions between the Group and an associate are recognized only to the extent of unrelated Group's interests in the associate.

When the Group's share of losses of an associate equals or exceeds its interests in an associate, it discontinues recognizing its share of further losses. After the recognized interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

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(i) Property, plant, and equipment

1. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

2. Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

3. Depreciation

Depreciation is calculated on the cost of an asset less its residual value and is recognized in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment.

Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

1) Buildings	20 years~ 60 years
2) Transportation equipment	3 years~ 6 years
3) Miscellaneous equipment	4 years~ 28 years
4) Assets held for lease	1 year~ 12 years
5) Leasehold improvements	5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(j) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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1. As a lessee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- 1) Fixed payments, including in-substance fixed payments;
- 2) Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- 3) Amounts expected to be payable under a residual value guarantee; and
- 4) Payments for purchase or termination options that are reasonably certain to be exercised.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when:

- 1) There is a change in future lease payments arising from the change in an index or rate; or
- 2) There is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee; or
- 3) There is charge in the lease term resulting from a change of its assessment on whether it will exercise an option to purchase the underlying assets, or
- 4) There is a change of its assessment on whether it will exercise an extension or termination option; or
- 5) There is any lease modifications

When the lease liability is remeasured, other than lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

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When the lease liability is remeasured to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease, the Group accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize in profit or loss any gain or loss relating to the partial or full termination of the lease.

The Group presents right-of-use assets that do not meet the definition of investment and lease liabilities as a separate line item respectively in the statement of financial position.

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.As a lessor

When the Group acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then the lease is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies IFRS15 to allocate the consideration in the contract.

The Group recognizes a finance lease receivable at an amount equal to its net investment in the lease. Initial direct costs, such as lessors to negotiate and arrange a lease, are included in the measurement of the net investment. The interest income is recognized over the lease term based on a pattern reflecting a constant periodic rate of return on the net investment in the lease. The Group recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'Rental revenue-operating leases'.

(k) Intangible assets

1.Recognition and measurement

Goodwill arising on the acquisition of subsidiaries is measured at cost, less accumulated impairment losses.

Other intangible assets are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

2.Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

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3. Amortization

Amortization is calculated over the cost of the asset, less its residual value, and is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(l) Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(m) Revenue

1. Sales revenue

Sales revenue is recognized when the control of the product has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the product, and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

The Group engaged in the business of solar power generation. The Group signed several contracts with Taiwan Power Company selling electric power. All contracts will expire 20 years after the date those generators has been paralleled and the related power electric revenues have been recognized.

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2. Installment sales revenue

The revenue from installment sales is calculated using ordinary sales method. Under this method, gross profit between sales determined at normal selling price and cost of sales is recognized on selling date. The excess installment sales over the sales determined at normal selling price is treated as unearned interest revenue, which is subsequently recognized as interest revenue by using the interest method. Unearned interest revenue is treated as a deduction item of installment sales receivable. The ownership of the property is transferred upon receipt of the full amount of installment sales receivable.

3. Leasing business

Lease contracts are classified as capital or operating leases based on certain criteria, such as the lease terms, the likelihood of collecting receivables under lease contracts, and future cost to be borne by the lessor. The revenues generated from leasing business are interest revenue for capital leases and rental revenue for operating leases.

4. Loans receivable

Loans are recorded at its principal amount. Interest income is recognized on accrual basis. If the collectability of interest receivable is in question, the recognition of interest income is deferred to the point of collection.

5. Accounting for factoring of accounts receivable

The Group is engaged in factoring of accounts receivable with or without recourse. Factoring of accounts receivable is treated as a purchase if it meets the conditions described below, otherwise, it is treated as financing of accounts receivable:

- 1) When the factoring transfers and surrenders all or part of the control over the financial assets, the factored receivables are deemed to be reasonably collectable with no restrictions.
- 2) Control over transferred accounts receivable is deemed to have been transferred under all of the following conditions:
 - A. The transferred accounts receivable are isolated from the transferor – put presumptively beyond the reach of the transferor and its creditors, even in bankruptcy or other receivership situation.
 - B. Either (1) each transferee obtains the right – free of conditions that prevent the transferee from taking advantage of that right – to pledge or exchange the transferred accounts receivable or (2) the transferee is a qualifying special-purpose entity and the holders of beneficial interests in that entity have the right – free of conditions that prevent them from taking advantage of the right – to pledge or exchange those interests.
 - C. The transferor does not maintain effective control over the transferred accounts receivable through (1) an agreement that both entitle and obligates the transferor to repurchase or redeem them before their maturity or (2) an agreement that entitles the transferor to repurchase or redeem transferred accounts receivable that are not readily obtainable.

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6. Fee and commission

Fee and commission income is earned from a range of services rendered by the Group to its customers, and comprises income earned from services rendered over a period of time as well as transaction-type services.

Fees earned from providing services over a period of time are recognized over the service period during which the related service is provided or credit risk is undertaken. Fee and commission income from such services comprises mainly loans, guarantees, and other management and advisory fees.

(n) Employee benefits

1. Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

2. Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of the plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income, and accumulated in retained earnings within equity. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(o) Income taxes

Income taxes comprise current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes are recognized in profit or loss.

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Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred taxes are recognized except for the following:

1. temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits (losses) at the time of the transaction;
2. temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
3. taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date, and are reduced to the extent that it is no longer probable that the related tax benefits will be realized; such reductions are reversed when the probability of future taxable profits improves.

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reserve, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if the following criteria are met:

1. the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and
2. the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
 - 1) the same taxable entity; or
 - 2) different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(p) Business combination

The Company accounts for business combinations using the acquisition method. The goodwill arising from an acquisition is measured as the excess of (i) the consideration transferred (which is generally measured at fair value) and (ii) the amount of non-controlling interest in the acquiree, both over the identifiable net assets acquired at the acquisition date. If the amount calculated above is a deficit balance, the Company recognized that amount as a gain on a bargain purchase in profit or loss immediately after reassessing whether it has correctly identified all of the assets acquired and all of the liabilities assumed.

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All acquisition-related transaction costs are expensed as incurred, except for the issuance of debt or equity instruments.

For each business combination, the Group measures any non-controlling interests in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets, if the non-controlling interests are present ownership interests and entitle their holders to a proportionate share of the Group's net assets in the event of liquidation. Other components of non-controlling interests are measured at their acquisition-date fair values, unless another measurement basis is required by the IFRSs endorsed by the FSC.

(q) Earnings per share

The Group discloses the Company's basic and diluted earnings per share attributable to ordinary shareholders of the Company. Basic earnings per share is calculated on profit attributable to the ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding. Diluted earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all potentially dilutive ordinary shares.

(r) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may incur revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group). Operating results of the operating segment are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance. Each operating segment consists of standalone financial information.

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with the IFRSs endorsed by the FSC requires management to make judgments, estimates, and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The management continues to monitor the accounting estimates and assumptions. The management recognizes any changes in accounting estimates during the period and the impact of those changes in accounting estimates in the following period.

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is as follows:

(a) Judgment regarding control of subsidiaries

Although the Company's ownership was lower than 50% of the subsidiary's outstanding shares, the subsidiary was consolidated. This is because the other 50.01% ownership was dispersed and no evidence of joint policy making agreement among those stockholders. Also, the low participation rate of other shareholders in past shareholders' meetings indicates that the Company owns the actual power to control.

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(b) Financial asset and liability classification

At initial recognition, financial assets and liabilities are categorized or designated depending on the following circumstances:

- (i) Financial assets are designated as fair value through profit or loss, if they meet the criteria for being classified as assets as set out in accounting policy disclosure Note 4(g).
- (ii) Financial assets are designated as fair value through other comprehensive income, if they met the criteria for being classified as assets as set out in accounting policy disclosure Note 4(g).
- (iii) Financial assets are designated as amortized cost, if they met the criteria for being as assets as set out in accounting policy disclosure Note 4(g).

(c) Securitizations

In applying its accounting policies on securitized financial assets, the Group has evaluated both the extent of risks and rewards on assets transferred to another entity and the extent of the Group's control over the other entity:

- (i) If the Group, in substance, controls the entity in which financial assets have been transferred, the entity is included in these consolidated financial statements and the transferred assets are recognized in the Group's consolidated balance sheet.
- (ii) If the Group has transferred financial assets to another entity, but has not transferred substantially all of the risk and rewards relating to the transferred assets, the assets are recognized in the Group's consolidated balance sheet.
- (iii) If the Group transfers substantially all the risk and rewards relating to the transferred assets to an entity that it does not control, the assets are derecognized from the Group's consolidated balance sheet.

Details of the Group's securitization activities are discussed under the accounting policy disclosure Note 6(d).

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year is as follows:

(a) Impairment losses on loans and receivables

Impairment allowances on loans and receivables represent management's best estimate of losses incurred in the loan portfolios at the balance sheet date. Management is required to exercise judgment in making assumptions and estimations when calculating loan and receivables impairment allowances on both individually and collectively assessed loans and receivables.

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The specific counterparty component of the total allowance for impairment applies to financial assets evaluated individually for impairment and is based upon management's best estimate of the present value of the estimated future cash flows that are expected to be received. In estimating these cash flows, management makes judgments on counterparty's financial situation and the net realizable value of any underlying collateral. The Group recognizes an impairment loss on the excess of carrying value over the recoverable amount of the estimated cash flows in profit or loss.

All individually significant loans and receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and receivables that are not individually significant are collectively assessed for impairment by grouping together loans and receivables with similar risk characteristics. The current methodology used for impairment assessment is subject to estimation of uncertainty, because it is not practicable to identify losses individually due to the large number of insignificant loans in the portfolio. In addition, the statistical analyses of historical information is supplemented with significant judgment to assess whether current economic and credit conditions are such that the actual level of inherent losses is likely to be greater or less than that suggested by historical experience. In normal circumstances, historical experience provides the most objective and relevant information from which to assess inherent loss within each portfolio. In certain circumstances, historical loss experience provides certain less relevant information about the inherent loss in a given portfolio at the balance sheet date, for example, where there have been changes in economic, regulatory or behavioral conditions such that the most recent trends in the portfolio risk factors are not fully reflected in the statistical models of impairment assessment. In these circumstances, such factors are taken into account when calculating the appropriate levels of impairment allowances, by adjusting the impairment allowances derived solely from historical loss experience.

This key area of judgment is subject to uncertainty and is highly sensitive to factors such as loan portfolio growth, product mix, unemployment rates, bankruptcy trends, geographic concentrations, economic conditions such as national and local trends in housing markets, the level of interest rates, account management policies and practices, changes in laws and regulations, and other factors that can affect customer payment patterns. Different factors are applied in different regions and countries to reflect different economic and credit conditions and laws and regulations. The assumptions underlying this judgment are highly subjective. The methodology and the assumptions used in calculating impairment losses are reviewed regularly in the light of differences between loss estimates and actual loss experience. For example, loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure they remain appropriate.

(b) Impairment losses on non-financial assets

The Group reviews the carrying amounts of the assets at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount or value in use is estimated. Determining the value in use of non-financial assets, which require the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets, require the Group to make estimates and assumptions that can materially affect the financial statements. Any resulting impairment losses could have a material adverse impact on the Group's financial condition and results of operations.

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The preparation of the estimated future cash flows involves significant judgment and estimations. While the Group believes that the assumptions are appropriate and reasonable, significant changes in the assumptions may materially affect the assessment of recoverable values and may lead to future impairment charges.

(c) Valuation Process

The Group's accounting policies include measuring financial and non-financial assets and liabilities at fair value through profit or loss.

The Group's financial instrument valuation group conducts independent verification on fair value by using data sources that are independent, reliable, and representative of exercise prices. This financial instrument valuation group also periodically adjusts valuation models, conducts back-testing, renews input data for valuation models, and makes all other necessary fair value adjustments to assure the rationality of fair value. The Group strives to use market observable inputs when measuring assets and liabilities. Different levels of the fair value hierarchy to be used in determining the fair value of financial instruments are as follows:

·Level 1: quoted prices (unadjusted) in active markets for identifiable assets or liabilities.

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

·Level 3: inputs for the assets or liability that are not based on observable market data.

Please refer to notes listed below for the assumptions used in measuring fair value Note (6)(u), Financial instruments.

(6) Explanation to significant accounts

(a) Cash and cash equivalents

	<u>2021.12.31</u>	<u>2020.12.31</u>
Cash and bank deposits	\$ 46,136,939	31,662,725
Time deposits	237,609	784,080
Cash equivalents-repurchase bills	<u>-</u>	<u>350,000</u>
Cash and cash equivalents in consolidated statements of cash flows	<u>\$ 46,374,548</u>	<u>32,796,805</u>

The Group's interest risk and sensitivity analysis of financial assets and liabilities were disclosed in Note (6)(u).

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(b) Financial instruments

1. The components of financial assets were as follows:

	<u>2021.12.31</u>	<u>2020.12.31</u>
Financial assets designated at fair value through profit or loss		
Mandatorily measured at fair value through profit or loss:		
Securities of listed companies	\$ 6,885	194,363
Private equity	480	480
Non-hedging derivatives	1,308,478	560,479
Convertible bonds	77,776	75,096
Convertible preferred stocks	18,536	19,025
Bond options	<u>2,400</u>	<u>-</u>
Sub-total	<u>1,414,555</u>	<u>849,443</u>
Financial assets at fair value through other comprehensive income		
Securities of listed companies	784,142	693,793
Emerging stock	9,530	4,261
Private equity	<u>136,991</u>	<u>130,307</u>
Sub-total	<u>930,663</u>	<u>828,361</u>
Financial assets measured at amortized cost		
Investment in debt securities	<u>30,493,766</u>	<u>18,697,957</u>
Financial assets for hedging	<u>309,278</u>	<u>118,697</u>
Total	<u><u>\$ 33,148,262</u></u>	<u><u>20,494,458</u></u>

1. Financial assets designated at fair value through profit or loss - bond options

The Company issued the first domestic unsecured convertible bonds on December 16, 2021. The Company has redeemable options accordance with the regulation for issuance of domestic unsecured convertible bonds, please refer to Note (6)(l). The amount of gain or loss on remeasurement of fair value, please refer to Note (6)(t).

2. Investments in equity instruments measured at fair value through other comprehensive income

These investments in equity instruments are held for long-term strategic purpose and therefore are accounted for as financial assets at fair value through other comprehensive income.

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3. Financial assets measured at amortized cost

The Group purchased debt securities issued by real estate asset trust. These debt securities have maturity dates between 2021 and 2025, and bear effective annual interest rates ranging from 2.75%~7.50%.

4. Please refer to Note (6)(v) for information regarding credit risk and market risk.

(c) Derivative instruments used for hedging

As of December 31, 2021 and 2020, the Group held derivative instruments qualified for hedge accounting as follows:

Cross currency swap contracts:

		2021.12.31			
	Nominal Amount	Currency	Interest Rate Payable	Interest Rate Receivable	Contract Period
USD	9,600	USD to MYR	4.83%	90-Day LIBOR+ 1.35%	2019.03.20~
MYR	39,168				2022.03.21
USD	16,000	USD to MYR	3.28%	90-Day LIBOR+ 1.5%	2020.09.10~
MYR	66,688				2023.09.10
USD	10,000	USD to MYR	3.98%	90-Day LIBOR+ 1.5%	2021.05.10~
MYR	41,095				2024.05.10
USD	30,000	USD to MYR	4.22%	90-Day LIBOR+ 1.62%	2021.12.06~
MYR	127,020				2024.12.06
USD	50,000	USD to CNY	4.12%	90-Day LIBOR+ 1.4%	2019.01.22~
CNY	338,250				2022.01.21
USD	50,000	USD to CNY	4.21%	90-Day LIBOR+ 1.4%	2019.06.17~
CNY	345,500				2022.06.17
USD	50,000	USD to CNY	4.20%	90-Day LIBOR+ 1.4%	2019.07.15~
CNY	344,375				2022.07.15
USD	50,000	USD to CNY	4.18%	90-Day LIBOR+ 1.4%	2019.08.19~
CNY	352,650				2022.08.19
USD	50,000	USD to CNY	4.18%	90-Day LIBOR+ 1.4%	2019.08.26~
CNY	352,650				2022.08.26
USD	60,000	USD to CNY	4.18%	90-Day LIBOR+ 1.4%	2020.01.13~
CNY	418,200				2023.01.13
USD	60,000	USD to CNY	3.98%	90-Day LIBOR+ 1.4%	2020.02.18~
CNY	418,800				2023.02.17
USD	60,000	USD to CNY	3.88%	90-Day LIBOR+ 1.4%	2020.08.12~
CNY	417,900				2023.08.11
USD	60,000	USD to CNY	3.78%	90-Day LIBOR+ 1.4%	2020.09.14~
CNY	414,300				2023.09.14
USD	60,000	USD to CNY	3.78%	90-Day LIBOR+ 1.4%	2020.09.21~
CNY	413,400				2023.09.21

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		2021.12.31			
	Nominal Amount	Currency	Interest Rate Payable	Interest Rate Receivable	Contract Period
USD	33,000	USD to CNY	4.03%	90-Day LIBOR+ 1.4%	2021.06.07~
CNY	210,540				2024.06.07
USD	33,000	USD to CNY	3.96%	90-Day LIBOR+ 1.4%	2021.07.19~
CNY	213,510				2024.07.19
USD	33,000	USD to CNY	3.95%	90-Day LIBOR+ 1.4%	2021.07.26~
CNY	214,005				2024.07.26
USD	49,500	USD to CNY	3.91%	90-Day LIBOR+ 1.4%	2021.08.09~
CNY	320,166				2024.08.09
USD	33,000	USD to CNY	4.41%	90-Day LIBOR+ 1.4%	2021.11.22~
CNY	211,332				2024.11.22
USD	49,500	USD to CNY	4.64%	90-Day LIBOR+ 1.4%	2021.11.29~
CNY	316,058				2024.11.29
USD	49,500	USD to CNY	4.53%	90-Day LIBOR+ 1.4%	2021.12.08~
CNY	315,315				2024.12.06
USD	49,500	USD to CNY	4.60%	90-Day LIBOR+ 1.4%	2021.12.15~
CNY	314,078				2024.12.13
USD	50,000	USD to CNY	6.35%	3.75%	2020.10.22~
CNY	327,500				2023.10.22
USD	50,000	USD to CNY	6.35%	3.75%	2020.10.22~
CNY	327,000				2023.10.22
USD	50,000	USD to CNY	6.35%	3.75%	2020.10.22~
CNY	327,000				2023.10.22
USD	50,000	USD to CNY	6.30%	3.75%	2020.10.22~
CNY	326,890				2023.10.22
USD	50,000	USD to CNY	6.05%	3.75%	2020.10.22~
CNY	327,550				2023.10.22
USD	50,000	USD to CNY	6.29%	3.75%	2021.10.22~
CNY	322,500				2023.10.22
JPY	8,000,000	JPY to CNY	3.68%	90-Day LIBOR+ 1.0%	2020.07.16~
CNY	524,400				2023.05.26
JPY	7,000,000	JPY to CNY	4.53%	3-Year TSR+ 1.05%	2021.12.03~
CNY	390,250				2024.09.06
JPY	6,300,000	JPY to CNY	4.52%	3-Year TSR+ 1.05%	2021.12.06~
CNY	354,375				2024.09.06
HKD	400,000	HKD to CNY	4.34%	90-Day HIBOR+ 1.4%	2019.11.25~
CNY	359,120				2022.11.25
HKD	300,000	HKD to CNY	4.16%	90-Day HIBOR+ 1.4%	2019.11.27~
CNY	269,400				2022.11.28
HKD	300,000	HKD to CNY	4.36%	90-Day HIBOR+ 1.4%	2019.12.09~
CNY	270,842				2022.12.09

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		2021.12.31			
Nominal Amount		Currency	Interest Rate Payable	Interest Rate Receivable	Contract Period
USD 30,000		USD to VND	3.45%	90-Day LIBOR+ 1.3%	2020.12.23~
VND 693,900,000					2024.12.22
USD 30,000		USD to VND	3.10%	90-Day LIBOR+ 1.3%	2021.04.16~
VND 692,400,000					2023.12.22
USD 100,000		USD to THB	2.27%	90-Day LIBOR+ 1.65%	2021.01.11~
THB 2,993,000					2024.01.11

Forward exchange contracts:

		2021.12.31			
		Amount	Currency	Contract period	
Forward exchange purchased	USD	5,000	USD to VND	2021.03.22~2022.03.22	
Forward exchange purchased	USD	6,000	USD to VND	2021.06.10~2022.06.09	
Forward exchange purchased	USD	4,000	USD to VND	2021.06.11~2022.06.10	
Forward exchange purchased	USD	5,000	USD to VND	2021.06.14~2022.05.13	
Forward exchange purchased	USD	5,000	USD to VND	2021.07.05~2022.06.29	
Forward exchange purchased	USD	3,000	USD to VND	2021.07.06~2022.07.05	
Forward exchange purchased	USD	3,000	USD to VND	2021.07.07~2022.04.04	
Forward exchange purchased	USD	5,000	USD to VND	2021.07.12~2022.07.11	
Forward exchange purchased	USD	6,000	USD to VND	2021.07.14~2022.01.11	
Forward exchange purchased	USD	2,000	USD to VND	2021.10.15~2022.10.14	
Forward exchange purchased	USD	5,000	USD to VND	2021.10.22~2022.10.21	
Forward exchange purchased	USD	5,000	USD to VND	2021.11.12~2022.11.10	
Forward exchange purchased	USD	5,000	USD to VND	2021.12.10~2022.09.09	
Forward exchange purchased	USD	20,000	USD to VND	2021.12.17~2022.12.16	

Cross currency swap contracts:

		2020.12.31			
Nominal Amount		Currency	Interest Rate Payable	Interest Rate Receivable	Contract Period
USD 12,000		USD to MYR	4.83%	90-Day LIBOR+ 1.35%	2019.03.20~
MYR 48,960					2022.03.21
USD 20,000		USD to MYR	3.28%	90-Day LIBOR+ 1.5%	2020.09.10~
MYR 83,600					2023.09.10
USD 50,000		USD to CNY	4.12%	90-Day LIBOR+ 1.4%	2019.01.22~
CNY 338,250					2022.01.21
USD 50,000		USD to CNY	4.21%	90-Day LIBOR+ 1.4%	2019.06.17~
CNY 345,500					2022.06.17
USD 50,000		USD to CNY	4.20%	90-Day LIBOR+ 1.4%	2019.07.15~
CNY 344,375					2022.07.15

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		2020.12.31			
	Nominal Amount	Currency	Interest Rate Payable	Interest Rate Receivable	Contract Period
USD	50,000	USD to CNY	4.18%	90-Day LIBOR+ 1.4%	2019.08.19~
CNY	352,650				2022.08.19
USD	50,000	USD to CNY	4.18%	90-Day LIBOR+ 1.4%	2019.08.26~
CNY	352,650				2022.08.26
USD	60,000	USD to CNY	4.18%	90-Day LIBOR+ 1.4%	2020.01.13~
CNY	418,200				2023.01.13
USD	60,000	USD to CNY	3.98%	90-Day LIBOR+ 1.4%	2020.02.18~
CNY	418,800				2023.02.17
USD	60,000	USD to CNY	3.88%	90-Day LIBOR+ 1.4%	2020.08.12~
CNY	417,900				2023.08.11
USD	60,000	USD to CNY	3.78%	90-Day LIBOR+ 1.4%	2020.09.14~
CNY	414,300				2023.09.14
USD	60,000	USD to CNY	3.78%	90-Day LIBOR+ 1.4%	2020.09.21~
CNY	413,400				2023.09.21
USD	50,000	USD to CNY	6.35%	3.75%	2020.10.22~
CNY	327,500				2023.10.22
USD	50,000	USD to CNY	6.35%	3.75%	2020.10.22~
CNY	327,000				2023.10.22
USD	50,000	USD to CNY	6.35%	3.75%	2020.10.22~
CNY	327,000				2023.10.22
USD	50,000	USD to CNY	6.30%	3.75%	2020.10.22~
CNY	326,890				2023.10.22
USD	50,000	USD to CNY	5.90%	3.75%	2020.10.22~
CNY	327,000				2021.10.22
USD	50,000	USD to CNY	6.05%	3.75%	2020.10.22~
CNY	327,550				2023.10.22
JPY	4,100,000	JPY to CNY	5.02%	90-Day LIBOR+ 0.85%	2018.07.11~
CNY	246,410				2021.06.21
JPY	7,500,000	JPY to CNY	4.70%	90-Day LIBOR+ 0.85%	2018.08.15~
CNY	458,700				2021.06.23
JPY	8,000,000	JPY to CNY	3.68%	90-Day LIBOR+ 1%	2020.07.16~
CNY	524,400				2023.05.26
HKD	400,000	HKD to CNY	4.34%	90-Day HIBOR+ 1.4%	2019.11.25~
CNY	359,120				2022.11.25
HKD	300,000	HKD to CNY	4.16%	90-Day HIBOR+ 1.4%	2019.11.27~
CNY	269,400				2022.11.28
HKD	300,000	HKD to CNY	4.36%	90-Day HIBOR+ 1.4%	2019.12.09~
CNY	270,842				2022.12.09
USD	30,000	USD to VND	3.45%	90-Day LIBOR+ 1.3%	2020.12.23~
VND	693,900,000				2023.12.22

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Forward exchange contracts:

		2020.12.31		
	Amount	Currency	Contract period	
Forward exchange purchased	USD 2,000	USD to VND	2020.10.27~2021.10.26	
Forward exchange purchased	USD 3,000	USD to VND	2020.10.29~2021.10.28	
Forward exchange purchased	USD 5,000	USD to VND	2020.11.27~2021.11.26	
Forward exchange purchased	USD 5,000	USD to VND	2020.11.30~2021.11.30	
Forward exchange purchased	USD 3,000	USD to VND	2020.12.11~2021.12.10	

1. Cash flow hedge

Subsidiaries entered into cross currency swap contracts with banks to hedge future cash flow out of foreign currency loans.

Hedged item	Hedge Instrument	Fair Value		Expected Cash flow Period	Hedge Period
		2021.12.31	2020.12.31		
USD loans, JPY loans and HKD loans	Cross Currency Swap	\$ 291,404	118,697	2019~2024	2019~2024
USD loans, JPY loans and HKD loans	Cross Currency Swap	(552,239)	(1,400,121)	2019~2024	2019~2024
Item		For the years ended December 31,			
		2021	2020		
The fair value adjustment to other comprehensive income		<u>\$ 61,959</u>	<u>(50,099)</u>		

The Group uses the forward exchange contracts as its strategy to hedge its estimated foreign currency exposure in respect of forecasted purchases over the following twelve months. The amounts related to the items designated as hedging instruments at the reporting date were as follows:

2021.12.31	Contract amount		Currency	Maturity period	Average strike price	Hedge ineffectiveness recognized in profit or loss
Forward exchange purchased (USD loans)	USD	5,000	USD to VND	2021.03.22~2022.03.22	23,075	-
Forward exchange purchased (USD loans)	USD	6,000	USD to VND	2021.06.10~2022.06.09	22,940	-
Forward exchange purchased (USD loans)	USD	4,000	USD to VND	2021.06.11~2022.06.10	22,940	-
Forward exchange purchased (USD loans)	USD	5,000	USD to VND	2021.06.14~2022.05.13	22,940	-
Forward exchange purchased (USD loans)	USD	5,000	USD to VND	2021.07.05~2022.06.29	22,994	-

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2021.12.31	Contract amount		Currency	Maturity period	Average strike price	Hedge ineffectiveness recognized in profit or loss
Forward exchange purchased (USD loans)	USD	3,000	USD to VND	2021.07.06~2022.07.05	23,015	-
Forward exchange purchased (USD loans)	USD	3,000	USD to VND	2021.07.07~2022.04.04	23,010	-
Forward exchange purchased (USD loans)	USD	5,000	USD to VND	2021.07.12~2022.07.11	23,000	-
Forward exchange purchased (USD loans)	USD	6,000	USD to VND	2021.07.14~2022.01.11	23,015	-
Forward exchange purchased (USD loans)	USD	2,000	USD to VND	2021.10.15~2022.10.14	22,756	-
Forward exchange purchased (USD loans)	USD	5,000	USD to VND	2021.10.22~2022.10.21	22,750	-
Forward exchange purchased (USD loans)	USD	5,000	USD to VND	2021.11.12~2022.11.10	22,642	-
Forward exchange purchased (USD loans)	USD	5,000	USD to VND	2021.12.10~2022.09.09	23,018	-
Forward exchange purchased (USD loans)	USD	20,000	USD to VND	2021.12.17~2022.12.16	22,950	-

2020.12.31	Contract amount		Currency	Maturity period	Average strike price	Hedge ineffectiveness recognized in profit or loss
Forward exchange purchased (USD loans)	USD	2,000	USD to VND	2020.10.27~2021.10.26	23,175	-
Forward exchange purchased (USD loans)	USD	3,000	USD to VND	2020.10.29~2021.10.28	23,179	-
Forward exchange purchased (USD loans)	USD	5,000	USD to VND	2020.11.27~2021.11.26	23,155	-
Forward exchange purchased (USD loans)	USD	5,000	USD to VND	2020.11.30~2021.11.30	23,135	-
Forward exchange purchased (USD loans)	USD	3,000	USD to VND	2020.12.11~2021.12.10	23,128	-

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The amounts at the reporting date related to the items designated as hedged items were as follows:

	Cash flow hedge reserve (Continuing hedges)
<u>2021.12.31</u>	
USD loans	\$ <u>17,874</u>
<u>2020.12.31</u>	
USD loans	\$ <u>(1,999)</u>

The impact of the amounts related to hedging instruments on other comprehensive income was as follows:

	For the years ended December 31,	
	<u>2021</u>	<u>2020</u>
	Forward exchange purchased (USD loans)	Forward exchange purchased (USD loans)
Amount reclassified from hedge reserve to profit or loss:		
Amounts of hedging gains or losses recognized in other comprehensive income	\$ <u>3,158</u>	<u>(757)</u>

2. Hedge of net investment in foreign operation

The fair value of the equity investment in foreign investee, Golden Bridge (B.V.I.) Corp., may be influenced by the fluctuation of USD exchange rate. The Company designated its USD borrowings to hedge the exchange rate fluctuation risk from this investment. The details of net investment hedge in foreign operation and designated derivatives were as follows:

		Designated Hedging Instrument	
		Fair Value	
<u>Hedged Item</u>	<u>Hedge Instrument</u>	<u>2021.12.31</u>	<u>2020.12.31</u>
Equity investment measured in USD	Foreign currency borrowings	\$ <u>10,933,600</u>	<u>4,642,240</u>
		For the years ended December 31,	
		<u>2021</u>	<u>2020</u>
<u>Item</u>			
The fair value adjustment to other comprehensive income		\$ <u>158,366</u>	<u>377,685</u>

There were no effects of ineffectiveness recognized in profit or loss that arises from hedges of net investments in foreign operation, Golden Bridge (B.V.I.) Corp., for the years ended December 31, 2021 and 2020.

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(d) Accounts receivable, net

	<u>2021.12.31</u>	<u>2020.12.31</u>
Current		
Accounts receivable	\$ 47,579,740	38,200,736
Less: Allowance for impairment	<u>(911,921)</u>	<u>(825,456)</u>
	46,667,819	37,375,280
Installment sales receivable	122,374,515	104,004,087
Less: Unearned interests	<u>(14,365,904)</u>	<u>(11,486,888)</u>
Allowance for impairment	<u>(3,056,705)</u>	<u>(2,795,997)</u>
	104,951,906	89,721,202
Leases receivable (included operating leases)	228,843,214	211,623,740
Less: Unearned revenue	<u>(27,778,367)</u>	<u>(26,191,570)</u>
Allowance for impairment	<u>(4,816,766)</u>	<u>(4,817,747)</u>
	196,248,081	180,614,423
Loans receivable	81,223,446	69,194,739
Less: Allowance for impairment	<u>(1,535,533)</u>	<u>(1,186,622)</u>
	79,687,913	68,008,117
Sub-total of current accounts	<u>427,555,719</u>	<u>375,719,022</u>
Non-Current		
Accounts receivable	29,392,707	21,458,701
Less: Allowance for impairment	<u>(405,173)</u>	<u>(301,211)</u>
	28,987,534	21,157,490
Installment sales receivable	69,975,993	59,445,199
Less: Unearned interests	<u>(8,198,913)</u>	<u>(6,972,077)</u>
Allowance for impairment	<u>(1,542,170)</u>	<u>(1,659,279)</u>
	60,234,910	50,813,843
Leases receivable	13,371,370	11,170,057
Less: Unearned revenue	<u>(1,195,399)</u>	<u>(1,076,883)</u>
Allowance for impairment	<u>(106,646)</u>	<u>(88,591)</u>
	12,069,325	10,004,583
Loans receivable	16,153,964	12,643,660
Less: Allowance for impairment	<u>(290,752)</u>	<u>(472,663)</u>
	15,863,212	12,170,997
Sub-total of non-current accounts	<u>117,154,981</u>	<u>94,146,913</u>
Total accounts receivable	<u><u>\$ 544,710,700</u></u>	<u><u>469,865,935</u></u>

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1. The movements in the allowance for impairment with respect to accounts receivable during the period were as follows:

	For the years ended December 31,	
	2021	2020
Opening balance	\$ 12,147,566	10,238,346
Impairment loss recognized	6,347,682	7,123,450
Bad debts written off	(5,544,458)	(5,148,842)
Effect of exchange rate changes	(285,124)	(65,388)
Ending balance	<u><u>\$ 12,665,666</u></u>	<u><u>12,147,566</u></u>

2. Receivables arising from installment sales and capital leases transactions, which were partially pledged for the repayment or collaterals of bank loans, were discussed further in Note (8).
3. A maturity analysis of capital lease payments, showing the undiscounted lease payments to be received after the reporting date is as follows:

	2021.12.31	2020.12.31
Less than one year	\$ 129,239,043	116,121,025
One to two years	74,554,061	74,003,429
Two to three years	31,363,106	25,892,968
Three to four years	4,427,265	4,686,402
Four to five years	1,283,274	1,334,055
More than five years	<u>1,103,552</u>	<u>579,369</u>
Gross investment in the leases	241,970,301	222,617,248
Unearned revenue	<u>(28,973,766)</u>	<u>(27,268,453)</u>
Present value of minimum leases receivable	<u><u>\$ 212,996,535</u></u>	<u><u>195,348,795</u></u>

4. The Group's installment sales receivable and related accounts were as follows:

	Gross investment in the installment sales	Unearned interests	Present value of installment sales receivable
December 31, 2021			
Within operating cycle	\$ 122,374,515	(14,365,904)	108,008,611
Beyond one operating cycle to 5 years	67,341,559	(7,963,060)	59,378,499
Beyond 5 years	<u>2,634,434</u>	<u>(235,853)</u>	<u>2,398,581</u>
	<u><u>\$ 192,350,508</u></u>	<u><u>(22,564,817)</u></u>	<u><u>169,785,691</u></u>

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	Gross investment in the installment sales	Unearned interest	Present value of installment sales receivable
December 31, 2020			
Within operating cycle	\$ 104,004,087	(11,486,888)	92,517,199
Beyond one operating cycle to 5 years	56,962,087	(6,697,063)	50,265,024
Beyond 5 years	2,483,112	(275,014)	2,208,098
	\$ 163,449,286	(18,458,965)	144,990,321

5. 2016 Securitization

In 2016, the Group securitized its financial assets, consisting of conditional sales receivable, installment sales receivable, fund loaning and capital leases receivable, with an aggregate carrying amount of \$4,973,789. Such securitization was made by way of offering the securities in the form of beneficiary certificates, with the Land Bank of Taiwan as the Trustee. Accordingly, the Group received \$4,093,200 in cash from issuing these beneficiary certificates. Because the Group acquired all of the subordinated beneficiary certificates, the Group had control over the SPEs. The SPEs are classified as "Investments accounted under equity method". The Group's downstream transactions are eliminated by the difference between the following two amounts.

- 1) The amount received from disposal of financial assets.
- 2) Adjusted book value of disposed financial assets.

The SPEs trusts are included in the consolidated financial statements and recognized as liabilities for cash obtained from issuing these beneficiary certificates.

On September 24, 2020, the special purpose trust, with the beneficiary certificate grades of twAAA and twA, has been fully redeemed. As the process of its liquidation was completed on October 21, 2020, the Group received the amount of \$431,622 from the return of subordinated certificates resulting in the special purpose entity to be dissolved, and the combination suspended.

On November 23, 2020, the Group signed a contract for the purpose of debts with special purpose trust entity, and purchased the receivables from special purpose individuals for a total price of \$540,391.

6. 2019 Securitization

In 2019, the Group securitized its financial assets, consisting of conditional sales receivable, installment sales receivable, fund loaning and capital leases receivable, with an aggregate carrying amount of \$5,330,149. Such securitization was made by way of offering the securities in the form of beneficiary certificates, with the Land Bank of Taiwan as the Trustee. Accordingly, the Group received \$4,285,000 in cash from issuing these beneficiary certificates. Because the Group acquired all of the subordinated beneficiary certificates, the Group had control over the SPEs. The SPEs are classified as "Investments accounted under equity method". The Group's downstream transactions are eliminated by the difference between the following two amounts.

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1) The amount received from disposal of financial assets.

2) Adjusted book value of disposed financial assets.

The SPEs trusts are included in the consolidated financial statements and recognized as liabilities for cash obtained from issuing these beneficiary certificates.

These beneficiary certificates are redeemable for the period from December 11, 2019 to December 11, 2026. Specific terms and conditions of the beneficiary certificates are as follows:

Class of beneficiary certificates issued	Order of principal repayment	Issue amount /par value	Issue price	Contract Interest rate	Payment frequency
twAAA	1st	3,840,000	3,840,000	1.30 %	Monthly
twA	2nd	445,000	445,000	1.70 %	Monthly
Subordinated	3rd	1,045,149	1,242,765	None	Monthly

(e) Other current assets

	2021.12.31	2020.12.31
Prepayments	\$ 3,130,995	5,337,878
Prepaid expenses	3,683,582	3,107,963
Foreclosed assets	113,666	127,189
Others	<u>578</u>	<u>11,727</u>
	<u>\$ 6,928,821</u>	<u>8,584,757</u>

As of December 31, 2021 and 2020, foreclosed assets held by the Group were as follows:

	2021.12.31	2020.12.31
Foreclosed assets	\$ 167,247	186,139
Less: Accumulated impairment	<u>(53,581)</u>	<u>(58,950)</u>
	<u>\$ 113,666</u>	<u>127,189</u>

For the years ended December 31, 2021 and 2020, the Group recognized an impairment loss of \$2,203 and \$2,695, and a disposal loss of \$142,161 and \$193,424, respectively, for foreclosed assets.

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(f) Investments accounted under equity method

1. The financial information of individually non-significant equity method associates included in the consolidated financial statements was as follows:

	2021.12.31	2020.12.31
Investments in associates	\$ 1,759,104	1,807,241
	For the years ended December 31,	
	2021	2020
Comprehensive income attributable to the Group		
Gain (loss) in the period	\$ 36,115	(28,527)
Other comprehensive income	(6,217)	38,148
Total comprehensive income	\$ 29,898	9,621

(g) Property, plant and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Group as of and for the years ended December 31, 2021 and 2020, were as follows:

	Land and buildings	Transportation equipment	Machinery and miscellaneous equipment	Leasehold improvements	Total
Cost or deemed cost:					
Balance at January 1, 2021	\$ 2,924,521	15,280,472	35,651,937	254,951	54,111,881
Additions	579,365	7,686,732	7,061,976	58,676	15,386,749
Disposals	(2,035)	(3,544,323)	(1,124,524)	(7,650)	(4,678,532)
Effect of movements in exchange rate	(28,347)	(62,536)	(29,972)	(1,280)	(122,135)
Balance at December 31, 2021	\$ 3,473,504	19,360,345	41,559,417	304,697	64,697,963
Balance at January 1, 2020	\$ 2,901,960	12,977,026	26,888,279	235,263	43,002,528
Additions	14,297	5,446,586	9,498,693	23,289	14,982,865
Disposals	(7,821)	(3,071,150)	(714,579)	(6,846)	(3,800,396)
Effect of movements in exchange rate	16,085	(71,990)	(20,456)	3,245	(73,116)
Balance at December 31, 2020	\$ 2,924,521	15,280,472	35,651,937	254,951	54,111,881
Depreciation and impairment losses:					
Balance at January 1, 2021	\$ 697,989	5,495,296	3,689,111	186,128	10,068,524
Depreciation	53,389	2,840,782	1,566,436	27,711	4,488,318
Impairment loss	-	381,441	43,906	-	425,347
Disposals	(67)	(2,153,119)	(309,760)	(1,530)	(2,464,476)
Effect of movements in exchange rate	(6,191)	(31,718)	(22,722)	212	(60,419)
Balance at December 31, 2021	\$ 745,120	6,532,682	4,966,971	212,521	12,457,294

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	Land and buildings	Transportation equipment	Machinery and miscellaneous equipment	Leasehold improvements	Total
Balance at January 1, 2020	\$ 642,249	4,926,997	2,792,858	163,501	8,525,605
Depreciation	52,907	2,409,544	1,270,959	24,396	3,757,806
Impairment loss	-	281,726	39,466	-	321,192
Disposals	(70)	(2,079,061)	(379,697)	(6,846)	(2,465,674)
Effect of movements in exchange rate	2,903	(43,910)	(34,475)	5,077	(70,405)
Balance at December 31, 2020	<u>\$ 697,989</u>	<u>5,495,296</u>	<u>3,689,111</u>	<u>186,128</u>	<u>10,068,524</u>
Carrying amounts:					
Balance at December 31, 2021	<u>\$ 2,728,384</u>	<u>12,827,663</u>	<u>36,592,446</u>	<u>92,176</u>	<u>52,240,669</u>
Balance at December 31, 2020	<u>\$ 2,226,532</u>	<u>9,785,176</u>	<u>31,962,826</u>	<u>68,823</u>	<u>44,043,357</u>
Balance at January 1, 2020	<u>\$ 2,259,711</u>	<u>8,050,029</u>	<u>24,095,421</u>	<u>71,762</u>	<u>34,476,923</u>

Recognition and reversal of impairment losses were charged to the cost of rental revenue.

For the impairment test of its leasing asset, management estimated the recoverable amount based on its value in use, which was determined by using the cost of capital 0.91%~2.18% and 1.01%~2.23% for the years ended December 31, 2021 and 2020, respectively, to reflect the specific risk associated with its cash generating units.

Assets held for lease, which were partially pledged for the Group's long-term debts and short-term debts, were discussed further in Note (8).

(h) Right-of-use assets

The Group leases many assets including land and buildings and transportation equipment. Information for the years ended December 31, 2021 and 2020, was as follows:

	Land and buildings	Transportation equipment	Total
Cost:			
Balance as of January 1, 2021	\$ 4,981,410	152,403	5,133,813
Additions	1,715,342	60,106	1,775,448
Disposal and termination of contract prior to maturity	(527,701)	(53,145)	(580,846)
Effect of changes in foreign exchange rates	(12,312)	(2,468)	(14,780)
Balance as of December 31, 2021	<u>\$ 6,156,739</u>	<u>156,896</u>	<u>6,313,635</u>
Balance as of January 1, 2020	\$ 4,023,828	133,517	4,157,345
Additions	1,388,078	37,959	1,426,037
Disposal and termination of contract prior to maturity	(422,981)	(21,157)	(444,138)
Effect of changes in foreign exchange rates	(7,515)	2,084	(5,431)
Balance as of December 31, 2020	<u>\$ 4,981,410</u>	<u>152,403</u>	<u>5,133,813</u>

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	Land and buildings	Transportation equipment	Total
Accumulated depreciation and impairment losses:			
Balance as of January 1, 2021	\$ 857,361	79,242	936,603
Depreciation	638,143	45,392	683,535
Disposal and termination of contract prior to maturity	(288,506)	(45,916)	(334,422)
Effect of changes in foreign exchange rates	(5,646)	(898)	(6,544)
Balance as of December 31, 2021	<u>\$ 1,201,352</u>	<u>77,820</u>	<u>1,279,172</u>
Balance as of January 1, 2020	\$ 513,934	44,315	558,249
Depreciation	592,455	54,648	647,103
Disposal and termination of contract prior to maturity	(247,883)	(21,153)	(269,036)
Effect of changes in foreign exchange rates	(1,145)	1,432	287
Balance as of December 31, 2020	<u>\$ 857,361</u>	<u>79,242</u>	<u>936,603</u>
Carrying amount:			
Balance as of December 31, 2021	<u>\$ 4,955,387</u>	<u>79,076</u>	<u>5,034,463</u>
Balance as of December 31, 2020	<u>\$ 4,124,049</u>	<u>73,161</u>	<u>4,197,210</u>
Balance as of January 1, 2020	<u>\$ 3,509,894</u>	<u>89,202</u>	<u>3,599,096</u>

(i) Intangible assets

The costs of intangible assets and amortization of the Group as of and for the years ended December 31, 2021 and 2020, were as follows:

	Goodwill	Software	Total
Cost:			
Balance at January 1, 2021	\$ 79,906	67,147	147,053
Additions	1,641	4,390	6,031
Effect of movements in exchange rate	(2,852)	(8,107)	(10,959)
Balance at December 31, 2021	<u>\$ 78,695</u>	<u>63,430</u>	<u>142,125</u>
Balance at January 1, 2020	\$ 60,761	61,361	122,122
Additions	19,406	8,620	28,026
Effect of movements in exchange rate	(261)	(2,834)	(3,095)
Balance at December 31, 2020	<u>\$ 79,906</u>	<u>67,147</u>	<u>147,053</u>
Amortization and impairment losses:			
Balance at January 1, 2021	\$ 60	49,217	49,277
Amortization for the year	-	4,193	4,193
Effect of movements in exchange rate	-	(5,190)	(5,190)
Balance at December 31, 2021	<u>\$ 60</u>	<u>48,220</u>	<u>48,280</u>

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	<u>Goodwill</u>	<u>Software</u>	<u>Total</u>
Balance at January 1, 2020	\$ 60	46,754	46,814
Amortization for the year	-	4,477	4,477
Effect of movements in exchange rate	-	(2,014)	(2,014)
Balance at December 31, 2020	<u>\$ 60</u>	<u>49,217</u>	<u>49,277</u>
Carrying amounts:			
Balance at December 31, 2021	<u>\$ 78,635</u>	<u>15,210</u>	<u>93,845</u>
Balance at December 31, 2020	<u>\$ 79,846</u>	<u>17,930</u>	<u>97,776</u>
Balance at January 1, 2020	<u>\$ 60,701</u>	<u>14,607</u>	<u>75,308</u>

For the years ended December 31, 2021 and 2020, the amortization of intangible assets amounted to \$4,193 and \$4,477, respectively. This amortization was accounted for as operating expense of the consolidated statement of comprehensive income.

(j) Short-term notes and bills payable

The Group's short-term notes and bills payable were as follows:

2021.12.31			
	<u>Guarantee or Acceptance Agency</u>	<u>Annual Interest Rate</u>	<u>Amount</u>
Commercial paper payables	Bank	0.37%~1.14%	\$ 64,700,000
	Bills Finance Company	0.37%~1.06%	25,790,000
Less: Discount on short-term notes and bills payable			(214,594)
Total			<u>\$ 90,275,406</u>
2020.12.31			
	<u>Guarantee or Acceptance Agency</u>	<u>Annual Interest Rate</u>	<u>Amount</u>
Commercial paper payables	Bank	0.42%~1.06%	\$ 57,600,000
	Bills Finance Company	0.43%~1.19%	26,630,000
Less: Discount on short-term notes and bills payable			(231,293)
Total			<u>\$ 83,998,707</u>

Please refer to Note (8) for the Group's short-term notes and bills payable collateral.

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(k) Long-term and short-term borrowings

The significant terms and conditions of long-term borrowings and short-term borrowings were as follows:

2021.12.31				
	Currency	Annual Interest Rate	Years of Maturity	Amount
Secured bank loans	TWD	0.79%~1.20%	2022~2025	\$ 895,000
"	USD	1.00%~2.75%	2022~2024	4,638,643
"	THB	1.10%~3.30%	2022~2024	10,396,500
"	CNY	4.05%~5.41%	2022~2024	38,252,424
"	VND	1.54%~3.80%	2022	6,044,573
"	MYR	3.00%~5.00%	2022~2026	4,130,750
Unsecured bank loans	TWD	0.73%~2.11%	2022~2031	159,508,564
"	USD	0.78%~5.50%	2022~2024	68,749,608
"	THB	1.00%~3.38%	2022~2024	16,789,152
"	CNY	3.60%~5.30%	2022~2024	18,039,758
"	EUR	0.55%~1.30%	2022~2024	2,599,553
"	JPY	0.70%~1.37%	2022~2023	5,520,277
"	HKD	1.38%~1.74%	2022	4,362,214
"	SGD	1.48%~1.60%	2022	368,279
"	PHP	3.39%~6.67%	2022~2024	324,392
"	MYR	3.00%~4.00%	2022	2,440,320
"	KHR	4.00%~7.00%	2022	173,208
Unsecured other loans	TWD	2.10%~4.00%	2022~2023	145,534
"	THB	1.50%~2.31%	2022	708,983
Notes payable from securitization	TWD	1.30%~1.70%	2022~2026	4,285,000
"	CNY	4.13%~4.30%	2022	4,854,941
Total				\$ 353,227,673
Current				\$ 234,455,828
Non-current				118,771,845
Total				\$ 353,227,673

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2020.12.31				
	Currency	Annual Interest Rate	Years of Maturity	Amount
Secured bank loans	TWD	0.79%~1.20%	2023~2025	\$ 525,000
"	USD	1.10%~3.75%	2021~2023	2,113,164
"	THB	1.31%~3.30%	2021~2023	9,330,606
"	CNY	3.39%~6.17%	2021~2029	52,466,869
"	VND	1.50%~3.40%	2021	6,800,748
"	MYR	3.00%~4.00%	2022	2,716,000
Unsecured bank loans	TWD	0.71%~2.11%	2021~2027	111,179,776
"	USD	0.84%~5.50%	2021~2023	42,425,343
"	THB	1.33%~3.25%	2021~2023	18,385,017
"	CNY	3.60%~5.94%	2021~2023	12,875,804
"	EUR	0.65%~1.30%	2021~2023	3,186,807
"	JPY	0.70%~1.37%	2021~2023	5,588,139
"	HKD	1.70%~2.05%	2022	3,696,110
"	SGD	1.41%~1.60%	2021	172,479
"	MYR	3.15%~3.75%	2021	4,617,200
"	PHP	3.20%~6.00%	2021~2022	378,035
"	KHR	4.00%~7.00%	2021	157,353
Unsecured other loans	THB	2.20%~2.30%	2021	1,483,703
Notes payable from securitization	TWD	1.30%~1.70%	2021~2026	4,285,000
"	CNY	4.30%~4.60%	2021~2022	6,149,751
Total				\$ 288,532,904
Current				\$ 203,735,551
Non-current				84,797,353
Total				\$ 288,532,904

For information on the Group's interest risk, currency risk, and liquidity risk, please refer to Note (6)(u). For information on the debts of related parties, please refer to Note (7).

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1. Securities for bank loans

Certain assets of the Group which were pledged for the repayment of aforementioned loans were disclosed in Note (8).

2. Financial covenants of significant loans and borrowings

- 1) The Company, entered into a syndicated credit agreement with financial institutions, under which, this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. equity ratio, interest coverage ratio, tangible net worth, etc.) Otherwise, the loans are due and payable immediately.
- 2) A subsidiary, Chailease Finance Co., Ltd., entered into several syndicated credit agreements with financial institutions, under which, this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. equity ratio, interest coverage ratio, tangible net worth, self-owned asset ratio, etc.) Otherwise, the loans are due and payable immediately.
- 3) A subsidiary, Asia Sermkij Leasing Public Co., Ltd., likewise entered into several credit loan agreements with financial institutions, under which, this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. liabilities to equity ratio, etc.) Otherwise, the loans are due and payable immediately.
- 4) A subsidiary, Grand Pacific Financing Corp. (California), entered into a syndicated credit agreement with financial institutions, under which, this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. interest coverage ratio, tangible net worth, etc.) Otherwise, the loan is due and payable immediately.
- 5) A subsidiary, Fina Finance & Trading Co., Ltd., entered into several syndicated credit loan agreements with financial institutions, under which, this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. equity ratio, tangible net worth, interest coverage ratio, self-owned asset ratio, etc.) Otherwise, the loans are due and payable immediately.
- 6) A subsidiary, Chailease International Finance Corporation entered into several credit loan agreements with financial institutions. Under these agreements, the Company and this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. liabilities to equity ratio, equity ratio, tangible assets net worth, interest coverage ratio, total risk assets to net assets ratio, overdue leased assets to leased assets ratio, leasing rental recovery ratio, etc.) Otherwise, the loans are due and payable immediately.
- 7) A subsidiary, Chailease Finance International Corp., entered into several credit loan agreements with financial institutions. Under these agreements, this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. liabilities to equity ratio, risk assets to net assets ratio, etc.) Otherwise, the loans are due and payable immediately.

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- 8) A subsidiary, Chailease International Corp., entered into several credit loan agreements with financial institutions. Under these agreements, the Company shall maintain certain financial ratios on balance sheet date. (i.e. liabilities to equity ratio, recovery of account receivable, etc.) Otherwise, the loans are due and payable immediately.
- 9) A subsidiary, Chailease Consumer Finance Co., Ltd., entered into several credit loan agreements with financial institutions, under which, this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. equity ratio, tangible net worth, interest coverage ratio, self-owned asset ratio, etc.) Otherwise, the loans are due and payable immediately.
- 10) A subsidiary, Chailease International Financial Services Co., Ltd., entered into several credit loan agreements with financial institutions, under which, Chailease Finance Co., Ltd., shall maintain certain parent only financial ratios on balance sheet date. (i.e. interest coverage ratio, tangible net worth, etc.) Otherwise, the loans are due and payable immediately.
- 11) A subsidiary, Chailease Berjaya Credit Sdn Bhd., entered into several credit loan agreements with financial institutions, under which, the Company and Chailease Berjaya Credit Sdn Bhd., shall maintain certain financial ratios on balance sheet date. (i.e. liabilities to equity ratio, etc.) Otherwise, the loans are due and payable immediately.
- 12) A subsidiary, Chailease International Financial Services (Singapore) Pte. Ltd. entered into several credit loan agreements with financial institutions, under which, Chailease Finance Co., Ltd., shall maintain certain financial ratios on balance sheet date. (i.e. interest coverage ratio and tangible net worth ratio, etc.) Otherwise, the loans are due and payable immediately.
- 13) A subsidiary, Chailease Berjaya Finance Corporation, entered into a credit loan agreement with a financial institution, under which, Chailease Berjaya Finance Corporation shall maintain certain financial ratios on the balance sheet date. (i.e. liabilities ratio, etc.) Otherwise, the loans will be deemed as due and are payable immediately.
- 14) The subsidiaries, Chailease Royal Leasing Plc. and Chailease Royal Finance Plc. entered into several credit loan agreements with different financial institutions, under which, the Company, Chailease Royal Leasing Plc. and Chailease Royal Finance Plc. shall maintain certain financial ratios on the balance sheet date. (i.e. liabilities ratio, non-performing asset ratio, interest coverage ratio, and net tangible assets ratio, etc.) Otherwise, the loans are due and payable immediately.
- 15) A subsidiary, Chailease International Leasing Company Limited (Vietnam) entered into several syndicated credit loans agreements with different financial institutions, under which, the subsidiary and Chailease Finance Co., Ltd., shall maintain certain financial ratios on balance sheet date (i.e. interest coverage ratio and tangible net worth ratio, etc.). Otherwise, the loans are due and payable immediately.

As of December 31, 2021 and 2020, the Group was in compliance with the financial covenants mentioned above.

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(1) Bonds payable

1. The details of unsecured corporate bonds were as follows:

Period	Annual Interest Rate	Principal Amount	Repayment Terms	2021.12.31		Collateral
				Within Operating Cycle	Beyond Operating Cycle	
2014.10.30~ 2024.10.30	2.300%	1,100,000	Payable in lump sum. Interest rate is fixed. Interest is payable annually.	-	1,100,000	None
2016.06.28~ 2023.06.28	1.250%	300,000	"	300,000	-	"
2017.05.17~ 2022.05.17	1.350%	1,700,000	"	1,700,000	-	"
2017.05.17~ 2024.05.17	1.700%	500,000	"	-	500,000	"
2017.11.09~ 2022.11.09	1.100%	1,000,000	"	1,000,000	-	"
2018.09.26~ 2023.09.26	0.980%	1,600,000	"	1,600,000	-	"
2018.09.26~ 2025.09.26	1.260%	700,000	"	-	700,000	"
2019.05.09~ 2024.05.09	0.980%	2,950,000	"	-	2,950,000	"
2019.05.09~ 2026.05.09	1.150%	500,000	"	-	500,000	"
2019.05.29~ 2024.05.29	0.980%	2,850,000	"	-	2,850,000	"
2020.04.22~ 2025.04.22	0.660%	3,500,000	"	-	3,500,000	"
2020.10.12~ 2027.10.12	0.730%	550,000	"	-	550,000	"
2020.10.12~ 2030.10.12	0.900%	700,000	"	-	700,000	"
2021.05.06~ 2026.05.06	0.750%	4,600,000	"	-	4,600,000	"
2021.06.25~ 2028.06.25	0.680%	3,100,000	"	-	3,100,000	"
2021.06.25~ 2031.06.25	0.850%	900,000	"	-	900,000	"
2021.06.25~ 2036.06.25	1.000%	200,000	"	-	200,000	"
2021.07.27~ 2026.07.27	0.700%	2,200,000	"	-	2,200,000	"
2021.10.18~ 2028.10.18	0.700%	1,550,000	"	-	1,550,000	"
2021.10.18~ 2031.10.18	0.850%	1,100,000	"	-	1,100,000	"
2019.07.26~ 2022.07.26	3.150%	THB 500,000	Payable in lump sum. Interest rate is fixed. Interest is payable semi-annually.	417,350	-	"

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Period	Annual Interest Rate	Principal Amount		Repayment Terms	2021.12.31		Collateral
					Within Operating Cycle	Beyond Operating Cycle	
2019.08.16~ 2022.08.16	3.150%	THB	200,000	Payable in lump sum. Interest rate is fixed. Interest is payable semi-annually.	166,940	-	None
2020.08.28~ 2022.08.28	3.250%	THB	721,500	"	602,236	-	"
2020.08.28~ 2023.11.28	3.750%	THB	602,500	"	-	502,907	"
2020.12.18~ 2025.12.18	3.250%	THB	416,000	"	347,235	-	"
2021.04.07~ 2023.04.21	2.700%	THB	317,000	"	-	264,600	"
2021.06.18~ 2024.06.18	2.900%	THB	2,200,000	"	-	1,836,340	"
2021.08.27~ 2024.08.27	2.880%	THB	500,000	"	-	417,350	"
2021.08.30~ 2023.08.30	2.520%	THB	500,000	"	-	417,350	"
2021.10.07~ 2023.10.07	2.500%	THB	500,000	"	-	417,350	"
2021.10.07~ 2024.10.07	2.850%	THB	1,500,000	"	-	1,252,050	"
2021.11.23~ 2023.11.23	2.500%	THB	650,000	"	-	542,555	"
2019.02.28~ 2022.01.31	3.20%	THB	100,000	Payable in lump sum. Interest rate is fixed. Interest is payable quarterly.	83,470	-	"
2019.05.17~ 2022.05.17	3.150%	THB	200,000	"	166,940	-	"
2019.06.19~ 2022.06.30	3.150%	THB	270,000	"	225,369	-	"
2019.08.08~ 2022.08.08	3.150%	THB	800,000	"	667,760	-	"
2020.02.17~ 2023.02.17	0%	THB	600,000	Payable at par value.	-	500,820	"
2020.03.26~ 2023.03.26	0%	THB	500,000	"	-	417,350	"
2021.03.17~ 2022.09.14	0%	THB	300,000	"	250,410	-	"
2021.03.18~ 2023.03.18	0%	THB	200,000	"	-	166,940	"
2021.03.19~ 2022.07.01	0%	THB	56,000	"	46,743	-	"
2020.10.22~ 2023.10.22	3.750%	USD	300,000	Payable in lump sum. Interest rate is fixed. Interest is payable semi-annually.	8,301,254	-	"
Bonds payable (Gross)					15,875,707	33,735,612	
Discounts on bonds payable					(6,237)	(42,611)	
					<u><u>\$ 15,869,470</u></u>	<u><u>33,693,001</u></u>	

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Period	Annual Interest Rate	Principal Amount		Repayment Terms	2020.12.31		Collateral
					Within Operating Cycle	Beyond Operating Cycle	
2014.10.30~ 2021.10.30	2.050%	900,000		Payable in lump sum. Interest rate is fixed. Interest is payable annually.	900,000	-	None
2014.10.30~ 2024.10.30	2.300%	1,100,000		"	-	1,100,000	"
2016.06.28~ 2021.06.28	1.000%	1,350,000		"	1,350,000	-	"
2016.06.28~ 2023.06.28	1.250%	300,000		"	-	300,000	"
2017.05.17~ 2022.05.17	1.350%	1,700,000		"	1,700,000	-	"
2017.05.17~ 2024.05.17	1.700%	500,000		"	-	500,000	"
2017.11.09~ 2022.11.09	1.100%	1,000,000		"	1,000,000	-	"
2018.09.26~ 2023.09.26	0.980%	1,600,000		"	-	1,600,000	"
2018.09.26~ 2025.09.26	1.260%	700,000		"	-	700,000	"
2019.05.09~ 2024.05.09	0.980%	2,950,000		"	-	2,950,000	"
2019.05.09~ 2026.05.09	1.150%	500,000		"	-	500,000	"
2019.05.29~ 2024.05.29	0.980%	2,850,000		"	-	2,850,000	"
2020.04.22~ 2025.04.22	0.660%	3,500,000		"	-	3,500,000	"
2020.10.12~ 2027.10.12	0.730%	550,000		"	-	550,000	"
2020.10.12~ 2030.10.12	0.900%	700,000		"	-	700,000	"
2019.07.26~ 2022.07.26	3.150%	THB	500,000	Payable in lump sum. Interest rate is fixed. Interest is payable semi-annually.	-	477,800	"
2019.08.16~ 2022.08.16	3.150%	THB	200,000	"	-	191,120	"
2020.08.28~ 2023.11.28	3.750%	THB	602,500	"	-	575,749	"
2020.08.28~ 2022.08.28	3.250%	THB	721,500	"	-	689,465	"
2020.10.15~ 2021.11.09	2.400%	THB	245,000	"	234,122	-	"
2020.11.13~ 2021.12.03	2.400%	THB	100,000	"	95,560	-	"
2020.12.18~ 2022.12.18	3.250%	THB	416,000	"	-	397,530	"

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Period	Annual Interest Rate	Principal Amount		Repayment Terms	2020.12.31		
					Within Operating Cycle	Beyond Operating Cycle	Collateral
2018.02.15~ 2021.02.15	2.860%	THB	1,000,000	Payable in lump sum. Interest rate is fixed. Interest is payable quarterly.	955,600	-	None
2018.03.20~ 2021.03.25	2.860%	THB	500,000	"	477,800	-	"
2019.01.30~ 2021.02.05	3.000%	THB	290,000	"	277,124	-	"
2019.02.28~ 2022.01.31	3.200%	THB	100,000	"	-	95,560	"
2019.05.17~ 2022.05.17	3.150%	THB	200,000	"	-	191,120	"
2019.06.19~ 2022.06.30	3.150%	THB	270,000	"	-	258,012	"
2019.07.12~ 2021.07.23	2.950%	THB	200,000	"	191,120	-	"
2019.08.08~ 2022.08.08	3.150%	THB	800,000	"	-	764,480	"
2020.02.17~ 2023.02.17	0%	THB	600,000	Payable at par value.	-	573,360	"
2020.03.26~ 2023.03.26	0%	THB	500,000	"	-	477,800	"
2020.10.22~ 2023.10.22	3.750%	USD	300,000	Payable in lump sum. Interest rate is fixed. Interest is payable semi-annually.	8,592,007	-	"
Bonds payable (Gross)					15,773,333	19,941,996	
Discounts on bonds payable					(231)	(69,998)	
					<u>\$ 15,773,102</u>	<u>19,871,998</u>	

2. The details of unsecured convertible bonds was as follows:

	2021.12.31
Total convertible corporate bonds issued	\$ 6,000,000
Unamortized discounted corporate bonds payable	(125,433)
Corporate bonds issued balance at year-end	<u>\$ 5,874,567</u>
Embedded derivative - call options, included in financial assets at fair value through profit or loss	<u>\$ 2,400</u>
Equity component - conversion options, included in capital surplus - stock options	<u>\$ 149,771</u>
	2021
Embedded derivative - gain on remeasurement of call option at fair value	<u>\$ 600</u>
Interest expense	<u>\$ 1,754</u>

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On December 16, 2021, the Group issued 60 thousand units of 0% unsecured 3-year convertible bonds, and the bonds will be redeemed in cash at face value on the maturity date.

The conversion price was set at \$299 at the time of issue. When the Group's common shares qualify for conversion price adjustment in accordance with the terms of issue, such adjustments will be made based on a formula in accordance with the terms of issue. There are no reset term for this bonds.

From the day after the third month of the issuance of the bonds to the 40th day prior to the expiration of the issuance period, if the closing price of the Group's common shares listed on the Taiwan Stock Exchange exceeds 30% of the conversion price for 30 consecutive days, or if the remaining amount of bonds that have not been redeemed, repurchased, resold, or converted, is less than 10% of the face value, then the Company could redeem the bonds based on face value during the committed period.

(m) Lease liabilities

The Group's lease liabilities were as follows:

	<u>2021.12.31</u>	<u>2020.12.31</u>
Current	\$ <u>1,308,272</u>	<u>949,959</u>
Non-current	\$ <u>3,754,831</u>	<u>3,272,489</u>

For the maturity analysis, please refer to Note (6)(u).

The amounts recognized in profit or loss were as follows:

	<u>For the years ended December 31,</u> <u>2021</u>	<u>2020</u>
Interest on lease liabilities	\$ <u>40,386</u>	<u>53,046</u>
Variable lease payments not included in the measurement of lease liabilities	\$ <u>229,755</u>	<u>175,201</u>
Expenses relating to short-term leases	\$ <u>396,590</u>	<u>361,376</u>

The amounts recognized in the statement of cash flows for the Group were as follows:

	<u>For the years ended December 31,</u> <u>2021</u>	<u>2020</u>
Total cash outflow for leases	\$ <u>1,328,261</u>	<u>1,189,697</u>

1. Real estate leases

As of December 31, 2021, the Group leases land and buildings for its office and solar power station. The leases of office and solar power station typically run for two to twenty-eight years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

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Some leases contain extension options exercisable by the Group. These leases are negotiated and monitored by local management, and accordingly, contain a wide range of different terms and conditions. The extension options held are exercisable only by the Group and not by the lessors. In which lease is not reasonably certain to use an optional extended lease term, payments associated with the optional period are not included within lease liabilities.

2. Other leases

The Group leases transportation equipment, with lease terms of two to three years.

(n) Employee benefits

1. Defined benefit plans

The movement in the present value of the defined benefit obligations and fair value of plan assets was as follows:

	2021.12.31	2020.12.31
Present value of benefit obligations	\$ 1,859,032	1,944,324
Fair value of plan assets	(953,937)	(951,831)
Net defined benefit liabilities	\$ 905,095	992,493

The Group makes defined benefit plan contributions to the pension fund account with Bank of Taiwan that provides pensions for employees upon retirement. The plans (covered by the Labor Standards Law) entitle a retired employee to receive retirement benefits based on years of service and average monthly salary for the six months prior to retirement.

1) Composition of plan assets

The Group allocates pension funds in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund, and such funds are managed by the Bureau of Labor Funds, Ministry of Labor. With regard to the utilization of the fund, minimum earnings shall be no less than the earnings attainable from two year time deposits with interest rates offered by local banks.

The Group's Bank of Taiwan labor pension reserve account balance amounted to \$953,937 as of December 31, 2021. For information on the utilization of the labor pension fund assets including the asset allocation and yield of the fund, please refer to the website of the Bureau of Labor Fund, Ministry of Labor.

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2) Movements in present value of the defined benefit obligations

The movements in present value of defined benefit obligations for the Group were as follows:

	For the years ended December 31,	
	2021	2020
Defined benefit obligations at January 1	\$ 1,944,324	1,909,829
Adjustment at January 1	-	(83)
Current service costs and interest	63,482	73,366
Remeasurement on the net defined benefit liabilities (assets)		
— Actuarial losses arising from changes in financial assumptions	(55,619)	20,180
Benefits paid by the plan	(71,855)	(54,932)
Exchange differences on translation of foreign plans	(21,300)	(4,036)
Defined benefit obligations at December 31	<u><u>\$ 1,859,032</u></u>	<u><u>1,944,324</u></u>

3) Movements of defined benefit plan assets

The movements in the present value of the defined benefit plan assets for the Group were as follows:

	For the years ended December 31,	
	2021	2020
Fair value of plan assets at January 1	\$ 951,831	905,713
Adjustment at January 1	-	(83)
Interest income	6,023	9,875
Remeasurement on the net defined benefit liabilities (assets)		
— Actuarial losses arising from changes in financial assumptions	10,348	24,403
Contributions made	49,490	74,669
Benefits paid by the plan	(63,755)	(52,578)
Loss from settlement	-	(10,168)
Fair value of plan assets at December 31	<u><u>\$ 953,937</u></u>	<u><u>951,831</u></u>

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4) Expenses recognized in profit or loss

The expenses recognized in profit or loss of the Group were as follows:

	For the years ended December 31,	
	2021	2020
Current service costs	\$ 50,125	50,937
Net interest of net liabilities for defined benefit obligations	7,334	12,554
	\$ 57,459	63,491
Operating expenses	\$ 57,459	63,491

5) Actuarial assumptions

The principal actuarial assumptions at the reporting date were as follows:

	2021.12.31	2020.12.31
Discount rate	0.63%~2.57%	0.63%~1.70%
Future salary increases	3.00%~5.00%	3.00%~5.20%

The Group is expected allocation payment of \$33,105 to the defined plans for the one-year period after the reporting date.

The weighted average duration of the defined benefit obligation is 12.59~19.64 years.

6) Sensitivity analysis

If the actuarial assumption had changed, the impact on the present value of the defined benefit obligation shall be as follows:

	Influences of defined benefit obligations	
	Increase 0.25%	Decrease 0.25%
December 31, 2021		
Discount rate	(44,774)	43,788
Future salary increases	46,542	(42,423)
December 31, 2020		
Discount rate	(50,881)	49,820
Future salary increases	52,977	(48,194)

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Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown above. The method used in the sensitivity analysis is consistent with the calculation of pension liabilities in the balance sheets.

There is no change in the method and assumptions used in the preparation of sensitivity analysis for the years ended December 31, 2021 and 2020.

2. Defined contribution plans

The Group allocates 6% of each employee's monthly wages to the labor pension personal account at the Bureau of the Labor Insurance in accordance with the provisions of the Labor Pension Act for Taiwan subsidiaries. Under this defined contribution plan, the Group allocates a fixed amount to the Bureau of the Labor Insurance without additional legal or constructive obligations. Grand Pacific Holding Corp. also allocates pension expense to the labor pension personal account based on the employees' prior year wages at the specific allocating rate.

The Group's pension costs under the defined contribution method were \$329,639 and \$230,042 for the years ended December 31, 2021 and 2020, respectively. Payment was made to the Bureau of the Labor Insurance and designated account.

(o) Income taxes

1. Income Tax Expense

The components of income tax expense for the years ended December 31, 2021 and 2020 were as follows:

	For the years ended December 31,	
	2021	2020
Current tax expense		
Current period	\$ 11,413,185	7,227,022
Adjustment for prior periods	34,380	8,961
	<u>11,447,565</u>	<u>7,235,983</u>
Deferred tax expense	512,026	(108,910)
Income tax expense from continuing operations	<u>\$ 11,959,591</u>	<u>7,127,073</u>

The components amount of income tax expense (profit) recognized in other comprehensive income for the years ended December 31, 2021 and 2020 were as follows:

	For the years ended December 31,	
	2021	2020
Items that will not be reclassified subsequently to profit or loss:		
Remeasurement actuarial gains from defined benefit plans	\$ <u>13,193</u>	<u>845</u>

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	For the years ended December 31,	
	2021	2020
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation differences for foreign operations	\$ <u>(31,370)</u>	<u>(71,454)</u>

The income tax calculated on pre-tax financial income was reconciled to income tax expense (profit) for the years ended December 31, 2021 and 2020 as follows:

	For the years ended December 31,	
	2021	2020
Profit before income tax	\$ <u>34,654,391</u>	<u>24,665,494</u>
Income tax calculated on pre-tax financial income at a statutory tax rate applied by subsidiaries	\$ 9,560,928	7,542,923
Tax-exempt income	(2,907)	3,773
Non-deductible expenses	435,595	(468,031)
Change in temporary differences	1,931,595	39,447
Under provision in prior periods	<u>34,380</u>	<u>8,961</u>
Income tax expense	\$ <u>11,959,591</u>	<u>7,127,073</u>

2. Deferred Tax Assets and Liabilities

1) Unrecognized Deferred Tax Liabilities

The Group is able to control the timing of the reversal of the temporary differences associated with investments in subsidiaries as of December 31, 2021 and 2020. Also, management considers it probable that the temporary differences will not reverse in the foreseeable future. Hence, such temporary differences are not recognized under deferred tax liabilities. Details are as follows:

	2021.12.31	2020.12.31
Aggregate amount of temporary differences related to investments in subsidiaries	\$ <u>9,993,757</u>	<u>7,375,327</u>
Unrecognized deferred tax liabilities	\$ <u>-</u>	<u>1,111,780</u>

2) Unrecognized Deferred Tax Assets

Deferred tax assets have not been recognized in respect of the following items:

	2021.12.31	2020.12.31
Tax effect of deductible temporary differences	\$ 4,221	1,064
Tax losses	<u>341,227</u>	<u>338,777</u>
	\$ <u>345,448</u>	<u>339,841</u>

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As of December 31, 2021, the expiry years of those loss carry forward benefits were as follows:

<u>Year of loss</u>	<u>Unused amount</u>	<u>Year of expiry</u>
2010	\$ 883,178	2030
2011	403,309	2031
2012	221,727	2032
2013	50,209	2023&2033
2014	16,306	2024&2034
2015	1,555	2025
2016	125	2026
2017	134	2027
2018	93	2028
2019	390	2029
2020	3,758	2030
2021	105,932	2031

3) Recognized Deferred Tax Assets and Liabilities

Changes in the amount of deferred tax assets and liabilities for the years ended December 31, 2021 and 2020 were as follows:

	<u>Defined Benefit Plans</u>	<u>Unrealized gain on investment income</u>	<u>Others</u>	<u>Total</u>
Deferred Tax Liabilities:				
Balance at January 1, 2021	\$ -	2,771,296	233,709	3,005,005
Recognized in profit or loss	-	769,044	53,269	822,313
Recognized in other comprehensive income	-	-	(63)	(63)
Effect in exchange rate	-	(87,483)	(40)	(87,523)
Balance at December 31, 2021	<u>\$ -</u>	<u>3,452,857</u>	<u>286,875</u>	<u>3,739,732</u>
Balance at January 1, 2020	\$ 1,738	2,430,678	146,189	2,578,605
Recognized in profit or loss	(1,738)	418,467	87,528	504,257
Effect in exchange rate	-	(77,849)	(8)	(77,857)
Balance at December 31, 2020	<u>\$ -</u>	<u>2,771,296</u>	<u>233,709</u>	<u>3,005,005</u>

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	Defined Benefit Plans	Loss on uncollectible account	Others	Total
Deferred Tax Assets:				
Balance at January 1, 2021	\$ 199,560	3,254,679	667,586	4,121,825
Recognized in profit or loss	458	420,732	(110,903)	310,287
Recognized in other comprehensive income	(13,193)	-	31,307	18,114
Effect in exchange rate	(4,491)	(66,883)	(1,420)	(72,794)
Balance at December 31, 2021	<u>\$ 182,334</u>	<u>3,608,528</u>	<u>586,570</u>	<u>4,377,432</u>
Balance at January 1, 2020	\$ 204,482	2,682,254	542,209	3,428,945
Recognized in profit or loss	(2,601)	552,136	63,632	613,167
Recognized in other comprehensive income	(845)	-	71,454	70,609
Effect in exchange rate	(1,476)	20,289	(9,709)	9,104
Balance at December 31, 2020	<u>\$ 199,560</u>	<u>3,254,679</u>	<u>667,586</u>	<u>4,121,825</u>

(p) Share capital and other equity accounts

1. Share capital

- 1) As of December 31, 2021 and 2020, the Company's authorized capital consisted of 2,500,000 thousand shares with a par value of \$10 (NT dollars) per share, which includes common stock and preferred stock. As of December 31, 2021 and 2020, the issued common shares were worth \$14,503,944 and \$13,813,280, respectively, and issued Series A Preferred Shares were worth \$1,500,000. All the issued shares were fully paid, and the preferred shares were recognized as equity.

Due to the capital needs for future development (including operating capital, investing in the subsidiaries and repaying bank loans...etc.) the Board of Directors of the Company resolved to increase the Company's capital by issuing common shares of stock through the offering of global depositary receipts (GDRs) overseas on August 10, 2017, and the offering was approved by the Financial Supervisory Commission (FSC) on September 27, 2017. As of October 17, 2017, these global depositary receipts were priced at US\$12.28 per unit, and the Company issued 125,000,000 common shares of stock from the conversion of 25,000,000 units of global depositary receipts. Each unit of global depositary receipts represents 5 common shares of stock. The Company has listed global depositary receipts on the Euro multilateral trading facility market (Euro MTF market) of the Luxembourg Stock Exchange.

Due to the capital needs for investing in subsidiaries and repaying bank loans, the board of directors of the Company resolved to increase the Company's capital by issuing common shares of stock through the offering of GDRs overseas, and the offering was approved by the Financial Supervisory Commission (FSC) on August 3, 2012. As of October 9, 2012, these GDRs were priced at US\$8.59 per unit, and the Company issued 120,000,000 common shares of stock from the conversion of 24,000,000 units of GDRs. Each unit of GDRs represents 5 common shares of stock.

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As of December 31, 2021 and 2020, the Company has listed 172,856 and 160,880 units of GDRs, respectively, on the Euro MTF market of the Luxembourg Stock Exchange. Major terms and conditions for GDRs were as follows:

A. Exercise of voting rights

Holders of GDRs may exercise voting rights with respect to the common shares in the manner set out in "Terms and Conditions of the Global Depositary Shares-Voting Rights," as such provisions may be amended from time to time to comply with applicable ROC law.

B. Dividend distributions, pre-emptive rights and other rights

Holders of GDRs have same rights on dividend distribution and share distribution as the Company's existing common shareholders.

2) Issuance of preferred shares

The shareholders' meeting has approved the amended Articles of Incorporation on rights and obligations of preferred shares on May 27, 2020. The Board of Directors approved the details issuing Series A Preferred Shares on July 29, 2020. The Company issued 150,000 thousand Series A Preferred Shares with a par value of \$10 per share, which amounted to \$15,000,000. The capital injection was approved by Financial Supervisory Commission R.O.C. (Taiwan). The subscription date was September 7, 2020. All the share prices of the issued shares have been received and all issued shares were registered and recognized as equity.

The rights and obligations of Series A Preferred Shares Issuance are listed as follows:

A. Due date: Perpetual,

B. Dividends: 3.8% per annum for Series A Preferred Shares (5-year IRS 0.5625%+3.2375%) calculated pursuant to issue price per share. Interest rate per annum will be reset on the day after the 5th anniversary of the issue date ("Issue Date") and the day after each subsequent 5-year period hereafter. The pricing base date shall be the first previous business day for financial institutions in Taipei. Record date for interest reset shall be the second previous business day for financial institutions in Taipei. The 5-year IRS rate shall be the arithmetic mean of 5-year IRS quotations as published by Reuter, TAIFXIRS and COSMOS3 at 11:00 a.m. of the day of the pricing base date and reset record date (must be a business day for Taipei's financial institutions). If the above quotations cannot be obtained on reset record date, interest rate shall be decided by the issuer in good faith and taken into account of reasonable market rate;

C. Dividend Distributions: Cash dividends shall be distributed annually at one time. Once the Company's audited financial reports have been acknowledged in the annual general meeting, the Board of Directors shall set the record date for the distribution of Preferred Dividends of such financial year. Dividend distribution for the years of issuance and redemption shall be calculated pursuant to actual outstanding days of the given year;

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- D. Upon the final settlement of the Company's annual accounts, if there are profits, the Company shall set aside out of the profits for each financial year: (i) a reserve for payment of tax for the relevant financial year; (ii) an amount to offset losses incurred in previous years; and (iii) a special surplus reserve as required by the applicable securities authority under the Applicable Public Company Rules, and the remaining profits shall be allocated first as the dividends of the Series A Preferred Shares ("Preferred Dividends") payable in such financial year;
- E. The Company has sole discretion on the distribution of Series A Preferred Dividends. In the event that there are no profits or insufficient profits for distributing Preferred Dividends, or due to other necessary considerations, the suspension of distributing Preferred Dividends shall not be deemed as an event of default under any agreements and directions in relation to the issuance of such Preferred Shares;
- F. The Series A Preferred Shares issued by the Company shall be non-cumulative preferred shares. Any undistributed Preferred Dividends or shortfalls in Preferred Dividends distributed shall not be cumulative and shall cease to accrue and be payable, therefore no deferred payment will be paid in subsequent years where there are earnings;
- G. Excess Dividends Distribution: Except for the foregoing Preferred Dividends, the holders of the Series A Preferred Shares ("Preferred Shareholders") are not entitled to participate in the distribution of cash or stock dividends derived from earnings or capital reserves;
- H. Priority of Claims in liquidation: Upon any voluntary or involuntary liquidation, dissolution or winding-up of the Company, any surplus assets of the Company available for distribution to Series A Preferred Shareholders shall be first distributed to the Series A Preferred Shareholders. All Preferred Shareholders shall rank *pari passu* and such distribution shall be capped at the respective issue amount;
- I. Voting Rights and Election right: The Series A Preferred Shareholders shall have no voting rights and no rights to vote on election of directors in a general meeting. Notwithstanding the foregoing, the Series A Preferred Shareholders shall have voting rights in a separate meeting of the Series A Preferred Shares;
- J. Conversion right: Series A Preferred Shares are not convertible to ordinary shares;
- K. Redemption of preferred shares: The Series A Preferred Shareholders have no right to request the Company to redeem the preferred shares they hold; Notwithstanding the foregoing, subject to compliance with the Companies Law, the Company may, upon the approval by the Board of Directors, redeem all or a part of the outstanding issued Series A Preferred Shares, at any time on the next business day after five years of issuance, at the original issue price and on such terms as the Board of Directors may approve. The rights and obligations set forth in the foregoing paragraphs shall remain unchanged to the unredeemed Series A Preferred Shareholders.

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2. Capital surplus

The components of capital surplus were as follows:

	<u>2021.12.31</u>	<u>2020.12.31</u>
Share capital	\$ 30,852,945	30,852,945
Changes in equity of associates and joint ventures accounted for using equity method	44,455	30,396
Issuance of convertible bonds	149,771	-
Others	<u>3,046</u>	<u>623</u>
	<u>\$ 31,050,217</u>	<u>30,883,964</u>

3. Retained earnings

According to the Articles of Association, the Company is required to appropriate earnings every accounting year. The after-tax earnings are initially used to offset cumulative losses, and then a special reserve and preferred dividends are appropriated from the remainder. If there are profits of each financial year after combining accumulated undistributed earnings in the previous years and setting aside a certain amount of remaining profits of such financial year as a reserve for development purposes as the Directors may from time to time deem proper pursuant to Article 121, to the extent permitted by the Companies Law, at least 25% of such Annual Profits of such financial year shall be distributed as dividends, of which at least 30% shall be paid in cash, as proposed by the Board of Directors and subject to approval of the shareholders' meeting.

1) Special reserve

According to the regulations of the Financial Supervisory Commission, a special reserve equal to the debit balance of unrealized loss on financial instruments in the stockholders' equity, is appropriated from unappropriated retained earnings. When appropriating a special reserve for the first time, it is initially appropriated from current earnings and any deficiency is appropriated from the undistributed earnings of prior years. For the second year and years thereafter, the increase or decrease in the balance of unrealized loss on financial instruments in subsequent year, as shown in the statement of changes in stockholders' equity, is either subject to further appropriation for special reserve, or reversed to retained earnings.

2) Earnings distribution

The Company's 2020 earnings distribution proposal has reached the statutory resolution threshold through the electronic voting on May 25, 2021, and the Company held the shareholders' meeting on July 16, 2021.

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During the shareholders' meetings on July 16, 2021 and May 27, 2020, the shareholders resolved to distribute the 2020 and 2019 earnings. These earnings were appropriated as follows:

	2020		2019	
	Amount per share (TWDS)	Total amount	Amount per share (TWDS)	Total amount
Dividends distributed to common shareholders				
Cash	\$ 5.0	6,906,640	4.6	6,109,720
Shares	0.5	690,664	0.4	531,280
Total		<u>\$ 7,597,304</u>		<u>6,641,000</u>
Dividends distributed to preferred shareholders				
Series A preferred shares		<u>181,151</u>		<u>-</u>

The amount of dividends on the distribution of earnings for 2021 yet to be resolved by the Board of Directors and approved during the shareholders' meeting.

The information on prior years' distribution of the Company's earnings can be accessed from the Market Observation Post System on the internet.

4. Non-controlling interests (net of tax)

	For the years ended December 31,	
	2021	2020
Opening balance	\$ 4,483,130	4,176,058
Attributable to non-controlling interests		
Net income	1,051,040	681,222
Other comprehensive income	(492,142)	(190,700)
Cash capital increase in subsidiary	2,213,652	134,708
Subsidiary distributes dividends to non-controlling interests	(337,413)	(299,692)
The Group purchases shares from non-controlling interests	(28,071)	(18,466)
Ending balance	<u>\$ 6,890,196</u>	<u>4,483,130</u>

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(q) Earnings per share

The basic and diluted earnings per share were calculated as follows:

	For the years ended December 31,	
	2021	2020
Profit attributable to the company	\$ 21,643,760	16,857,199
Dividends distributed to preferred shareholders series A preferred shares	(181,151)	-
Profit attributable to common stockholders of the Company	<u><u>\$ 21,462,609</u></u>	<u><u>16,857,199</u></u>
	For the years ended December 31,	
	2021	2020
Profit attributable to common stockholders of the Company	<u><u>\$ 21,462,609</u></u>	<u><u>16,857,199</u></u>
Weighted average number of ordinary shares	<u><u>1,450,394</u></u>	<u><u>1,450,394</u></u>
Weighted average number of ordinary shares (Diluted)	<u><u>1,450,412</u></u>	<u><u>1,450,416</u></u>

Noted: Potential ordinary shares have no dilutive effect.

(r) Employee and board of directors compensation

According to the Articles of Association, if there are surplus profits, the annual surplus profits shall be allocated in accordance with the following sequence and manner; however, if the Company has accumulated losses, such accumulated losses shall first be offset against the annual profits:

- a) Between 0.01% and 1% of the surplus profits before tax of each financial years as employees' compensation;
- b) Not to exceed 0.1% of the surplus profits before tax of each financial year as directors' compensation.

For the years ended December 31, 2021 and 2020, the Company estimated its employees' remuneration amounting to \$3,531 and \$2,532, and directors' remuneration amounting to \$20,045 and \$16,846, respectively. These estimated amounts were calculated based on the net profit before tax, excluding the remuneration to employees and directors of each period, multiplied by the percentage of remuneration to employees and directors as specified in the Company's Articles. These remunerations were expensed under operating costs or operating expenses during 2021 and 2020. The amounts, as stated in the condensed interim consolidated financial statements, are identical to those of the actual distributions for 2021 and 2020. Related information would be available at the Market Observation Post System website.

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(s) Net other income and expenses

The components of net other income and expenses were as follows:

	For the years ended December 31,	
	2021	2020
Net losses on disposal of foreclosed assets	\$ (142,161)	(193,424)
Net impairment losses on foreclosed assets	(2,203)	(2,695)
Gain on doubtful debt recoveries	818,970	575,136
Effect of changes in lease contract	-	(93)
Others	1,890	2
	\$ 676,496	378,926

(t) Other gains and losses

The components of other gains and losses were as follows:

	For the years ended December 31,	
	2021	2020
Interest on lease liabilities	\$ (40,386)	(53,046)
Interest expense	(1,602)	-
Net foreign exchange (losses) gains	(78,900)	16,893
Net (losses) gains on disposal of property, plant and equipment	2,789	(1,292)
Net gains (losses) on disposal of available-for-sale financial assets	62,430	(4,301)
Effect of changes in lease contract	119	622
Others	909,159	794,488
	\$ 853,609	753,364

(u) Financial instruments

1. Credit risks

1) Credit risks exposure

The carrying amounts of financial assets represented the maximum credit risk exposure of the Group. As of December 31, 2021 and 2020, the maximum exposure to credit risks amounted to \$646,770,176 and \$540,226,711, respectively.

The non-performing loans (net of allowance for doubtful accounts) amounted to \$59,898 and \$72,658 as of December 31, 2021 and 2020, respectively.

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The loans and receivables originated by the Group and their related allowance for impairment at the reporting date by geographic regions were as follows:

	<u>Taiwan</u>	<u>China</u>	<u>ASEAN</u>	<u>Others</u>	<u>Total</u>
December 31, 2021					
Gross loans and receivables:					
Neither past due nor impaired					
12-month ECL	\$ 271,080,988	193,690,267	57,043,611	-	521,814,866
Lifetime ECL	-	738,460	13,594,175	4,215,315	18,547,950
Past due or monitored					
Lifetime ECL	1,020,917	75,146	3,556,145	238,921	4,891,129
Impaired					
Lifetime ECL	<u>5,505,115</u>	<u>3,715,248</u>	<u>2,695,189</u>	<u>101,829</u>	<u>12,017,381</u>
Gross carrying amounts	<u>\$ 277,607,020</u>	<u>198,219,121</u>	<u>76,889,120</u>	<u>4,556,065</u>	<u>557,271,326</u>
Allowance for losses	<u>5,154,514</u>	<u>4,878,398</u>	<u>2,486,292</u>	<u>101,320</u>	<u>12,620,524</u>
Carrying amount	<u>\$ 272,452,506</u>	<u>193,340,723</u>	<u>74,402,828</u>	<u>4,454,745</u>	<u>544,650,802</u>

Taiwan

	<u>For the year ended December 31, 2021</u>			
	<u>12-month ECL</u>	<u>Lifetime ECL- not credit impaired</u>	<u>Lifetime ECL- credit impaired</u>	<u>Total</u>
Balance at January 1, 2021	\$ 2,326,842	57,737	2,274,792	4,659,371
Impairment loss recognized	507,837	7,228	2,706,497	3,221,562
Transfer to lifetime ECL- credit impaired	(5,033)	-	5,033	-
Bad debts written-off	(9,623)	-	(2,701,692)	(2,711,315)
Others	<u>(7,479)</u>	<u>(253)</u>	<u>(7,372)</u>	<u>(15,104)</u>
Balance at December 31, 2021	<u>\$ 2,812,544</u>	<u>64,712</u>	<u>2,277,258</u>	<u>5,154,514</u>

China

	<u>For the year ended December 31, 2021</u>			
	<u>12-month ECL</u>	<u>Lifetime ECL- not credit impaired</u>	<u>Lifetime ECL- credit impaired</u>	<u>Total</u>
Balance at January 1, 2021	\$ 3,127,305	13,215	1,629,608	4,770,128
Impairment loss (profit) recognized	838,318	(17,487)	1,047,990	1,868,821
Transfer to lifetime ECL- not credit impaired	(24,761)	24,761	-	-
Transfer to lifetime ECL- credit impaired	(486,248)	-	486,248	-
Bad debts written-off	-	-	(1,724,714)	(1,724,714)
Others	<u>(183,281)</u>	<u>770</u>	<u>146,674</u>	<u>(35,837)</u>
Balance at December 31, 2021	<u>\$ 3,271,333</u>	<u>21,259</u>	<u>1,585,806</u>	<u>4,878,398</u>

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ASEAN

	For the year ended December 31, 2021			
	12-month ECL	Lifetime ECL- not credit impaired	Lifetime ECL- credit impaired	Total
Balance at January 1, 2021	\$ 363,194	713,674	1,463,045	2,539,913
Impairment loss (profit) recognized	719,698	(282,722)	835,645	1,272,621
Transfer to lifetime ECL-not credit impaired	(100,515)	100,515	-	-
Transfer to lifetime ECL- credit impaired	(132,616)	(27,075)	159,691	-
Bad debts written-off	(304)	(859)	(1,094,356)	(1,095,519)
Others	(57,808)	(40,267)	(132,648)	(230,723)
Balance at December 31, 2021	<u>\$ 791,649</u>	<u>463,266</u>	<u>1,231,377</u>	<u>2,486,292</u>

Others

	For the year ended December 31, 2021			
	12-month ECL	Lifetime ECL- not credit impaired	Lifetime ECL- credit impaired	Total
Balance at January 1, 2021	\$ -	130,196	-	130,196
Impairment profit recognized	-	(26,750)	-	(26,750)
Transfer to lifetime ECL- credit impaired	-	(259)	259	-
Others	-	(2,123)	(3)	(2,126)
Balance at December 31, 2021	<u>\$ -</u>	<u>101,064</u>	<u>256</u>	<u>101,320</u>

	Taiwan	China	ASEAN	Others	Total
December 31, 2020					
Gross loans and receivables:					
Neither past due nor impaired					
12-month ECL	\$ 222,805,558	175,149,747	39,880,801	1,888,582	439,724,688
Lifetime ECL	-	453,667	22,186,760	2,660,001	25,300,428
Past due or monitored					
Lifetime ECL	1,505,295	66,578	3,386,129	114,292	5,072,294
Impaired					
Lifetime ECL	5,613,794	3,460,553	2,605,782	115,346	11,795,475
Gross carrying amounts	<u>\$ 229,924,647</u>	<u>179,130,545</u>	<u>68,059,472</u>	<u>4,778,221</u>	<u>481,892,885</u>
Allowance for losses	4,659,371	4,770,128	2,539,913	130,196	12,099,608
Carrying amount	<u>\$ 225,265,276</u>	<u>174,360,417</u>	<u>65,519,559</u>	<u>4,648,025</u>	<u>469,793,277</u>

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Taiwan

	For the year ended December 31, 2020			
	12-month ECL	Lifetime ECL- not credit impaired	Lifetime ECL- credit impaired	Total
Balance at January 1, 2020	\$ 1,752,730	42,829	2,271,108	4,066,667
Impairment loss recognized	597,958	15,263	2,235,365	2,848,586
Bad debts written-off	(12,952)	-	(2,217,235)	(2,230,187)
Others	(10,894)	(355)	(14,446)	(25,695)
Balance at December 31, 2020	<u>\$ 2,326,842</u>	<u>57,737</u>	<u>2,274,792</u>	<u>4,659,371</u>

China

	For the year ended December 31, 2020			
	12-month ECL	Lifetime ECL- not credit impaired	Lifetime ECL- credit impaired	Total
Balance at January 1, 2020	\$ 2,391,670	7,418	1,332,791	3,731,879
Impairment loss (profit) recognized	2,042,231	(7,062)	937,812	2,972,981
Transfer to lifetime ECL-not credit impaired	(12,611)	12,611	-	-
Transfer to lifetime ECL- credit impaired	(1,349,194)	-	1,349,194	-
Bad debts written-off	-	-	(2,018,482)	(2,018,482)
Others	55,209	248	28,293	83,750
Balance at December 31, 2020	<u>\$ 3,127,305</u>	<u>13,215</u>	<u>1,629,608</u>	<u>4,770,128</u>

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	For the year ended December 31, 2020			
	12-month ECL	Lifetime ECL- not credit impaired	Lifetime ECL- credit impaired	Total
Balance at January 1, 2020	\$ 224,911	538,921	1,489,476	2,253,308
Impairment loss recognized	328,615	157,426	805,545	1,291,586
Transfer to lifetime ECL-not credit impaired	(90,952)	90,952	-	-
Transfer to lifetime ECL- credit impaired	(88,189)	(46,260)	134,449	-
Bad debts written-off	-	(1,553)	(886,475)	(888,028)
Others	(11,191)	(25,812)	(79,950)	(116,953)
Balance at December 31, 2020	<u>\$ 363,194</u>	<u>713,674</u>	<u>1,463,045</u>	<u>2,539,913</u>

CHAILEASE HOLDING COMPANY LIMITED AND SUBSIDIARIES

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Others

	For the year ended December 31, 2020			Total
	12-month ECL	Lifetime ECL-not credit impaired	Lifetime ECL-credit impaired	
Balance at January 1, 2020	\$ -	141,263	-	141,263
Impairment profit recognized	-	(5,089)	-	(5,089)
Others	-	(5,978)	-	(5,978)
Balance at December 31, 2020	<u>\$ -</u>	<u>130,196</u>	<u>-</u>	<u>130,196</u>

2) Loans and receivables which were neither past due nor impaired

The credit quality of the portfolio classified as loans and receivables neither past due nor impaired is under the circumstances that borrowers are with good credit rate and have no overdue records.

3) Loans and receivables which were past due or monitored

Loans and receivables that were past due or monitored, includes loans and receivables with renegotiated terms. Loans with renegotiated terms are due to the borrower's deteriorating financial position and where the Group has made concessions that it would not otherwise consider. Such activities include extended payment arrangements, approved external debt management plans, deferring foreclosure, modification, loan rewrites and/or deferral of payments pending a change in circumstances.

When loans and receivables of contractual interest or principal payments are past due, the Group considers that impairment loss has not been incurred, because the level of collateral available exceeds the amounts owed to the Group, or the overdue repayments are considered temporary issues.

The following table sets forth the aging of loans and receivables past due:

	2021.12.31	2020.12.31
Past due up to 30 days	\$ 912,574	453,012
Past due from 31 to 90 days	3,633,918	3,517,659
Past due from 91 to 180 days	19,399	227,740
Past due over 180 days	325,238	873,883
	<u>\$ 4,891,129</u>	<u>5,072,294</u>

4) Impaired loans and receivables

Impaired loans and receivables are loans and receivables for which the Group determine that it will be unable to collect part of principal and interest due according to the contracted terms of the loans and receivables.

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2.Liquidity risks

The following are the contractual maturities of financial liabilities of the Group, including estimated interest payments and excluding the impact of netting arrangements:

	Carrying amount	Contractual cash flows	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	On demand
December 31, 2021								
Non-derivative financial liabilities								
Secured bank loans	\$ 64,357,890	66,648,154	4,055,289	7,706,905	28,953,299	25,796,682	135,979	-
Unsecured bank and other loans	279,729,842	286,969,594	27,874,513	22,530,046	66,922,815	163,811,407	4,595,296	1,235,517
Notes payable from securitization	9,139,941	9,235,250	724,413	1,336,992	2,946,330	4,227,515	-	-
Short-term notes and bills payable	90,275,406	90,490,000	16,030,000	17,750,000	56,710,000	-	-	-
Bonds payables	55,437,038	58,525,266	102,057	115,259	6,496,971	43,535,904	8,275,075	-
Other payables	19,100,324	19,230,747	11,768,297	1,712,238	2,002,119	1,251,730	23,312	2,473,051
Deposits relating to collateral of customers	60,708,819	60,780,736	396,074	1,031,751	9,784,197	47,704,720	70,427	1,793,567
Lease liabilities	5,063,103	5,769,764	62,388	115,243	483,580	1,283,700	3,803,934	20,919
Derivative financial liabilities								
Financial liabilities for hedging	552,239	552,239	-	-	543,826	8,413	-	-
	\$ 584,364,602	598,201,750	61,013,031	52,298,434	174,843,137	287,620,071	16,904,023	5,523,054
December 31, 2020								
Non-derivative financial liabilities								
Secured bank loans	\$ 73,952,387	77,014,876	3,239,499	7,549,279	35,001,195	30,991,526	185,594	47,783
Unsecured bank and other loans	204,145,766	210,085,482	22,516,647	20,347,098	36,372,271	126,707,400	3,855,365	286,701
Notes payable from securitization	10,434,751	10,822,774	729,702	1,400,490	2,327,865	2,036,603	4,328,114	-
Short-term notes and bills payable	83,998,707	84,230,000	10,750,000	14,540,000	58,940,000	-	-	-
Bonds payables	35,645,100	38,304,512	53,512	1,845,300	3,483,574	31,126,846	1,795,280	-
Other payables	17,888,136	18,000,020	11,574,559	1,544,118	1,522,435	984,663	23,312	2,350,933
Deposits relating to collateral of customers	54,646,385	54,662,814	700,116	880,634	9,225,422	42,426,547	137,805	1,292,290
Lease liabilities	4,222,448	4,901,831	55,656	108,659	476,653	1,156,903	3,103,960	-
Derivative financial liabilities								
Financial liabilities for hedging	1,402,120	1,402,120	-	-	1,402,120	-	-	-
	\$ 486,335,800	499,424,429	49,619,691	48,215,578	148,751,535	235,430,488	13,429,430	3,977,707

The Group is not expecting that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

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3.Currency risks

1) Exposure to currency risks

The Group's significant exposure to foreign currency risks was as follows:

		2021.12.31		
	Foreign currency (In thousands)	Exchange rate		Functional currency
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$ 94,302.27	USD : TWD	27.6800	2,610,287
	66,929.87	USD : GBP	0.7421	1,852,619
	3,642.08	USD : VND	23,163	100,813
JPY	732,879.52	JPY : USD	0.0087	176,258
EUR	133,980.66	EUR : USD	1.1315	4,196,274
CNY	59,456.40	CNY : USD	0.1569	258,279
HKD	172,815.25	HKD : USD	0.1282	613,321
KHR	54,212,260.61	KHR : USD	0.0068	368,335
SGD	16,783.78	SGD : USD	0.7392	343,396
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	2,259.30	USD : VND	23,163	62,538
	66,929.87	USD : GBP	0.7421	1,852,619
JPY	150,000.00	JPY : USD	0.0087	36,081
EUR	83,000.00	EUR : USD	1.1315	2,599,553
HKD	160,000.00	HKD : USD	0.1282	567,861
KHR	25,350,000.00	KHR : USD	0.0068	172,236
SGD	18,000.00	SGD : USD	0.7392	368,279
CNY	7,000.00	CNY : USD	0.1569	30,409

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		2020.12.31			
		Foreign currency (In thousands)	Exchange rate	Functional currency	
Financial assets					
Monetary items					
USD	\$	9,532.54	USD : TWD	28.4800	271,487
		67,471.63	USD : GBP	0.7321	1,921,592
		3,736.29	USD : VND	25,658	106,410
JPY		1,004,867.42	JPY : USD	0.0097	277,645
EUR		136,227.74	EUR : USD	1.2296	4,770,695
CNY		25,986.11	CNY : USD	0.1537	113,741
KHR		45,530,593.42	KHR : USD	0.0070	320,571
SGD		7,788.76	SGD : USD	0.7570	167,926
Financial liabilities					
Monetary items					
USD		3,428.57	USD : VND	25,658	97,646
		67,471.63	USD : GBP	0.7321	1,921,592
JPY		450,000.00	JPY : USD	0.0097	124,315
EUR		91,000.00	EUR : USD	1.2296	3,186,807
KHR		22,370,000.00	KHR : USD	0.0070	157,353
SGD		8,000.00	SGD : USD	0.7570	172,479

2) Sensitivity analysis

The Group's exposure to foreign currency risk arises from foreign currency exchange fluctuations on cash and cash equivalents, account receivables, and loans and borrowings. A 5% depreciation or appreciation of the TWD against the USD and CNY on balance sheet date would have decreased or increased the net profit after tax by \$243,914 and \$118,506, for the years ended December 31, 2021 and 2020, respectively. The analysis is performed on the same basis for both years.

3) The foreign currency gain or loss on monetary items

Since the Group uses multiple functional currencies, the amounts for foreign currency gain or loss are consolidated for presentation. For the years ended December 31, 2021 and 2020, the foreign currency (loss) gain, including realized and unrealized, amounted to \$(78,900) and \$16,893, respectively.

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4. Interest analysis

The Group's financial assets and financial liabilities with interest rate exposure risk were as follows:

Ending balance as of December 31, 2021	Effective interest rate	Total	Floating rate	Fixed rate			Non-interest bearing
				Within 1 year	1~5 years	More than 5 years	
Financial assets							
Cash and cash equivalents	0.63 %	\$ 46,374,548	34,554,632	10,200,715	-	-	1,619,201
Debt securities	5.01 %	30,571,542	-	9,178,699	21,392,843	-	-
Non-hedging derivatives	4.45 %	1,308,478	-	302,482	1,005,996	-	-
Total accounts receivables	9.82 %	557,376,366	56,332,719	272,714,836	215,909,570	4,125,081	8,294,160
Financial assets for hedging	0.54 %	309,278	-	7,381	301,897	-	-
		635,940,212	90,887,351	292,404,113	238,610,306	4,125,081	9,913,361
Financial liabilities							
Secured bank loans	4.10 %	64,357,890	52,797,075	4,937,306	6,623,509	-	-
Unsecured bank and other loans	2.17 %	279,729,842	128,429,327	58,357,660	88,413,793	4,529,062	-
Short-term notes and bills payable	0.57 %	90,275,406	5,670,702	84,604,704	-	-	-
Bonds payables	1.68 %	55,437,038	-	5,668,215	35,794,255	8,100,000	5,874,568
Financial liabilities for hedging	2.73 %	552,239	-	543,826	8,413	-	-
Notes payable from securitization	3.64 %	9,139,941	-	4,912,426	4,227,515	-	-
Deposits relating to collateral of customers	0.04 %	60,708,818	-	3,931,733	8,228,802	45,988	48,502,295
Lease liabilities	1.33 %	5,063,103	-	606,096	1,150,355	3,306,652	-
		565,264,277	186,897,104	163,561,966	144,446,642	15,981,702	54,376,863
Net exposure		\$ 70,675,935	(96,009,753)	128,842,147	94,163,664	(11,856,621)	(44,463,502)

Ending balance as of December 31, 2020	Effective interest rate	Total	Floating rate	Fixed rate			Non-interest bearing
				Within 1 year	1~5 years	More than 5 years	
Financial assets							
Cash and cash equivalents	0.85 %	\$ 32,796,805	25,336,088	5,956,408	-	-	1,504,309
Debt securities	5.07 %	18,773,053	-	5,847,283	12,925,770	-	-
Non-hedging derivatives	3.59 %	560,479	-	560,479	-	-	-
Total accounts receivables	9.75 %	482,013,501	46,367,696	215,733,285	210,212,808	2,330,916	7,368,796
Financial assets for hedging	2.64 %	118,697	-	118,697	-	-	-
		<u>534,262,535</u>	<u>71,703,784</u>	<u>228,216,152</u>	<u>223,138,578</u>	<u>2,330,916</u>	<u>8,873,105</u>
Financial liabilities							
Secured bank loans	4.51 %	73,952,387	62,679,534	3,841,430	7,431,423	-	-
Unsecured bank and other loans	2.25 %	204,145,766	78,438,499	49,325,571	72,633,613	3,748,083	-
Short-term notes and bills payable	0.74 %	83,998,707	8,682,121	75,316,586	-	-	-
Bonds payables	2.13 %	35,645,100	-	4,481,095	29,414,005	1,750,000	-
Financial liabilities for hedging	2.61 %	1,402,120	-	1,402,120	-	-	-
Notes payable from securitization	3.36 %	10,434,751	-	6,204,536	287,425	3,942,790	-
Deposits relating to collateral of customers	0.22 %	54,646,385	-	3,768,964	7,198,493	89,867	43,589,061
Lease liabilities	1.40 %	4,222,448	-	579,678	1,015,330	2,627,440	-
		<u>468,447,664</u>	<u>149,800,154</u>	<u>144,919,980</u>	<u>117,980,289</u>	<u>12,158,180</u>	<u>43,589,061</u>
Net exposure		\$ <u>65,814,871</u>	<u>(78,096,370)</u>	<u>83,296,172</u>	<u>105,158,289</u>	<u>(9,827,264)</u>	<u>(34,715,956)</u>

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The Group's sensitivity analysis in interest rates is based on the risk exposure to interest rates on the derivative and non-derivative financial instruments on the reporting date. For variable rate instruments, the sensitivity analysis assumes the variable rate liabilities are outstanding for the whole year on the reporting date. The Group's accounting and financial department reported that the increases or decreases in interest rates and the change in interest rate of 25 basis points has been determined as management's benchmark in assessing the reasonableness of the changes in the interest rates.

If the interest rate increases or decreases by 0.25%, the Group's profit will decrease or increase by \$173,981 and \$180,428 for the years ended December 31, 2021 and 2020, respectively. This analysis assumes that all other variables remain constant.

5. Sensitivity analysis— equity price risk :

If the equity price changes, the impact to other comprehensive income, using the sensitivity analysis based on the same variables except for the price index for both periods, will be as follows:

Equity price at reporting date	For the years ended December 31,			
	2021		2020	
	After-tax other comprehensive income	After-tax profit (loss)	After-tax other comprehensive income	After-tax profit (loss)
Increase 7%	\$ 65,543	92,109	58,249	52,873
Decrease 7%	\$ (65,543)	(92,109)	(58,249)	(52,873)

6. Fair value information

1) The Categories and Fair Values of Financial Instruments

The fair value of financial assets and liabilities at fair value through profit or loss, derivative financial instruments used for hedging, and financial assets at fair value through other comprehensive income is measured on a recurring basis. The following are the carrying amount and the fair value of the Group's financial assets and financial liabilities (including fair value hierarchy information). However, for financial instruments not measured at fair value but whose carrying amount is estimated to be reasonably close to the fair value, and lease liabilities cannot be reliably measured, disclosure of fair value information is not required:

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	December 31, 2021				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Financial assets at fair value through profit or loss, mandatorily measured at fair value	\$ 1,414,555	6,885	2,400	1,405,270	1,414,555
Financial assets for hedging	309,278	-	309,278	-	309,278
Financial assets at fair value through other comprehensive income					
Domestic and foreign market (OTC) equity securities	793,672	784,142	9,530	-	793,672
Measure the fair value of unquoted equity instruments	136,991	-	-	136,991	136,991
Sub-total	930,663	784,142	9,530	136,991	930,663
Financial assets at amortized cost	30,493,766	-	-	-	-
Loans and receivable					
Cash and cash equivalents	46,374,548	-	-	-	-
Accounts receivable	544,710,700	-	-	-	-
Other financial assets	4,382,343	-	-	-	-
Refundable deposits	2,891,225	-	-	-	-
Restricted bank deposits	3,765,392	-	-	-	-
Sub-total	602,124,208	-	-	-	-
Total	\$ 635,272,470	791,027	321,208	1,542,261	2,654,496
Financial liabilities for hedging	\$ 552,239	-	552,239	-	552,239
Measurement of financial liabilities at amortized cost					
Secured bank loans	64,357,890	-	-	-	-
Unsecured bank and other loans	279,729,842	-	-	-	-
Notes payable from securitization	9,139,941	-	-	-	-
Short-term notes and bills payable	90,275,406	-	-	-	-
Bonds payables	55,439,038	-	-	-	-
Other payables	19,100,324	-	-	-	-
Deposits relating to collateral of customers	60,708,819	-	-	-	-
Lease liabilities	5,063,103	-	-	-	-
Sub-total	583,814,363	-	-	-	-
Total	\$ 584,366,602	-	552,239	-	552,239

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	December 31, 2020				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Financial assets at fair value through profit or loss, mandatorily measured at fair value	\$ 849,443	194,363	-	655,080	849,443
Financial assets for hedging	118,697	-	118,697	-	118,697
Financial assets at fair value through other comprehensive income					
Domestic and foreign market (OTC) equity securities	698,054	693,793	4,261	-	698,054
Measure the fair value of unquoted equity instruments	130,307	-	-	130,307	130,307
Sub-total	828,361	693,793	4,261	130,307	828,361
Financial assets at amortized cost	18,697,957	-	-	-	-
Loans and receivable					
Cash and cash equivalents	32,796,805	-	-	-	-
Accounts receivable	469,865,935	-	-	-	-
Other financial assets	2,903,336	-	-	-	-
Refundable deposits	628,703	-	-	-	-
Restricted bank deposits	3,443,074	-	-	-	-
Sub-total	509,637,853	-	-	-	-
Total	\$ 530,132,311	888,156	122,958	785,387	1,796,501
Financial liabilities for hedging	\$ 1,402,120	-	1,402,120	-	1,402,120
Measurement of financial liabilities at amortized cost					
Secured bank loans	73,952,387	-	-	-	-
Unsecured bank and other loans	204,145,766	-	-	-	-
Notes payable from securitization	10,434,751	-	-	-	-
Short-term notes and bills payable	83,988,707	-	-	-	-
Bonds payables	35,645,100	-	-	-	-
Other payables	17,888,136	-	-	-	-
Deposits relating to collateral of customers	54,646,385	-	-	-	-
Lease liabilities	4,222,448	-	-	-	-
Sub-total	484,923,680	-	-	-	-
Total	\$ 486,325,800	-	1,402,120	-	1,402,120

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2) Valuation Techniques for Financial Instruments not Measured at Fair Value

The Group's valuation techniques and assumptions used for financial instruments not measured at fair value are as follows:

A. Financial assets at amortized cost

If the quoted prices in active markets are available, the market price is established as the fair value. However, if quoted prices in active markets are not available, the estimated valuation or prices used by competitors are adopted.

B. Financial assets at amortized cost and financial liabilities measured at amortized cost

If there is quoted price generated by transactions, the recent transaction price and quoted price data is used as the basis for fair value measurement. However, if no quoted prices are available, the discounted cash flows are used to estimate fair values.

3) Valuation Techniques for Financial Instruments Measured at Fair Value

A. Non-derivative Financial Instruments

If quoted prices in active markets are available, the prices are established as fair values. For the Group's financial instruments that have no active markets, the fair values are determined as follows:

Beneficiary Certificate that Has No Quoted Prices: The discounted cash flow model is used to estimate fair values. The main assumption for the model is to discount expected future cash flows by using a discount rate that reflects the time value of money and risks.

Equity Instrument that Has No Quoted Prices: The net asset value method is used to estimate fair values. The main assumption for the model is to use the net asset value per share as the measuring basis.

B. Derivative Financial Instruments

Derivative financial instruments are measured by using common valuation models such as discounted cash flow model and Black-Scholes model.

4) Change in Level 3 of the fair value's ledger

	<u>At fair value through profit or loss</u>	<u>At fair value through others comprehensive income</u>	
	<u>Non-derivative financial assets</u>	<u>Unquoted equity instruments</u>	<u>Total</u>
Opening balance, January 1, 2021	\$ 655,080	130,307	785,387
Total gains and losses recognized:			
In profit or loss	50,494	-	50,494
In other comprehensive income	-	10,291	10,291
Purchase	1,554,800	-	1,554,800
Disposal	(852,405)	(2,448)	(854,853)
Effect of movements in exchange rate	(2,699)	(1,159)	(3,858)
Ending balance, December 31, 2021	<u>\$ 1,405,270</u>	<u>136,991</u>	<u>1,542,261</u>

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	At fair value through profit or loss	At fair value through others comprehensive income	
	Non-derivative financial assets	Unquoted equity instruments	Total
Opening balance, January 1, 2020	\$ 88,399	121,029	209,428
Total gains and losses recognized:			
In profit or loss	12,614	-	12,614
In other comprehensive income	-	724	724
Purchase	850,860	10,000	860,860
Disposal	(292,002)	-	(292,002)
Effect of movements in exchange rate	(4,791)	(1,446)	(6,237)
Ending balance, December 31, 2020	\$ <u>655,080</u>	<u>130,307</u>	<u>785,387</u>

For the years ended December 31, 2021 and 2020, total gains and losses arising from the valuation of investments under Level 3 of the fair value hierarchy that were included in “other gains and losses” and “unrealized gains and losses from financial assets measured at fair value through other comprehensive” were as follows:

	For the years ended December 31,	
	2021	2020
Total gains and losses recognized:		
In profit or loss, and presented in “other gains and losses”	50,494	12,614
In other comprehensive income, and presented in “unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income”	10,291	724

5) The Quantified Information for Significant Unobservable Inputs (Level 3) Used in Fair Value Measurement

The Group’s financial instruments that use Level 3 inputs to measure fair values include fair value through other comprehensive income-equity investments and financial assets at fair value through profit or loss. Most of these financial instruments using Level 3 inputs to measure fair values have only one significant unobservable input.

Quantified information of significant unobservable inputs was as follows:

Item	Valuation Technique	Significant Non-observable Input	The Relationship between Significant Non-observable Input and Fair Value
Financial assets at fair value through other comprehensive income - investments in equity instruments without active market	Net Asset Value Method	Net Asset Value	Not applicable

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Item	Valuation Technique	Significant Non-observable Input	The Relationship between Significant Non-observable Input and Fair Value
Financial assets at fair value through profit or loss without active market	Black-Scholes Model	Stock Return Volatility (As of December 31, 2021 and December 31, 2020, Stock Return Volatility was at 2.20%~5.74% and 2.93%~5.47%, respectively)	The higher stock return volatility, the higher the fair value
"	Discounted Cash Flow Method	Discount Rate (As of December 31, 2021 and December 31, 2020, Discount Rate was at 0.76%~4.75% and 0.76%~4.30%, respectively)	The higher the discount rate, the lower the fair value

6) Fair value measurements in Level 3 - sensitivity analysis of reasonably possible alternative assumptions

For fair value measurements in Level 3, changing one or more of the assumptions to reflect reasonably possible alternative assumptions would have the following effects:

			Impact or Fair Value Change on Net income or loss	
			Favorable Change	Unfavorable Change
December 31, 2021				
Financial asset at fair value through profit or loss				
Financial instruments without active market	Discount Rate	10%	\$ 84	(84)
"	Stock Return Volatility	10%	-	-
December 31, 2020				
Financial asset at fair value through profit or loss				
Financial instruments without active market	Discount Rate	10%	\$ 129	(129)
"	Stock Return Volatility	10%	-	-

The favorable and unfavorable effects represent the changes in fair value, and fair value is based on a variety of unobservable inputs calculated using a valuation technique. The analysis above only reflects the effects of changes in a single input, and it does not include the interrelationships with another input.

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(v) Financial risk management

1. Overview

The Group has exposures to the following risks from its financial instruments:

- 1) credit risk
- 2) liquidity risk
- 3) market risk

The following likewise discusses the Group's objectives, policies and processes for measuring and managing the above mentioned risks. For more disclosures about the quantitative effects of these risks exposures, please refer to the respective notes in the accompanying consolidated financial statements.

2. Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's Risk Management Committee has reports to the Board of Directors, is responsible for the development of the Group-wide risk management policy and related systems and controls. The Risk Management Committee has established a set of risk management guidelines to which all subsidiaries adhere. With these guidelines, subsidiaries develop their own risk management policies in accordance to individual market conditions, operating environment and business needs. The Risk Management Committee reviews and approves such policies prior to their adoption by the subsidiaries. Subsidiaries are required to submit quarterly risk analysis reports to their respective board of directors and the Risk Management Committee.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Group, through its training and management standards and procedures, aim to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The Group Audit Committee is responsible for monitoring compliance with the Group's risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Group. The Group Audit Committee is assisted in these functions by Internal Audit. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

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3. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligation. Credit risk can also arise from operational failures that result in unauthorized or inappropriate advance, commitment or investment of funds. The Group is exposed to credit risk primarily through its lease contracts, installment sales contracts, international and domestic factoring contracts, direct finance and commercial real estate and mezzanine finance loans, guarantees and other commitments. In the Group's past experiences, the major causes of bad debts in its portfolio include:

- 1) non-payment or delay in payment of customers' downstream accounts
- 2) poor operating and financial performance due to macroeconomic factors
- 3) poor investment decisions made by customers
- 4) poor business management
- 5) higher default rate of private loans to small and medium enterprises
- 6) to a lesser extent, other factors, such as misappropriation by employees, malicious bankruptcies, sudden tightening of credit lines from banks, debt burden resulting from guarantee obligations, litigation and major exchange rate losses.

Each operating company in the Group is required to implement credit policies, procedures and lending guidelines that meet local requirements while conforming to Group standards. Each operating company is responsible for the quality and performance of all its credit portfolios and for monitoring and controlling all credit risks in them. This includes managing its own risk concentration by market sector, geography and product. Local systems are in place throughout the Group to control and monitor exposures by customer and product segments.

4. Liquidity risk

Liquidity risk is the risk that the Group does not have sufficient financial resources to meet its obligations when they fall due, or will have to do so at excessive cost. The risk can arise from mismatches in the timing of cash flows. Funding risk arises when the necessary liquidity to fund illiquid asset positions cannot be obtained at the expected terms and when required. The Group's primary source of liquidity risk arises from mismatches in cash flow in the maturity periods of the Group's assets and liabilities.

The Group monitors the relative maturities between its assets and liabilities and take necessary steps to maintain an appropriate balance of long-term and short-term funding sources. The Group uses a broad range of financial instruments such as bank borrowings from both domestic and foreign banks, corporate bonds, money market instruments, accounts receivable syndication and in both the United States, Thailand and Taiwan, asset securitization, to maintain a diverse and cost efficient funding base. The Group believes it holds sufficient cash to finance long-term funding needs.

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The management of liquidity and funding is primarily carried out locally by the Group operating entities in each country. The Group requires its operating entities to maintain strong liquidity positions and to manage its liquidity profiles of their assets, liabilities and commitments with the objective of ensuring that their cash flows are balanced appropriately and that all their anticipated obligations can be met when due. The Group adapts its liquidity and funding risk management framework in response to changes in the mix of business that it undertakes, and to changes in the nature of the markets in which it operates. The Group has continuously monitored the impact of recent market events on the Group's liquidity position and has changed behavioral assumptions where justified. The liquidity and funding risk management framework will continue to evolve as the Group assimilates knowledge from the recent market events.

The Group's liquidity and funding management process includes:

- 1) projecting cash flows under various stress scenarios and considering the level of liquid assets comprising mainly cash and cash equivalents
- 2) maintaining a diverse range of funding sources with back-up facilities
- 3) managing the concentration and profile of debt maturities
- 4) maintaining liquidity and funding contingency plans. These plans identify early indicators of stress conditions and describe actions to be taken in the event of difficulties arising from systemic or other crises, while minimizing adverse long-term implications for the business.

The Group does not have a funding contingency plan, but manage this risk by engaging in products that have high liquidity and entering into transactions with counterparties that possess sufficient facility, information and capability to conduct the transaction in the relevant market.

The Group uses a number of standard projected cash flow scenarios designed to model both Group-specific and market-wide liquidity crisis, in which the rate and timing of receipts and drawdowns on committed lending facilities are varied, and the ability to access funding and to generate funds from assets portfolios is restricted. The appropriateness of the assumptions under each scenario is regularly reviewed. In addition to the Group's standard projected cash flow scenarios, individual entities are required to design their own scenarios tailored to reflect specific local market conditions, products and funding bases. Limit for cumulative net cash flows under stress scenarios are set for each operating entities. Cash flows limits reflect the local market conditions and the diversity of funding sources available. Compliance with entity level limits is monitored centrally by the head office in Taiwan.

5. Market risk

Market risk is the risk that changes in market prices, such as interest rate, equity prices, foreign exchange rates and credit spreads will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

1) Management of market risk

The objective of the Group's market risk management is to manage and control market risk exposures in order to optimize return on risk while maintaining a market profile consistent with the Group's status as a provider of financial products and services.

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2) Currency risk

The Group is exposed to currency risk through transactions in foreign currencies and through its investment on foreign operations. The Group's main operations are in Taiwan, PRC, and Thailand. The functional currencies of these operations are the New Taiwan Dollars, Renminbi, and Thai Baht respectively.

The Group is not exposed to significant exchange risk since the Group finances a significant proportion of its net investment in foreign operations with borrowings in the same currencies as the relevant measurement currencies to mitigate its currency risk. Further, the Group's subsidiaries in respective countries fund their operations through local funding in the local currency and lend in the same currency in which they borrow money, which creates a natural hedge. The Group have only small portion of assets and liabilities held in currencies other than the relevant measurement currencies in the respective countries.

3) Interest rate risk

Interest rate risk represents exposure to adverse movements in interest rates. The Group's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets, including investment securities, and interest-bearing liabilities mature or reprice at different times or in different amounts. Sensitivity to interest rate movements arise from mismatches in the repricing dates, cash flows and other characteristics of the assets and their corresponding liability funding. As interest rates and yield curves change over time, the size and nature of these mismatches may result in a loss or gain in earnings. In particular, most of the Group's financing obligations are on short-term and floating rate basis, and any sudden increase in market interest rate will result in a corresponding increase in the Group's debt servicing obligations.

The Group has adopted a series of core indicators for interest rate risk management, standards for interest rate sensitivity gap analysis and guidelines for its interest rate risk management. The analysis of the Group's interest rate risk includes an assessment of the incremental gaps between interest-sensitive assets and liabilities and the results of sensitivity analysis to measure the potential exposures in the Group's investment portfolio as a result of an interest rate change. The Group manages its interest rate risk exposure by adjusting the structure of its assets and liabilities based on an assessment of potential changes in interest rates using gap analysis, which provides a measure of the repricing characteristics of the Group's assets and liabilities. In addition, the Group has entered into interest rate swap contracts with financial institutions that have good credit ratings to manage its interest rate risk.

4) Other market price risks

The management of the Group monitors the combination of debts and equity securities in its investment portfolio based on market index. Material investments within the portfolio are managed on an individual basis, and all buy-and-sell decisions are approved by the Risk Management Committee.

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(w) Capital Management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. In order to maintain or achieve an optimal capital structure, the Group may issue new shares, obtain new borrowings, sell assets to reduce borrowings, or pay or adjust the amount of dividend payment, return capital to shareholders.

The Group uses the debt-to-equity ratio to manage capital. The total capital and equity include share capital, capital surplus, retained earnings, other equity and non-controlling interest plus net debt of the Group. The Group's debt to equity ratio at the reporting date was as follows:

	2021.12.31	2020.12.31
Total Liabilities	\$ 596,712,653	493,344,964
Less: cash and cash equivalents	<u>(46,374,548)</u>	<u>(32,796,805)</u>
Net debt	550,338,105	460,548,159
Total Equity	116,514,263	99,978,870
Amounts accumulated in equity relating to cash flow hedges	<u>726,308</u>	<u>502,825</u>
Adjusted capital	<u>\$ 667,578,676</u>	<u>561,029,854</u>
Debt to equity ratio	<u>82.43 %</u>	<u>82.09 %</u>

As of December 31, 2021, according to the Company's management, there were no changes in the Group's approach to capital management.

(x) Financing activities not affecting current cash flow

For the years ended December 31, 2021 and 2020, the Group's investing and financing activities not affecting current cash flow were as follows:

Reconciliation of liabilities arising from financing activities was as follows:

	January 1, 2021	Cash flows	Non-cash adjustments	December 31, 2021
Lease liabilities	\$ 4,222,448	(661,530)	1,502,185	5,063,103
Total liabilities from financing activities	<u>\$ 4,222,448</u>	<u>(661,530)</u>	<u>1,502,185</u>	<u>5,063,103</u>

	January 1, 2020	Cash flows	Non-cash adjustments	December 31, 2020
Lease liabilities	\$ 3,596,445	(600,074)	1,226,077	4,222,448
Total liabilities from financing activities	<u>\$ 3,596,445</u>	<u>(600,074)</u>	<u>1,226,077</u>	<u>4,222,448</u>

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(7) Related party transactions

(a) The Company is the ultimate controlling party of the Group.

(b) Names and relationship of related parties

The followings are entities that have had related parties transactions during the periods covered in the consolidated financial statements.

<u>Name of related parties</u>	<u>Relationship with the Group</u>
C&E Engine Leasing Limited	Associates
Andre J.L. Koo	Director
Grand Pacific Investment & Development Co., Ltd.	Other related party
Chailease Construction & Development Corp.	"
Chaico Investment Corporation	"
Yellowstone Security Co., Ltd.	"
Yellowstone Service Co., Ltd.	"
Chailease Resources Technology Co., Ltd.	"
CITC Enterprise (Thai) Co., Ltd.	"
Yellowstone Interior Design Company Limited	"
Global Hospitality Group Inc.	"
Global Property Management Co., Ltd.	"
Chailease Foundation	"
Advance Rental Care Co., Ltd.	"
Qin An Investment Consulting (Shanghai) Co., Ltd.	"
Shanghai Jiasheng Decoration Engineering Co., Ltd.	"
Yujia Investment Management Consulting (Shanghai) Co., Ltd.	"
Anywhere 2 Go Company Limited	"
Bangkok Bank Public Company Limited	"
Bangkok Insurance Public Company Limited	"
Sathorn City Tower Property Fund	"
Chailease Enterprise Co., Ltd.	"
Chun An Investment Co., Ltd.	"
Chun An Technology Co., Ltd.	"

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<u>Name of related parties</u>	<u>Relationship with the Group</u>
Chaico Biomedical Co., Ltd.	Other related party
Jen Chung Co., Ltd.	"
Shenyang Putai Hemodialysis Center Co., Ltd.	"
Qiqihar Zhongtai Nephrotic Hospital Co., Ltd.	"
Tonghua Zhongyi Hemodialysis Co., Ltd.	"
Les Terroirs de Chailease Co., Ltd.	"
Ezfunds Securities Investment Consulting Enterprise Ltd.	"
Li Cheng Investment Co., Ltd.	"
Chailease Biofund Company Limited	"
Ysolar Co.,Ltd	"
Tine Chuan Intelligent Energy Co.,Ltd.	"
Yu Heng Intelligent Energy Co.,Ltd.	"
Kai Yang Intelligent Energy Co., Ltd.	"
Yao Kuang Intelligent Energy Co., Ltd.	"
Yiyang Green Power Co., Ltd.	"

(c) Related-party transactions

1. Operating revenue

Operating revenue of the Group from the related parties was as follows:

	<u>For the years ended December 31,</u>	
	<u>2021</u>	<u>2020</u>
Other related parties	\$ <u>44,555</u>	<u>41,031</u>

2. Receivables from related parties

Receivables of the Group from related parties were as follows:

<u>Account</u>	<u>Categories of related parties</u>	<u>2021.12.31</u>	<u>2020.12.31</u>
Leases receivable	Other related parties	\$ 43,467	79,790
Accounts receivable	Other related parties	1,530	92
Other receivables	Other related parties	21,973	17,026
Other current financial assets	Other related parties	1,246	1,581
Other non-current assets	Other related parties	123,448	1,921
		\$ <u>191,664</u>	<u>100,410</u>

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3. Payable to related parties

Payable to related parties was as follows:

<u>Account</u>	<u>Categories of related parties</u>	<u>2021.12.31</u>	<u>2020.12.31</u>
Other current financial liabilities	Other related parties	\$ <u>842</u>	<u>3,022</u>

4. Asset transactions

The Group purchased leasehold improvements from other related parties amounting to \$16,779 and \$16,390 for the years ended December 31, 2021 and 2020, respectively.

The Group purchased the shares of the subsidiary from the director of the Company for \$18,527 for the year ended December 31, 2020.

5. Related-Party Financing

Financing to associates and related parties was as follows:

	<u>2021.12.31</u>	<u>2020.12.31</u>
Associates	\$ 1,359,381	1,554,024
Other related parties	<u>2,151,212</u>	<u>2,425</u>
	<u>\$ 3,510,593</u>	<u>1,556,449</u>

The loans receivable from associates bear interest at rates ranging from 1.92% to 5.65%. As of December 31, 2021 and 2020, interest receivable from the loans receivable from associates amounted to \$8,319 and \$12,182, respectively. For the years ended December 31, 2021 and 2020, interest revenue from the loans receivable from associates amounted to \$55,395 and \$73,808, respectively.

The loans receivable from other related parties bear interest at rates ranging from 4.00% to 10.05%. As of December 31, 2021 and 2020, interest receivable from the loans receivable from other related parties amounted to \$16,654 and \$10, respectively. For the years ended December 31, 2021 and 2020, interest revenue from the loans receivable from other related parties amounted to \$71,522 and \$586, respectively.

6. Interest bearing borrowings

Borrowings of the Group from related parties were as follows:

	<u>2021.12.31</u>	<u>2020.12.31</u>
Other related parties	\$ <u>5,946,699</u>	<u>6,498,080</u>

The borrowings from other related parties bear interest at rates ranging from 1.55% to 4.00%. As of December 31, 2021 and 2020, interest payable from the interest-bearing borrowings from other related parties amounted to \$616 and \$2,487, respectively. For the years ended December 31, 2021 and 2020, interest expense from the interest-bearing borrowing from other related parties amounted to \$175,286 and \$153,098, respectively.

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7. Leases

- 1) The Group rented an office building from other related parties. Multiple lease contracts were signed with lengths of three years, in which the rental fee was determined based on nearby office rental rates. The total value of the contract was \$76,630. For the years ended December 31, 2021 and 2020, the Group recognized the amount of \$1,428 and \$1,189 as interest expense, respectively. As of December 31, 2021 and 2020, the balance of lease liabilities amounted to \$44,348 and \$31,022, respectively.
- 2) For the years ended December 31, 2021 and 2020, rent expense is not included in rent liabilities that from other related parties amounted to \$1,577 and \$5,875, respectively.

8. Others

- 1) As of December 31, 2021 and 2020 bank deposits in financial institutions which are other related parties of the Group amounted to \$338,786 and \$393,111, respectively. For the years ended December 31, 2021 and 2020, interest revenue from the deposits in other related parties amounted to \$79 and \$1,158, respectively.
- 2) The Group purchased debt securities-real estate asset trust from its other related parties, with rates ranging from 2.75% to 5.25% and the time to maturity is between 2022 and 2024. The investment balance from debt securities amounted to \$960,260 and \$466,000 as of December 31, 2021 and 2020, respectively.

For the years ended December 31, 2021 and 2020, interest revenue from debt securities amounted to \$20,589 and \$6,930, respectively.

- 3) Other expense and profit with related parties:

Other related parties	For the years ended December 31,	
	2021	2020
Other operating costs and expenses	\$ <u>182,966</u>	<u>151,580</u>
Other non-operating income	\$ <u>5,504</u>	<u>4</u>

- (d) Key management personnel compensation

	For the years ended December 31,	
	2021	2020
Short-term employee benefits	\$ 349,643	336,522
Post-employment benefits	8,572	20,253
Other long-term benefits	11,040	-
	\$ <u>369,255</u>	<u>356,775</u>

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(8) Pledged assets

The carrying values of pledged assets were as follows:

Pledged assets	Object	2021.12.31	2020.12.31
Restricted cash in banks			
Restricted account for loans repayment	Issuance of short-term notes and bills, and \$ as guarantee for short-term and long-term borrowings; as well as performance guarantee for alliance contracts (Note)	3,594,196	3,383,305
Property, plant and equipment	As guarantee for short-term and long-term borrowings	2,071,484	2,124,752
Refundable deposits	Provincial court seizure, etc.	78,600	65,645
Accounts receivable and notes receivable	Issuance of short-term notes and bills and as guarantee for short-term and long-term borrowings	103,054,757	121,034,457
Total		<u><u>\$ 108,799,037</u></u>	<u><u>126,608,159</u></u>

Note: The Group issued discount coupons for car rental services and opened a trust account with Sunny Bank in accordance with mandatory and prohibitory provisions of the standard contracts for coupons.

(9) Commitments and contingencies

- (a) The Group entered into alliances with several commercial banks for which the banks will provide direct financing loans to the Group's corporate and individual customers. Should these corporate and individual customers default on their payments, the Group is required to assume their loan obligations and pay these loans on behalf of these customers. As of December 31, 2021 and 2020, the balance of unexpired payments from these alliance transactions amounted to \$11,347,491 and \$10,092,480, respectively.
- (b) The Group entered into several electricity procurement agreements with Taiwan Power Company and all of these agreements will expire on twenty years after the date the electricity generating sets are launched. Under these agreements, reselling to third parties of electric power from the renewable energy system is prohibited.
- (c) As of December 31, 2021 and 2020, the Group signed the unclosed contract of the installation and construction project of solar power for \$47,490,362 and \$19,844,981, respectively. As of December 31, 2021 and 2020, the amount of \$40,162,124 and \$16,497,158 was remained unpaid, respectively.

(10) Losses due to major disasters: None.

(11) Subsequent events: None.

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(12) Other

(a) Liquidity analysis of assets and liabilities :

	2021.12.31		
	Expected to be collected or paid within 12 months	Expected to be collected or paid after 12 months	Total
<u>Current assets</u>			
Cash and cash equivalents	\$ 46,374,548	-	46,374,548
Current financial assets at fair value through profit or loss	1,393,619	-	1,393,619
Current financial assets at amortized cost	9,100,923	13,219,771	22,320,694
Current financial assets for hedging	7,381	-	7,381
Accounts receivable, net	267,940,539	159,615,180	427,555,719
Other current financial assets	7,043,371	165,733	7,209,104
Other current assets	6,928,821	-	6,928,821
	\$ 338,789,202	173,000,684	511,789,886
<u>Current liabilities</u>			
Short-term borrowings	\$ 66,335,264	-	66,335,264
Short-term notes and bills payable	90,275,406	-	90,275,406
Current financial liabilities for hedging	543,826	-	543,826
Accounts and notes payable	6,269,742	8,880	6,278,622
Current tax liabilities	7,712,732	-	7,712,732
Current lease liabilities	606,096	702,176	1,308,272
Other current financial liabilities	23,420,941	38,693,730	62,114,671
Long-term liabilities, current portion	103,223,063	80,766,971	183,990,034
Other current liabilities	5,345,095	-	5,345,095
	\$ 303,732,165	120,171,757	423,903,922

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	2020.12.31		
	Expected to be collected or paid within 12 months	Expected to be collected or paid after 12 months	Total
<u>Current assets</u>			
Cash and cash equivalents	\$ 32,796,805	-	32,796,805
Current financial assets at fair value through profit or loss	821,296	-	821,296
Current financial assets at amortized cost	5,778,510	8,640,435	14,418,945
Current financial assets for hedging	118,697	-	118,697
Accounts receivable, net	237,616,698	138,102,324	375,719,022
Other current financial assets	5,448,266	76,634	5,524,900
Other current assets	8,584,757	-	8,584,757
	<u><u>\$ 291,165,029</u></u>	<u><u>146,819,393</u></u>	<u><u>437,984,422</u></u>
<u>Current liabilities</u>			
Short-term borrowings	\$ 56,025,737	-	56,025,737
Short-term notes and bills payable	83,998,707	-	83,998,707
Current financial liability for hedging	1,402,120	-	1,402,120
Accounts and notes payable	6,826,884	-	6,826,884
Current tax liabilities	3,011,666	-	3,011,666
Current lease liabilities	579,678	370,281	949,959
Other current financial liabilities	20,350,773	35,378,299	55,729,072
Long-term liabilities, current portion	73,593,539	89,889,377	163,482,916
Other current liabilities	4,640,995	-	4,640,995
	<u><u>\$ 250,430,099</u></u>	<u><u>125,637,957</u></u>	<u><u>376,068,056</u></u>

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- (b) The employee benefits, depreciation and amortization expenses categorized by nature were as follows:

By item	By function	For the year ended December 31, 2021			For the year ended December 31, 2020		
		Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits							
Salary		-	7,871,641	7,871,641	17,917	7,243,970	7,261,887
Labor and health insurance		-	512,755	512,755	955	368,820	369,775
Pension		-	387,098	387,098	458	293,075	293,533
Others		-	538,076	538,076	-	413,752	413,752
Depreciation		4,445,693	726,160	5,171,853	3,705,756	699,153	4,404,909
Amortization		-	147,400	147,400	-	175,369	175,369

(13) Other disclosures

- (a) Information on significant transactions

The information on significant transactions of the Group, which is required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”, for the year ended December 31, 2021 was as follows:

1. Fund loaning to other parties:

(Amounts Expressed in Thousands of New Taiwan Dollars)

No.	Financing company	Counter-party (Note 4)	Account	Related party	Maximum balance for the year	Ending balance	Amount actually drawn	Interest rate	Nature of financing (Note 1)	Transaction amount	Reasons for financing	Allowance for bad debt	Collateral		Financing limits for each borrowing company (Note 2)	Financing company's total financing amount limits (Note 3)
													Item	Value		
0	The Company	Chailease Capital (Thailand) Co., Ltd	Accounts receivable	Yes	3,281,525	-	-	-	2	-	Working Capital	-	None	-	10,962,407	109,624,067
1	Chailease Finance Co., Ltd.	A	Accounts receivable	No	933,100	475,100	475,100	0.01%-19.91%	2	-	Working Capital	4,228	None	-	5,598,537	55,985,369
"	"	B	Accounts receivable	No	819,567	465,278	465,278	0.01%-19.91%	2	-	Working Capital	4,141	None	-	5,598,537	55,985,369
"	"	C	Accounts receivable	No	341,500	341,500	341,500	0.01%-19.91%	2	-	Working Capital	3,039	None	-	5,598,537	55,985,369
"	"	D	Accounts receivable	No	340,000	340,000	-	0.01%-19.91%	2	-	Working Capital	-	None	-	5,598,537	55,985,369
"	"	E	Accounts receivable	No	257,300	257,300	257,300	0.01%-19.91%	1	257,300		2,290	None	-	257,300	44,788,295
"	"	E-I	Accounts receivable	No	73,280	73,280	73,280	0.01%-19.91%	2	-	Working Capital	652	None	-	5,598,537	55,985,369
"	"	F	Accounts receivable	No	249,810	249,810	249,810	0.01%-19.91%	1	1,658,000		2,223	None	-	1,658,000	44,788,295
"	"	G	Accounts receivable	No	245,000	245,000	199,100	0.01%-19.91%	2	-	Working Capital	1,772	None	-	5,598,537	55,985,369
"	"	H	Accounts receivable	No	234,000	234,000	-	0.01%-19.91%	2	-	Working Capital	-	None	-	5,598,537	55,985,369
"	"	I	Accounts receivable	No	210,000	209,730	209,730	0.01%-19.91%	2	-	Working Capital	1,867	None	-	5,598,537	55,985,369

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No.	Financing company	Counter-party (Note 4)	Account	Related party	Maximum balance for the year	Ending balance	Amount actually drawn	Interest rate	Nature of financing (Note 1)	Transaction amount	Reasons for financing	Allowance for bad debt	Collateral		Financing limits for each borrowing company (Note 2)	Financing company's total financing amount limits (Note 3)
													Item	Value		
1	Chailease Finance Co., Ltd.	J	Accounts receivable	No	185,500	185,500	104,900	0.01%~19.91%	2	-	Working Capital	934	None	-	5,598,537	55,985,369
"	"	K	Accounts receivable	No	184,400	183,732	183,732	0.01%~19.91%	2	-	Working Capital	1,635	None	-	5,598,537	55,985,369
"	"	L	Accounts receivable	No	175,560	175,560	175,560	0.01%~19.91%	2	-	Working Capital	1,562	None	-	5,598,537	55,985,369
"	"	M	Accounts receivable	No	150,000	150,000	150,000	0.01%~19.91%	2	-	Working Capital	1,335	Properties	272,754	5,598,537	55,985,369
"	"	N	Accounts receivable	No	144,000	144,000	144,000	0.01%~19.91%	2	-	Working Capital	1,282	None	-	5,598,537	55,985,369
"	"	O	Accounts receivable	No	142,654	142,654	93,154	0.01%~19.91%	2	-	Working Capital	829	None	-	5,598,537	55,985,369
"	"	P	Accounts receivable	No	265,015	131,194	131,194	0.01%~19.91%	2	-	Working Capital	1,168	None	-	5,598,537	55,985,369
"	"	Q	Accounts receivable	No	238,302	118,920	118,920	0.01%~19.91%	2	-	Working Capital	1,058	None	-	5,598,537	55,985,369
"	"	R	Accounts receivable	No	210,056	114,818	114,818	0.01%~19.91%	1	584,290		1,022	Properties	46,940	584,290	44,788,295
"	"	S	Accounts receivable	No	165,075	106,804	106,804	0.01%~19.91%	1	420,328		951	None	-	420,328	44,788,295
"	"	T	Accounts receivable	No	105,150	105,150	105,150	0.01%~19.91%	1	301,300		936	None	-	301,300	44,788,295
"	"	T-1	Accounts receivable	No	12,567	-	-	0.01%~19.91%	2	-	Working Capital	-	Properties	7,743	5,598,537	55,985,369
"	"	Summary of other clients	Accounts receivable	No	12,233,923	5,578,413	5,475,086	0.01%~19.91%	1	91,967,754		48,728	Bank Deposits/ Stocks/ Properties	1,693,858	44,788,295	44,788,295
"	"	Summary of other clients	Accounts receivable	No	55,225,240	29,153,475	26,897,295	0.01%~19.91%	2	-	Working Capital	470,400	Bank Deposits/ Stocks/ Fund/ Beneficiary certificate/ Equipment/ Properties	5,610,282	5,598,537	55,985,369
"	"	Chuang Ju Limited Partnership	Accounts receivable	Yes	1,000,000	-	-	0.01%~19.91%	2	-	Working Capital	-	None	-	13,996,342	55,985,369
"	"	Tung Ching Energy Technology Inc.	Accounts receivable	Yes	3,240	-	-	0.01%~19.91%	2	-	Working Capital	-	None	-	13,996,342	55,985,369
"	"	Tien Sin Intelligent Green Energy Co., Ltd.	Accounts receivable	Yes	32,000	-	-	0.01%~19.91%	2	-	Working Capital	-	None	-	13,996,342	55,985,369
"	"	Tien Jen Energy Co., Ltd.	Accounts receivable	Yes	15,000	-	-	0.01%~19.91%	2	-	Working Capital	-	None	-	13,996,342	55,985,369
"	"	Tien Chu Energy Co., Ltd.	Accounts receivable	Yes	98,000	-	-	0.01%~19.91%	2	-	Working Capital	-	None	-	13,996,342	55,985,369
"	"	Tien Ying Energy Co., Ltd.	Accounts receivable	Yes	150,000	-	-	0.01%~19.91%	2	-	Working Capital	-	None	-	13,996,342	55,985,369
"	"	Tien Jui Energy Co., Ltd.	Accounts receivable	Yes	213,000	-	-	0.01%~19.91%	2	-	Working Capital	-	None	-	13,996,342	55,985,369

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No.	Financing company	Counter-party (Note 4)	Account	Related party	Maximum balance for the year	Ending balance	Amount actually drawn	Interest rate	Nature of financing (Note 1)	Transaction amount	Reasons for financing	Allowance for bad debt	Collateral		Financing limits for each borrowing company (Note 2)	Financing company's total financing amount limits (Note 3)
													Item	Value		
1	Chailease Finance Co., Ltd.	Tien Hsing Integration Co., Ltd.	Accounts receivable	Yes	1,797,296	1,797,296	1,797,296	0.01%~19.91%	2	-	Working Capital	15,996	None	-	13,996,342	55,985,369
"	"	Chu Chiang Solar Energy Inc.	Accounts receivable	Yes	31,000	31,000	31,000	0.01%~19.91%	2	-	Working Capital	276	None	-	13,996,342	55,985,369
"	"	Ysolar Co., Ltd.	Accounts receivable	Yes	1,871,200	1,871,200	1,191,200	0.01%~19.91%	2	-	Working Capital	10,602	None	-	13,996,342	55,985,369
"	"	Tien Chuan Intelligent Energy Co., Ltd.	Accounts receivable	Yes	186,000	186,000	186,000	0.01%~19.91%	2	-	Working Capital	1,655	None	-	13,996,342	55,985,369
"	"	Yu Heng Intelligent Energy Co., Ltd.	Accounts receivable	Yes	184,000	184,000	184,000	0.01%~19.91%	2	-	Working Capital	1,638	None	-	13,996,342	55,985,369
"	"	Kai Yang Intelligent Energy Co., Ltd.	Accounts receivable	Yes	123,000	123,000	123,000	0.01%~19.91%	2	-	Working Capital	1,095	None	-	13,996,342	55,985,369
"	"	Yao Kuang Intelligent Energy Co., Ltd.	Accounts receivable	Yes	110,000	110,000	110,000	0.01%~19.91%	2	-	Working Capital	979	None	-	13,996,342	55,985,369
"	"	Yiyang Green Power Co., Ltd.	Accounts receivable	Yes	718,483	273,495	273,495	0.01%~19.91%	2	-	Working Capital	2,434	None	-	13,996,342	55,985,369
"	"	Chailease Construction and Development Company Co., Ltd.	Accounts receivable	Yes	83,000	83,000	83,000	0.01%~19.91%	1	932,000		739	None	-	932,000	44,788,295
2	Fina Finance & Trading Co., Ltd.	A	Accounts receivable	No	233,170	188,970	188,970	0.6382%~18.2288%	2	-	Working Capital	1,890	Properties	316,810	2,266,543	22,665,426
"	"	A-1	Accounts receivable	No	59,040	54,120	54,120	0.6382%~18.2288%	1	30,000		541	Properties	316,810	60,000	13,599,256
"	"	B	Accounts receivable	No	362,476	241,000	241,000	0.6382%~18.2288%	2	-	Working Capital	2,410	Properties	318,356	2,266,543	22,665,426
"	"	C	Accounts receivable	No	315,120	171,112	171,112	0.6382%~18.2288%	2	-	Working Capital	1,711	Properties	169,246	2,266,543	22,665,426
"	"	C-1	Accounts receivable	No	12,482	12,140	12,140	0.6382%~18.2288%	1	12,500		121	Properties	169,246	25,000	13,599,256
"	"	D	Accounts receivable	No	287,696	180,544	180,544	0.6382%~18.2288%	2	-	Working Capital	1,805	None	-	2,266,543	22,665,426
"	"	E	Accounts receivable	No	105,000	104,892	104,892	0.6382%~18.2288%	2	-	Working Capital	1,049	Properties	103,370	2,266,543	22,665,426
"	"	F	Accounts receivable	No	88,000	88,000	88,000	0.6382%~18.2288%	2	-	Working Capital	880	Properties	128,444	2,266,543	22,665,426
"	"	G	Accounts receivable	No	118,973	76,976	76,976	0.6382%~18.2288%	2	-	Working Capital	770	Properties	55,232	2,266,543	22,665,426
"	"	H	Accounts receivable	No	124,391	69,138	69,138	0.6382%~18.2288%	2	-	Working Capital	691	Properties	67,123	2,266,543	22,665,426
"	"	I	Accounts receivable	No	65,000	64,898	64,898	0.6382%~18.2288%	2	-	Working Capital	649	Properties	15,061	2,266,543	22,665,426
"	"	J	Accounts receivable	No	75,527	62,468	62,468	0.6382%~18.2288%	2	-	Working Capital	625	Properties	59,473	2,266,543	22,665,426
"	"	Summary of other clients	Accounts receivable	No	15,002,852	7,446,666	7,357,166	0.6382%~18.2288%	2	-	Working Capital	121,679	Bank Deposits/ Stocks Machinery Equipment Properties/ Vehicles	2,298,028	2,266,543	22,665,426

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No.	Financing company	Counter-party (Note 4)	Account	Related party	Maximum balance for the year	Ending balance	Amount actually drawn	Interest rate	Nature of financing (Note 1)	Transaction amount	Reasons for financing	Allowance for bad debt	Collateral		Financing limits for each borrowing company (Note 2)	Financing company's total financing amount limits (Note 3)
													Item	Value		
2	Fina Finance & Trading Co., Ltd.	Summary of other clients	Accounts receivable	No	2,698,436	1,558,035	1,500,035	0.6382%~18.2288%	1	2,399,939		31,742	Machinery/Equipment	267,231	4,799,878	13,599,256
"	"	Chuang Ju Limited Partnership	Accounts receivable	Yes	5,100,000	4,800,000	4,800,000	0.6382%~18.2288%	2	-	Working Capital	-	None	-	5,666,357	22,665,426
3	Chailase Consumer Finance Co., Ltd.	A	Accounts receivable	No	223	-	-	2.10%	2	-	Working Capital	-	None	-	673,516	6,735,159
"	"	B	Accounts receivable	No	220	-	-	2.10%	2	-	Working Capital	-	None	-	673,516	6,735,159
"	"	C	Accounts receivable	No	95	-	-	2.10%	2	-	Working Capital	-	None	-	673,516	6,735,159
"	"	D	Accounts receivable	No	34	-	-	2.10%	2	-	Working Capital	-	None	-	673,516	6,735,159
"	"	E	Accounts receivable	No	25	-	-	2.10%	2	-	Working Capital	-	None	-	673,516	6,735,159
"	"	Chuang Ju Limited Partnership	Accounts receivable	Yes	1,500,000	1,500,000	1,000,000	2.10%	2	-	Working Capital	-	None	-	1,683,790	6,735,159
4	Chailase International Finance Corporation	A	Receivable-short term financing	No	92,769	59,465	59,465	3.85%~17.00%	2	-	Working Capital	300	None	-	2,324,358	18,594,864
"	"	B	Receivable-short term financing	No	60,695	40,061	40,061	3.85%~17.00%	2	-	Working Capital	555	Real estate	7,750	2,324,358	18,594,864
"	"	C	Receivable-short term financing	No	39,096	35,838	35,838	3.85%~17.00%	2	-	Working Capital	261	Properties	7,163	2,324,358	18,594,864
"	"	D	Receivable-short term financing	No	37,793	32,182	32,182	3.85%~17.00%	2	-	Working Capital	143	Real estate/ Vehicles	3,362	2,324,358	18,594,864
"	"	E	Receivable-short term financing	No	32,580	28,960	28,960	3.85%~17.00%	2	-	Working Capital	248	Vehicles	-	2,324,358	18,594,864
"	"	F	Receivable-short term financing	No	34,752	28,960	28,960	3.85%~17.00%	2	-	Working Capital	-	None	-	2,324,358	18,594,864
"	"	G	Receivable-short term financing	No	40,001	28,719	28,719	3.85%~17.00%	2	-	Working Capital	322	Equipment	6,094	2,324,358	18,594,864
"	"	H	Receivable-short term financing	No	41,027	26,547	26,547	3.85%~17.00%	2	-	Working Capital	610	Vehicles	1,173	2,324,358	18,594,864
"	"	I	Receivable-short term financing	No	26,064	23,168	23,168	3.85%~17.00%	2	-	Working Capital	122	None	-	2,324,358	18,594,864
"	"	J	Receivable-short term financing	No	39,368	22,806	22,806	3.85%~17.00%	2	-	Working Capital	174	None	-	2,324,358	18,594,864
"	"	K	Receivable-short term financing	No	50,499	22,806	22,806	3.85%~17.00%	2	-	Working Capital	98	None	-	2,324,358	18,594,864
"	"	Summary of other clients	Receivable-short term financing	No	2,884,280	1,439,141	1,341,401	3.85%~17.00%	2	-	Working Capital	29,484	Vehicles/ Real estate/ Equipment/ Properties	98,424	2,324,358	18,594,864
"	"	Summary of other clients	Receivables-business relationship	No	47,543	15,568	15,568	3.85%~17.00%	1	122,501		296	Vehicles/ Equipment	18,379	2,324,358	18,594,864
"	"	Chailase International Corp.	Receivables from related party	Yes	2,606,400	2,606,400	-	3.85%~17.00%	2	-		-	None	-	11,621,790	18,594,864
"	"	Chailase Finance International Corp.	Receivables from related party	Yes	1,303,200	-	-	3.85%~17.00%	2	-	Working Capital	-	None	-	11,621,790	18,594,864
"	"	JonRui Finance Corporation	Receivables from related party	Yes	868,800	-	-	3.85%~17.00%	2	-	Working Capital	-	None	-	11,621,790	18,594,864
"	"	Chailase International Commercial Factoring Corporation	Receivables from related party	Yes	868,800	868,800	-	3.85%~17.00%	2	-	Working Capital	-	None	-	11,621,790	18,594,864

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													Item	Value		
5	Chailase Specialty Finance Co., Ltd.	A	Accounts receivable	No	298,000	298,000	264,550	0.88%~13.08%	2	-	Working Capital	1,455	None	-	667,002	2,668,007
"	"	B	Accounts receivable	No	150,000	150,000	150,000	0.88%~13.08%	2	-	Working Capital	825	None	-	667,002	2,668,007
"	"	C	Accounts receivable	No	108,500	108,500	106,601	0.88%~13.08%	2	-	Working Capital	586	None	-	667,002	2,668,007
"	"	D	Accounts receivable	No	80,625	80,625	80,625	0.88%~13.08%	2	-	Working Capital	443	None	-	667,002	2,668,007
"	"	E	Accounts receivable	No	150,000	80,000	80,000	0.88%~13.08%	2	-	Working Capital	440	Funds Beneficiary Certification	3,521	667,002	2,668,007
"	"	F	Accounts receivable	No	111,050	61,050	61,050	0.88%~13.08%	2	-	Working Capital	336	None	-	667,002	2,668,007
"	"	G	Accounts receivable	No	60,000	57,500	57,500	0.88%~13.08%	2	-	Working Capital	316	None	-	667,002	2,668,007
"	"	H	Accounts receivable	No	145,000	50,000	50,000	0.88%~13.08%	2	-	Working Capital	275	None	-	667,002	2,668,007
"	"	I	Accounts receivable	No	70,000	43,720	43,720	0.88%~13.08%	2	-	Working Capital	240	None	-	667,002	2,668,007
"	"	J	Accounts receivable	No	51,500	31,500	-	0.88%~13.08%	2	-	Working Capital	-	None	-	667,002	2,668,007
"	"	Summary of other clients	Accounts receivable	No	1,264,172	197,350	197,350	0.88%~13.08%	2	-	Working Capital	6,051	Properties	15,998	667,002	2,668,007
6	Chailase Finance Securitization Trust 2019	A	Accounts receivable	No	3,973	3,973	3,973	4.00%~14.81%	2	-	Working Capital	3,377	Bank Deposits	3,000	53,301	533,015
"	"	B	Accounts receivable	No	9,315	2,159	2,159	4.00%~14.81%	1	29,772		17	None	-	29,772	512,134
"	"	C	Accounts receivable	No	5,551	1,679	1,679	4.00%~14.81%	1	20,000		13	None	-	20,000	512,134
"	"	D	Accounts receivable	No	7,476	1,479	1,479	4.00%~14.81%	1	27,049		12	None	-	27,049	512,134
"	"	E	Accounts receivable	No	4,939	1,295	1,295	4.00%~14.81%	1	15,612		10	None	-	15,612	512,134
"	"	F	Accounts receivable	No	3,474	699	699	4.00%~14.81%	1	7,000		6	Bank Deposits	650	7,000	512,134
"	"	G	Accounts receivable	No	3,006	675	675	4.00%~14.81%	1	5,507		5	None	-	5,507	512,134
"	"	G-1	Accounts receivable	No	5,290	-	-	4.00%~14.81%	2	-	Working Capital	-	Bank Deposits	3,600	53,301	533,015
"	"	H	Accounts receivable	No	3,765	539	539	4.00%~14.81%	1	57,119		4	Bank Deposits	1,300	57,119	512,134
"	"	I	Accounts receivable	No	4,019	494	494	4.00%~14.81%	1	8,206		4	None	-	8,206	512,134
"	"	J	Accounts receivable	No	11,478	464	464	4.00%~14.81%	1	140,243		4	None	-	140,243	512,134
"	"	Summary of other clients	Accounts receivable	No	421,471	-	-	4.00%~14.81%	2	-	Working Capital	-	Bank Deposits	117,925	53,301	533,015
"	"	Summary of other clients	Accounts receivable	No	188,984	702	702	4.00%~14.81%	1	1,357,621		7	Bank Deposits	69,450	512,134	512,134
7	Chailase International Corp.	Chailase International Finance Corporation	Receivables from related party	Yes	868,800	-	-	3.85%	2	-	Working Capital	-	None	-	1,067,089	1,707,343
"	"	Chailase International Corp.	Receivables from related party	Yes	434,400	-	-	3.85%	2	-	Working Capital	-	None	-	1,067,089	1,707,343

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													Item	Value		
8	Chailase Finance International Corp.	Chailase International Finance Corporation	Receivables from related party	Yes	868,800	-	-	3.85%	2	-	Working Capital	-	None	-	1,468,391	2,349,426
"	"	Chailase International Corp.	Receivables from related party	Yes	868,800	-	-	3.85%	2	-	Working Capital	-	None	-	1,468,391	2,349,426
9	Chailase Auto Rental Co., Ltd.	A	Accounts receivable	No	7,000	6,115	6,115	3.56%~10.57%	1	8,829		24	Vehicles	7,000	8,829	1,016,287
"	"	B	Accounts receivable	No	5,200	4,145	4,145	3.56%~10.57%	2	-	Working Capital	17	Vehicles	4,350	169,381	677,524
"	"	C	Accounts receivable	No	2,800	2,054	2,054	3.56%~10.57%	2	-	Working Capital	8	Vehicles	1,920	169,381	677,524
"	"	D	Accounts receivable	No	2,700	1,896	1,896	3.56%~10.57%	2	-	Working Capital	8	Vehicles	1,800	169,381	677,524
"	"	E	Accounts receivable	No	1,900	1,752	1,752	3.56%~10.57%	2	-	Working Capital	7	Vehicles	1,550	169,381	677,524
"	"	F	Accounts receivable	No	2,000	1,366	1,366	3.56%~10.57%	2	-	Working Capital	5	Vehicles	1,700	169,381	677,524
"	"	G	Accounts receivable	No	1,530	1,237	1,237	3.56%~10.57%	2	-	Working Capital	5	Vehicles	1,530	169,381	677,524
"	"	H	Accounts receivable	No	1,700	1,228	1,228	3.56%~10.57%	2	-	Working Capital	5	Vehicles	1,140	169,381	677,524
"	"	I	Accounts receivable	No	1,200	1,200	1,200	3.56%~10.57%	2	-	Working Capital	5	Vehicles	800	169,381	677,524
"	"	J	Accounts receivable	No	2,000	1,200	1,200	3.56%~10.57%	1	4,463		5	Vehicles	1,400	4,463	1,016,287
"	"	Summary of other clients	Accounts receivable	No	4,435	3,643	3,643	3.56%~10.57%	1	20,505		14	Vehicles	3,740	20,505	1,016,287
"	"	Summary of other clients	Accounts receivable	No	19,465	10,500	10,500	3.56%~10.57%	2	-	Working Capital	42	Vehicles	12,140	169,381	677,524
10	Chailase International Commercial Factoring Corporation	Chailase International Finance Corporation	Receivables from related party	Yes	86,880	-	-	3.85%	2	-	Working Capital	-	None	-	89,276	89,276

Note 1: (1)Those with business relationship please fill in 1;

(2)Those necessary for short-term financing please fill in 2.

Note 2: Limit on the amount for loaning fund to individual counterparty

(0)The Company— The maximum fund loaning provided by Chailase Holding Company Limited for individual entity cannot exceed \$10,962,407, which is 10% of the net worth.

(1)Subsidiary— The maximum fund loaning provided by Chailase Finance Co., Ltd. for necessary short-term financing to individual entity cannot exceed \$5,598,537, which is 10% of the net worth. The maximum fund loaning cannot exceed \$13,996,342, which is 25% of the net worth to individual associate. The maximum fund loaning for business relationship cannot exceed the trading amount between Chailase Finance Co., Ltd. and other companies during the latest operating cycle.

(2)Subsidiary— The maximum fund loaning provided by Fina Finance & Trading Co., Ltd. for necessary short-term financing to individual entity cannot exceed \$2,266,543, which is 10% of the net worth. The maximum fund loaning cannot exceed \$5,666,357, which is 25% of the net worth to domestic subsidiaries and affiliated companies whose shares are 100% held directly or indirectly by Fina Finance & Trading Co., Ltd. The maximum fund loaning for business relationship cannot exceed the trading amount between Fina Finance & Trading Co., Ltd. and other companies during the latest operating cycle.

(3)Subsidiary— The maximum fund loaning provided by Chailase Consumer Finance Co., Ltd. for necessary short-term financing to individual entity cannot exceed \$673,516, which is 10% of the net worth. The maximum fund loaning cannot exceed \$1,683,790, which is 25% of the net worth to domestic subsidiaries and affiliated companies whose shares are 100% held directly or indirectly by Chailase Consumer Finance Co., Ltd. The maximum fund loaning for business relationship cannot exceed the trading amount between Chailase Consumer Finance Co., Ltd. and other companies during the latest operating cycle.

(4)Subsidiary— The maximum fund loaning provided by Chailase International Finance Corporation for individual entity cannot exceed \$2,324,358, which is 5% of the net worth. The maximum fund loaning cannot exceed \$11,621,790, which is 25% of the net worth to individual associate.

(5)Subsidiary— The maximum fund loaning provided by Chailase Specialty Finance Co., Ltd. for necessary short-term financing to individual entity cannot exceed \$667,002, which is 10% of the net worth. The maximum fund loaning for business relationship cannot exceed the trading amount between Chailase Specialty Finance Co., Ltd. and other firm during the latest operating cycle.

CHAILEASE HOLDING COMPANY LIMITED AND SUBSIDIARIES

Notes to Consolidated Financial Statements

For the years ended December 31, 2021 and 2020

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- (6)Special purpose entities— The maximum fund loaning provided by Chailease Finance Securitization Trust 2019 for necessary short-term financing to an individual entity cannot exceed \$53,301, which is 1% of the securitized financial assets approved by the competent authority. The maximum fund loaning for business relationship cannot exceed the trading amount of Securitization Trust during the latest operating cycle.
- (7)Subsidiary— The maximum fund loaning provided by Chailease International Corp. for individual entity cannot exceed \$213,418, which is 5% of the net worth. The maximum fund loaning cannot exceed \$1,067,089, which is 25% of the net worth to individual associate.
- (8)Subsidiary— The maximum fund loaning provided by Chailease Finance International Corp. for individual entity cannot exceed \$293,678, which is 5% of the net worth. The maximum fund loaning cannot exceed \$1,468,391, which is 25% of the net worth to individual associate.
- (9)Subsidiary— The maximum fund loaning provided by Chailease Auto Rental Co., Ltd. for necessary short-term financing to individual entity cannot exceed \$169,381, which is 10% of the net worth. The maximum fund loaning for business relationship cannot exceed the trading amount of Chailease Auto Rental Co., Ltd. and other firms during the latest operating cycle.
- (10)Subsidiary— The maximum fund loaning provided by Chailease International Commercial Factoring Corporation for individual associate cannot exceed \$89,276, which is 40% of the net worth. The maximum fund loaning cannot exceed \$11,160, which is 5% of the net worth to individual entity.

Note 3: Limit on the amount for loaning fund

- (0)The Company— The total amount of fund loaning provided by Chailease Holding Company Limited cannot exceed \$109,624,067, which is the net worth; the total amount of fund loaning for short-term financing cannot exceed \$43,849,627, which is 40% of the net worth of the most recent financial statement.
- (1)Subsidiary— The total amount of fund loaning provided by Chailease Finance Co., Ltd. for short-term financing cannot exceed \$55,985,369 which is the net worth of the most recent financial statement. The total amount of fund loaning for business relationship cannot exceed \$44,788,295, which is 80% of the net worth.
- (2)Subsidiary— The total amount of fund loaning provided by Fina Finance & Trading Co., Ltd. for short-term financing cannot exceed \$22,665,426, which is the net worth of the most recent financial statement. The total amount of fund loaning for business relationship cannot exceed \$13,599,256, which is 60% of the net worth.
- (3)Subsidiary— The total amount of fund loaning provided by Chailease Consumer Finance Co., Ltd. for short-term financing cannot exceed \$6,735,159, which is the net worth of the most recent financial statement. The total amount of fund loaning for business relationship cannot exceed \$4,041,095, which is 60% of the net worth.
- (4)Subsidiary— The total amount of fund loaning provided by Chailease International Finance Corporation cannot exceed \$18,594,864, which is 40% of the net worth of the most recent financial statement.
- (5)Subsidiary— The total amount of fund loaning provided by Chailease Specialty Finance Co., Ltd. for short-term financing cannot exceed \$2,668,007, which is 40% of the net worth of the most recent financial statement. The total amount of fund loaning for business relationship cannot exceed \$5,336,013, which is 80% of the net worth.
- (6)Special purpose entities— The total amount of fund loaning provided by Chailease Finance Securitization Trust 2019 cannot exceed \$1,045,149 which is the book value of the subordinated debt securities; the total amount of fund loaning for short-term financing cannot exceed \$533,015, which is 10% of the securitized financial assets approved by the competent authority. The total amount of fund loaning for business relationship cannot exceed \$512,134. Which is the book value mentioned above minus 10% of the securitized financial assets.
- (7)Subsidiary— The total amount of fund loaning provided by Chailease International Corp. cannot exceed \$1,707,343, which is 40% of the net worth of the most recent financial statement.
- (8)Subsidiary— The total amount of fund loaning provided by Chailease Finance International Corp. cannot exceed \$2,349,426, which is 40% of the net worth of the most recent financial statement.
- (9)Subsidiary— The total amount of fund loaning provided by Chailease Auto Rental Co., Ltd. for short-term financing cannot exceed \$677,524, which is 40% of the net worth of the most recent financial statement. The total amount of fund loaning for business relationship cannot exceed \$1,016,287, which is 60% of the net worth.
- (10)Subsidiary— The total amount of fund loaning provided by Chailease International Commercial Factoring Corporation cannot exceed \$89,276, which is 40% of the net worth of the most recent financial statement.

Note 4: Counterparties

- (1)The Company— Chailease Holding Company Limited: There is 1 counterparty during the period.
- (2)Subsidiary— Chailease Financial Co., Ltd.: There are 6,901 counterparties altogether during the period, the above table only disclosed the related parties and the top 20 counterparties.
- (3)Subsidiary— Fina Finance & Trading Co., Ltd.: There are 978 counterparties altogether during the period, the above table only disclosed the related parties and the top 10 counterparties.
- (4)Subsidiary— Chailease Consumer Finance Co., Ltd.: There are 6 counterparties altogether during the period.
- (5)Subsidiary— Chailease International Finance Corporation: There are 252 counterparties altogether during the period, the above table only disclosed the related parties and the top 10 counterparties.
- (6)Subsidiary— Chailease Specialty Finance Co., Ltd.: There are 68 counterparties altogether during the period, the table above only disclosed the related parties and the top 10 counterparties.
- (7)Special purpose entities— Chailease Finance Securitization Trust 2019: There are 184 counterparties altogether during the period, the above table only disclosed the related parties and the top 10 counterparties.
- (8)Subsidiary— Chailease International Corp.: There are 2 counterparties during the period.
- (9)Subsidiary— Chailease Finance International Corp.: There are 2 counterparties during the period.
- (10)Subsidiary— Chailease Auto Rental Co., Ltd.: There are 37 counterparties during the period, the above table only disclosed the related parties and the top 10 counterparties.
- (11)Subsidiary— Chailease International Commercial Factoring Corporation: There is 1 counterparty during the period.
- (12)Chailease Consumer Finance Co., Ltd. is the limited partner of Chuang Ju Limited Partnership.

Note 5: Subject to the contracts, we use letters instead of the real name of counterparties.

CHALEASE HOLDING COMPANY LIMITED AND SUBSIDIARIES
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(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

2. Guarantees and endorsements for other parties:

(Amounts Expressed in Thousands of New Taiwan Dollars)

No.	Endorsement/ guarantee provider	Counter-party		Limitation on endorsement/ guarantee amount provided to each guaranteed party	Maximum balance for the year	Ending balance	Amount actually drawn	Amount of endorsement/ guarantee collateralized by properties	Ratio of accumulated endorsement/guarantee to net equity per latest financial statements	Maximum endorsement/ guarantee amount allowance	Guarantee provided by parent company	Guarantee provided by a subsidiary	Guarantee provided to subsidiaries in Mainland China
		Name	Nature of relationship (Note1)										
0	The Company	Chalease International Finance Corporation	2	219,248,134	68,286,850	68,286,850	47,448,664	-	62.29 %	548,120,335	Y		Y
"	"	Chalease International Company (Malaysia) Limited	2	219,248,134	1,141,400	1,107,200	-	-	1.01 %	548,120,335	Y		
"	"	Chalease Berjaya Credit Sdn. Bhd.	2	54,812,034	13,972,828	13,972,828	8,386,878	-	12.75 %	548,120,335	Y		
"	"	Chalease Royal Leasing Plc.	2	54,812,034	3,994,900	3,653,760	1,064,750	-	3.33 %	548,120,335	Y		
"	"	Chalease Royal Finance Plc.	2	54,812,034	4,096,640	4,096,640	2,104,587	-	3.74 %	548,120,335	Y		
"	"	Chalease Berjaya Finance Corporation	2	54,812,034	1,946,015	1,793,255	324,392	-	1.64 %	548,120,335	Y		
1	Chalease Finance Co., Ltd.	Chalease Auto Rental Co., Ltd.	2	111,970,738	5,865,200	5,865,200	4,740,000	-	10.48 %	279,926,845	Y		
"	"	Chalease Consumer Finance Co., Ltd.	2	111,970,738	5,695,000	5,595,000	1,775,000	-	9.99 %	279,926,845	Y		
"	"	Chalease Specialty Finance Co., Ltd.	2	111,970,738	300,000	300,000	-	-	0.54 %	279,926,845	Y		
"	"	Chalease International Leasing Company Limited	2	111,970,738	16,202,441	16,115,755	9,578,978	-	28.79 %	279,926,845	Y		
"	"	Chalease International Trading Company Limited	2	111,970,738	1,113,258	1,092,385	465,164	-	1.95 %	279,926,845	Y		
"	"	Yun Tang Inc.	2	111,970,738	1,721,720	1,663,691	1,153,691	-	2.97 %	279,926,845	Y		
"	"	Chalease Credit Services Co., Ltd.	2	111,970,738	36,000	36,000	8	-	0.06 %	279,926,845	Y		
"	"	Chalease Energy Integration Co., Ltd.	2	111,970,738	780,000	430,000	200,000	-	0.77 %	279,926,845	Y		
"	"	Chalease Power Technology Co., Ltd.	2	111,970,738	1,400,000	1,100,000	802,350	-	1.96 %	279,926,845	Y		
"	"	Chung Ho Energy Integration Co., Ltd.	2	111,970,738	20,000	20,000	-	-	0.04 %	279,926,845	Y		
"	"	Chung Yen Energy Integration Co., Ltd.	2	111,970,738	270,000	270,000	-	-	0.48 %	279,926,845	Y		
"	"	Chung Cheng Energy Integration Co., Ltd.	2	111,970,738	20,000	20,000	-	-	0.04 %	279,926,845	Y		
"	"	Ho Lien Energy Integration Co., Ltd.	2	111,970,738	20,000	20,000	-	-	0.04 %	279,926,845	Y		
"	"	Tai Yuan Energy Integration Co., Ltd.	2	111,970,738	950,000	950,000	186,041	-	1.70 %	279,926,845	Y		
"	"	Tien Sin Intelligent Green Energy Co., Ltd.	2	111,970,738	3,053,777	3,053,777	199,605	-	5.45 %	279,926,845	Y		
"	"	Tien Jen Energy Co., Ltd.	2	111,970,738	3,209,350	3,042,855	-	-	5.44 %	279,926,845	Y		
"	"	Tien Chu Energy Co., Ltd.	2	111,970,738	3,250,224	3,250,224	276,959	-	5.81 %	279,926,845	Y		
"	"	Tien Ying Energy Co., Ltd.	2	111,970,738	6,533,994	6,533,994	485,951	-	11.67 %	279,926,845	Y		
"	"	Tien Jui Energy Co., Ltd.	2	111,970,738	3,209,150	3,209,150	169,150	-	5.73 %	279,926,845	Y		
"	"	Grand Pacific Financing Corp.	2	109,624,067	3,081,780	2,768,000	760,508	-	4.94 %	279,926,845			
"	"	Chalease International Financial Services Co., Ltd.	2	109,624,067	24,452,928	13,599,184	11,598,707	-	24.29 %	279,926,845			

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

No.	Endorsement/ guarantee provider	Counter-party		Limitation on endorsement/ guarantee amount provided to each guaranteed party	Maximum balance for the year	Ending balance	Amount actually drawn	Amount of endorsement/ guarantee collateralized by properties	Ratio of accumulated endorsement/guarantee to net equity per latest financial statements	Maximum endorsement guarantee amount allowance	Guarantee provided by parent company	Guarantee provided by a subsidiary	Guarantee provided to subsidiaries in Mainland China
		Name	Nature of relationship (Note1)										
1	Chailease Finance Co., Ltd.	Chailease International Financial Services (Singapore) Pte. Ltd.	2	109,624,067	27,440,797	27,440,797	18,404,660	-	49.01 %	279,926,845			
2	Asia Sermkij Leasing Public Co., Ltd.	Bangkok Grand Pacific Lease Public Company Limited	2	15,450,649	238,900	-	-	-	- %	38,626,623	Y		
3	Chailease International Finance Corporation	Chailease International Corp.	2	92,974,319	17,070,541	17,070,541	8,497,727	-	36.72 %	232,435,798	Y		Y
4	Grand Pacific Holding Corp.	Grand Pacific Financing Corp.	2	1,065,749	85,605	83,040	-	-	3.70 %	1,065,749	Y		
5	Yun Tang Inc.	Chailease Finance Co., Ltd.	2	1,516,818	4,177	3,740	3,740	-	0.74 %	2,528,030		Y	

Note 1: (1)The Company has business with the receiving parties.

(2)The Company holds directly or indirectly more than 50% of the common stock of the subsidiaries.

(3)The Company hold directly or indirectly more than 50% by the investee.

(4)The stockholders of the Company provide guarantee for the investee to their stockholding percentage.

(5)Others: According to the Regulations Governing Loaning of Funds and Making of guarantees and endorsements by Public Companies article 5, paragraph 2, guarantees made between companies in which the public company holds, directly or indirectly, 100% of the voting shares have no restriction on the guarantees amount.

Note 2: If the financial statements included contingent loss, the amount stated shall be indicated.

Note 3: The maximum guarantees and endorsements cannot exceed five times of net worth of the Company. The maximum guarantees and endorsements for individual counterparty cannot exceed 50% of net worth of the Company. The amount of guarantees and endorsements for the subsidiaries in which be hold more than 80% of its outstanding common shares cannot exceed twice of net worth of the Company.

Note 4: Subsidiary— The total amount of guarantees and endorsements provided by Chailease Finance Co., Ltd.(CFC) cannot exceed five times of its net worth, and guarantees for a individual entity cannot exceed 50% of its net worth. The amount of guarantees and endorsements for subsidiaries in which be hold more than 80% of its outstanding common shares cannot exceed twice of its net worth; and if the guarantees and endorsements are for business purpose, the amount cannot exceed the transaction amount during the latest year. The total amount of guarantees and endorsements for the Company holds directly or indirectly 100% of the investee cannot exceed the net worth of the Company, the maximum guarantees and endorsements cannot exceed five times of net worth of CFC.

Note 5: Subsidiary— The total amount of guarantees and endorsements provided by Chailease Finance Co., Ltd. for Chailease International Financial Services Co., Ltd., Chailease International Financial Services (Singapore) Pte. Ltd., Chailease Specialty Finance Co., Ltd., Chailease Auto Rental Co., Ltd., Chailease Power Technology Co., Ltd., Chailease Energy Integration Co., Ltd., Yun Tang Inc., Tai Yuan Energy Integration Co., Ltd., Chung Yen Energy Integration Co., Ltd., Tien Sin Intelligent Green Energy Co., Ltd., Tien Jen Energy Co., Ltd., Tien Chun Energy Co., Ltd., Tien Jui Energy Co., Ltd., and Tien Ying Energy Co., Ltd. is \$22,305,958. The total amount has been adjusted.

Note 6: Subsidiary— The maximum guarantees and endorsements provided by Asia Sermkij Leasing Public Company Limited cannot exceed five times of its net worth. The maximum of guarantees and endorsements for individual counterparty cannot exceed twice of its net worth.

Note 7: Subsidiary— The maximum and the total amount of guarantees and endorsements provided by Grand Pacific Holding Corp. cannot exceed five times of its capital.

Note 8: Subsidiary— The maximum guarantees and endorsements provided by Chailease International Finance Corporation cannot exceed five times of net worth of the most recent financial statement. The maximum guarantees and endorsements for individual counterparty cannot exceed 50% of its net worth. The individual counterparty holding shares to the company are exceed 50% and the maximum guarantees and endorsements cannot exceed twice of its net worth.

Note 9: Subsidiary - The maximum guarantees and endorsements provided by Yun Tang Inc. cannot exceed five times of its net worth. If the guarantees and endorsements are for subsidiaries in which be held more than 80% of its shares by the company or for the parent company which holds 100% shares of the company, the amount cannot exceed three times of its net worth.

Note 10: The total amount of guarantees and endorsements provided by the Company for Chailease International Finance Corporation and Chailease International Corp. is CNY110,000 thousand (\$477,840). The total amount has been disclosed in the balance of guarantees and endorsements for Chailease International Corp.

Note 11: The total amount of guarantees and endorsements provided by the Company for Chailease International Finance Corporation and Chailease Finance International Corp. is CNY100,000 thousand (\$434,400). The total amount has been disclosed in the balance of guarantees and endorsements for Chailease Finance International Corp.

Note 12: The total amount of guarantees and endorsements provided by the Company for Chailease Royal Finance Pie. and Chailease Royal Leasing Pie. is USD183,000 thousand (\$5,065,440). The total amount has been adjusted.

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3. Securities held at the end of the period (excluding investment in subsidiaries, associates and joint ventures):

(Amounts Expressed in Thousands of New Taiwan Dollars)

Held company Name	Marketable securities type and name	Relationship with the company	Financial statement account	Ending balance				Highest percentage of ownership during the year	Note
				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)		
The Company	Call Option of Convertible Bonds	—	Non-current financial assets at fair value through profit or loss	-	2,400	- %	2,400	- %	
Chailease Finance Co., Ltd	Forcera Materials Co., Ltd.(Former name : SIC Electronics Co., Ltd.)	Investee company accounted for under the financial assets at fair value through profit or loss	Current financial assets at fair value through profit or loss	130	480	- %	480	- %	
"	Webi &Net Internet Services Inc.	"	"	250	-	10.53 %	-	10.53 %	(Note 2)
"	Sampotech Co., Ltd.	"	"	369	-	0.10 %	-	0.10 %	(Note 2)
"	Skanhex Technology Inc.	"	"	5,273	-	4.53 %	-	4.53 %	(Note 2)
"	Rosun Technologies, Inc.	"	"	182	-	- %	-	- %	Percentage of ownership less than 0.01% (Note 2)
"	EastWest Pharmaceuticals	"	"	242	-	5.84 %	-	5.84 %	(Note 2)
"	Azanda Network Devices	"	"	714	-	- %	-	- %	Percentage of ownership less than 0.01% (Note 2)
"	Deerport	"	"	-	-	10.48 %	-	10.48 %	Shareholding less than 1,000 shares (Note 2)
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	8,902	- %	8,902	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	17,004	- %	17,004	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	4,717	- %	4,717	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	6,019	- %	6,019	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	10,028	- %	10,028	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	5,014	- %	5,014	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	2,020	- %	2,020	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	5,050	- %	5,050	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	2,120	- %	2,120	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	906	- %	906	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	1,108	- %	1,108	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	2,316	- %	2,316	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	22,193	- %	22,193	- %	

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Held company Name	Marketable securities type and name	Relationship with the company	Financial statement account	Ending balance				Highest percentage of ownership during the year	Note
				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)		
Chailease Finance Co., Ltd	Yuanta Securities Co., Ltd.'s Convertible Bond	Investee company accounted for under the financial assets at fair value through profit or loss	Current financial assets at fair value through profit or loss	-	3,522	- %	3,522	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	4,227	- %	4,227	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	5,032	- %	5,032	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	2,315	- %	2,315	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	9,030	- %	9,030	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	5,017	- %	5,017	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	10,033	- %	10,033	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	1,309	- %	1,309	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	5,912	- %	5,912	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	6,013	- %	6,013	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	6,013	- %	6,013	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	6,049	- %	6,049	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	2,016	- %	2,016	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	2,419	- %	2,419	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	33,207	- %	33,207	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	2,013	- %	2,013	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	8,027	- %	8,027	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	2,007	- %	2,007	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	6,020	- %	6,020	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	2,007	- %	2,007	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	2,007	- %	2,007	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	17,402	- %	17,402	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	404	- %	404	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	2,018	- %	2,018	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	2,018	- %	2,018	- %	

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)		
Chailease Finance Co., Ltd	Yuanta Securities Co., Ltd.'s Convertible Bond	Investee company accounted for under the financial assets at fair value through profit or loss	Current financial assets at fair value through profit or loss	-	3,828	- %	3,828	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	10,075	- %	10,075	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	5,037	- %	5,037	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	17,295	- %	17,295	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	2,816	- %	2,816	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	7,441	- %	7,441	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	1,006	- %	1,006	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	35,203	- %	35,203	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	15,087	- %	15,087	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	2,017	- %	2,017	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	11,092	- %	11,092	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	10,084	- %	10,084	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	4,034	- %	4,034	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	2,513	- %	2,513	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	12,161	- %	12,161	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	28,938	- %	28,938	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	1,802	- %	1,802	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	4,005	- %	4,005	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	4,005	- %	4,005	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	10,058	- %	10,058	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	19,123	- %	19,123	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	9,057	- %	9,057	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	8,057	- %	8,057	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	8,057	- %	8,057	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	10,038	- %	10,038	- %	
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	7,303	- %	7,303	- %	

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)		Fair value (Note 1)	
Chailease Finance Co., Ltd	Yuanta Securities Co., Ltd.'s Convertible Bond	Investee company accounted for under the financial assets at fair value through profit or loss	Current financial assets at fair value through profit or loss	-	10,004	-	%	10,004	- %
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	3,601	-	%	3,601	- %
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	20,036	-	%	20,036	- %
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	30,164	-	%	30,164	- %
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	19,077	-	%	19,077	- %
"	Yuanta Securities Co., Ltd.'s Convertible Bond	"	"	-	7,016	-	%	7,016	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	10,263	-	%	10,263	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	12,111	-	%	12,111	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	8,074	-	%	8,074	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	7,075	-	%	7,075	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	20,110	-	%	20,110	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	8,044	-	%	8,044	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	7,041	-	%	7,041	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	6,010	-	%	6,010	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	10,121	-	%	10,121	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	7,692	-	%	7,692	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	10,121	-	%	10,121	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	5,567	-	%	5,567	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	6,775	-	%	6,775	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	7,085	-	%	7,085	- %

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)		Fair value (Note 1)	
Chailease Finance Co., Ltd	MasterLink Securities Corporation's Convertible Bond	Investee company accounted for under the financial assets at fair value through profit or loss	Current financial assets at fair value through profit or loss	-	10,121	-	%	10,121	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	2,025	-	%	2,025	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	2,632	-	%	2,632	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	6,682	-	%	6,682	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	4,252	-	%	4,252	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	6,075	-	%	6,075	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	2,018	-	%	2,018	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	3,026	-	%	3,026	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	5,031	-	%	5,031	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	4,125	-	%	4,125	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	3,018	-	%	3,018	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	3,018	-	%	3,018	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	5,031	-	%	5,031	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	2,010	-	%	2,010	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	40,390	-	%	40,390	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	5,049	-	%	5,049	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	609	-	%	609	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	3,643	-	%	3,643	- %

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)		Fair value (Note 1)	
Chailease Finance Co., Ltd	MasterLink Securities Corporation's Convertible Bond	Investee company accounted for under the financial assets at fair value through profit or loss	Current financial assets at fair value through profit or loss	-	7,793	-	%	7,793	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	32,302	-	%	32,302	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	40,343	-	%	40,343	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	16,828	-	%	16,828	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	2,317	-	%	2,317	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	8,086	-	%	8,086	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	10,075	-	%	10,075	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	1,007	-	%	1,007	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	16,621	-	%	16,621	- %
"	MasterLink Securities Corporation's Convertible Bond	"	"	-	33,444	-	%	33,444	- %
"	Fubon Securities Co., Ltd. Convertible Bond	"	"	-	1,707	-	%	1,707	- %
"	SinoPac Securities Corporation's Convertible Bond	"	"	-	15,078	-	%	15,078	- %
"	SinoPac Securities Corporation's Convertible Bond	"	"	-	20,206	-	%	20,206	- %
"	SinoPac Securities Corporation's Convertible Bond	"	"	-	5,043	-	%	5,043	- %
"	SinoPac Securities Corporation's Convertible Bond	"	"	-	20,182	-	%	20,182	- %
"	SinoPac Securities Corporation's Convertible Bond	"	"	-	10,109	-	%	10,109	- %
"	SinoPac Securities Corporation's Convertible Bond	"	"	-	30,163	-	%	30,163	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	30,203	-	%	30,203	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	2,524	-	%	2,524	- %

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)		Fair value (Note 1)	
Chailease Finance Co., Ltd	KGI Securities Co. LTD.'s Convertible Bond	Investee company accounted for under the financial assets at fair value through profit or loss	Current financial assets at fair value through profit or loss	-	3,534	-	%	3,534	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	5,046	-	%	5,046	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	5,046	-	%	5,046	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	7,555	-	%	7,555	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	7,555	-	%	7,555	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	6,011	-	%	6,011	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	30,390	-	%	30,390	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	4,052	-	%	4,052	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	5,159	-	%	5,159	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	20,163	-	%	20,163	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	300	-	%	300	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	1,703	-	%	1,703	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	6,210	-	%	6,210	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	4,007	-	%	4,007	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	2,003	-	%	2,003	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	200	-	%	200	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	6,010	-	%	6,010	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	10,065	-	%	10,065	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	20,154	-	%	20,154	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	9,076	-	%	9,076	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	3,028	-	%	3,028	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	5,045	-	%	5,045	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	503	-	%	503	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	3,321	-	%	3,321	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	26,990	-	%	26,990	- %
"	KGI Securities Co. LTD.'s Convertible Bond	"	"	-	3,011	-	%	3,011	- %

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)		
Chailease Finance Co., Ltd	Bank of Yuanta's Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	256,905	- %	256,905	- %	
"	Bank of Yuanta's Beneficial Right of the Real Estate Trust	—	"	-	48,500	- %	48,500	- %	
"	Bank of Yuanta's Beneficial Right of the Real Estate Trust	—	"	-	18,840	- %	18,840	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	49,200	- %	49,200	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	111,000	- %	111,000	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	98,900	- %	98,900	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	34,360	- %	34,360	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	37,500	- %	37,500	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	115,000	- %	115,000	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	117,000	- %	117,000	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	21,000	- %	21,000	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	42,430	- %	42,430	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	88,500	- %	88,500	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	45,000	- %	45,000	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	23,750	- %	23,750	- %	

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)		
Chailease Finance Co., Ltd	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	27,100	- %	27,100	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	19,000	- %	19,000	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	20,500	- %	20,500	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	53,000	- %	53,000	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	136,200	- %	136,200	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	81,000	- %	81,000	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	86,700	- %	86,700	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	53,000	- %	53,000	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	84,000	- %	84,000	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	41,000	- %	41,000	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	14,000	- %	14,000	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	31,000	- %	31,000	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	24,539	- %	24,539	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	42,000	- %	42,000	- %	

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)		
Chailease Finance Co., Ltd	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	15,600	- %	15,600	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	18,000	- %	18,000	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	280,000	- %	280,000	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	5,500	- %	5,500	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	24,000	- %	24,000	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	57,100	- %	57,100	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	40,500	- %	40,500	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	69,740	- %	69,740	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	61,010	- %	61,010	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	115,000	- %	115,000	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	15,100	- %	15,100	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	39,500	- %	39,500	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	3,000	- %	3,000	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	15,000	- %	15,000	- %	

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)		Fair value (Note 1)	
Chailease Finance Co., Ltd	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	456,410	-	%	456,410	- %
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	37,700	-	%	37,700	- %
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	25,200	-	%	25,200	- %
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	14,000	-	%	14,000	- %
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	60,000	-	%	60,000	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	75,000	-	%	75,000	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	45,500	-	%	45,500	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	63,000	-	%	63,000	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	162,000	-	%	162,000	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	127,000	-	%	127,000	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	102,000	-	%	102,000	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	490,000	-	%	490,000	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	149,000	-	%	149,000	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	205,000	-	%	205,000	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	35,500	-	%	35,500	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	205,985	-	%	205,985	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	122,000	-	%	122,000	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	9,000	-	%	9,000	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	1,840,000	-	%	1,840,000	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	8,100	-	%	8,100	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	45,000	-	%	45,000	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	118,000	-	%	118,000	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	200,000	-	%	200,000	- %

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Held company Name	Marketable securities type and name	Relationship with the company	Financial statement account	Ending balance				Highest percentage of ownership during the year	Note
				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)		
Chailease Finance Co., Ltd	Chung Ho Real Estate Management Co., Ltd.	—	Current financial assets at amortized cost	-	720,000	- %	720,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	61,000	- %	61,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	20,000	- %	20,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	96,500	- %	96,500	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	35,000	- %	35,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	92,075	- %	92,075	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	110,000	- %	110,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	31,000	- %	31,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	21,200	- %	21,200	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	67,000	- %	67,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	112,160	- %	112,160	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	17,200	- %	17,200	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	260,000	- %	260,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	70,000	- %	70,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	235,000	- %	235,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	74,000	- %	74,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	26,387	- %	26,387	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	144,000	- %	144,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	50,000	- %	50,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	25,000	- %	25,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	18,000	- %	18,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	89,100	- %	89,100	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	42,960	- %	42,960	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	40,780	- %	40,780	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	15,000	- %	15,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	857,000	- %	857,000	- %	

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)		Fair value (Note 1)	
Chailease Finance Co., Ltd	Chung Ho Real Estate Management Co., Ltd.	—	Current financial assets at amortized cost	-	68,000	-	%	68,000	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	104,000	-	%	104,000	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	80,000	-	%	80,000	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	96,000	-	%	96,000	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	90,700	-	%	90,700	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	53,500	-	%	53,500	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	8,000	-	%	8,000	- %
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	19,000	-	%	19,000	- %
"	United Real Estate management Co., Ltd.	—	"	-	333,000	-	%	333,000	- %
"	United Real Estate management Co., Ltd.	—	"	-	149,000	-	%	149,000	- %
"	United Real Estate management Co., Ltd.	—	"	-	64,000	-	%	64,000	- %
"	United Real Estate management Co., Ltd.	—	"	-	12,080	-	%	12,080	- %
"	United Real Estate management Co., Ltd.	—	"	-	360,000	-	%	360,000	- %
"	United Real Estate management Co., Ltd.	—	"	-	30,000	-	%	30,000	- %
"	United Real Estate management Co., Ltd.	—	"	-	65,800	-	%	65,800	- %
"	United Real Estate management Co., Ltd.	—	"	-	615,740	-	%	615,740	- %
"	United Real Estate management Co., Ltd.	—	"	-	102,400	-	%	102,400	- %
"	United Real Estate management Co., Ltd.	—	"	-	73,700	-	%	73,700	- %
"	United Real Estate management Co., Ltd.	—	"	-	30,000	-	%	30,000	- %
"	Bank of Taipei Star's Beneficial Right of the Real Estate Trust	—	"	-	9,800	-	%	9,800	- %
"	Bank of Taipei Star's Beneficial Right of the Real Estate Trust	—	"	-	147,725	-	%	147,725	- %
"	Bank of Taipei Star's Beneficial Right of the Real Estate Trust	—	"	-	19,207	-	%	19,207	- %
"	Bank of Taipei Star's Beneficial Right of the Real Estate Trust	—	"	-	4,450	-	%	4,450	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	592,424	-	%	592,424	- %

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)		Fair value (Note 1)	
Chailease Finance Co., Ltd	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	74,162	-	%	74,162	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	100,000	-	%	100,000	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	28,000	-	%	28,000	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	107,825	-	%	107,825	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	60,600	-	%	60,600	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	7,142	-	%	7,142	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	63,000	-	%	63,000	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	88,590	-	%	88,590	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	55,300	-	%	55,300	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	84,980	-	%	84,980	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	144,200	-	%	144,200	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	33,800	-	%	33,800	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	408,000	-	%	408,000	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	37,722	-	%	37,722	- %

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)		Fair value (Note 1)	
Chailease Finance Co., Ltd	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	200,440	-	%	200,440	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	45,588	-	%	45,588	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	297,500	-	%	297,500	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	3,660	-	%	3,660	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	10,900	-	%	10,900	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	45,221	-	%	45,221	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	15,430	-	%	15,430	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	30,000	-	%	30,000	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	44,946	-	%	44,946	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	173,000	-	%	173,000	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	323,900	-	%	323,900	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	68,000	-	%	68,000	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	185,000	-	%	185,000	- %
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	73,490	-	%	73,490	- %

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Held company Name	Marketable securities type and name	Relationship with the company	Financial statement account	Ending balance				Highest percentage of ownership during the year	Note
				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)		
Chailease Finance Co., Ltd	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	69,400	- %	69,400	- %	
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	5,240	- %	5,240	- %	
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	28,480	- %	28,480	- %	
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	71,000	- %	71,000	- %	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	160,000	- %	160,000	- %	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	13,340	- %	13,340	- %	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	84,494	- %	84,494	- %	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	158,800	- %	158,800	- %	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	144,640	- %	144,640	- %	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	70,000	- %	70,000	- %	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	41,336	- %	41,336	- %	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	123,000	- %	123,000	- %	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	60,918	- %	60,918	- %	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	347,000	- %	347,000	- %	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	169,000	- %	169,000	- %	

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Held company Name	Marketable securities type and name	Relationship with the company	Financial statement account	Ending balance				Highest percentage of ownership during the year	Note
				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)		Fair value (Note 1)	
Chailease Finance Co., Ltd	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	113,000	-	%	113,000	- %
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	84,550	-	%	84,550	- %
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	103,824	-	%	103,824	- %
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	141,135	-	%	141,135	- %
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	24,050	-	%	24,050	- %
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	147,550	-	%	147,550	- %
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	258,380	-	%	258,380	- %
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	186,000	-	%	186,000	- %
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	320,000	-	%	320,000	- %
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	723,952	-	%	723,952	- %
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	141,000	-	%	141,000	- %
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	182,000	-	%	182,000	- %
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	70,972	-	%	70,972	- %
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	32,000	-	%	32,000	- %
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	273,000	-	%	273,000	- %

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)		
Chailease Finance Co., Ltd	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	28,036	- %	28,036	- %	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	8,204	- %	8,204	- %	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	123,540	- %	123,540	- %	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	114,780	- %	114,780	- %	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	33,920	- %	33,920	- %	
"	HSIN BA BA Corporation Bond	—	"	-	70,000	- %	70,000	- %	
"	Ding-Yue Development Corp. Bond	—	"	-	87,500	- %	87,500	- %	
"	Ding-Yue Development Corp. Bond	—	"	-	87,500	- %	87,500	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Non-current financial assets at amortized cost	-	5,690	- %	5,690	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	142,000	- %	142,000	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	12,000	- %	12,000	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	27,000	- %	27,000	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	180,000	- %	180,000	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	86,950	- %	86,950	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	18,565	- %	18,565	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	73,000	- %	73,000	- %	
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	282,500	- %	282,500	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	15,000	- %	15,000	- %	

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)		
Chailease Finance Co., Ltd	Chung Ho Real Estate Management Co., Ltd.	—	Non-current financial assets at amortized cost	-	106,000	- %	106,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	516,260	- %	516,260	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	36,000	- %	36,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	1,058,720	- %	1,058,720	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	161,600	- %	161,600	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	34,000	- %	34,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	40,000	- %	40,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	25,000	- %	25,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	84,000	- %	84,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	117,400	- %	117,400	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	28,000	- %	28,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	1,000	- %	1,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	10,000	- %	10,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	180,000	- %	180,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	21,500	- %	21,500	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	18,000	- %	18,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	114,000	- %	114,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	9,650	- %	9,650	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	33,700	- %	33,700	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	669,000	- %	669,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	10,000	- %	10,000	- %	
"	Chung Ho Real Estate Management Co., Ltd.	—	"	-	143,000	- %	143,000	- %	
"	United Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	252,650	- %	252,650	- %	
"	United Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	80,000	- %	80,000	- %	
"	United Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	12,000	- %	12,000	- %	

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)		
Chailease Finance Co., Ltd	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	Non-current financial assets at amortized cost	-	11,220	- %	11,220	- %	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	"	-	21,160	- %	21,160	- %	
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	90,872	- %	90,872	- %	
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	36,000	- %	36,000	- %	
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	120,000	- %	120,000	- %	
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	50	- %	50	- %	
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	5,000	- %	5,000	- %	
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	105,450	- %	105,450	- %	
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	363,000	- %	363,000	- %	
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	19,780	- %	19,780	- %	
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	176,100	- %	176,100	- %	
"	Chaofu Real Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	15,000	- %	15,000	- %	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	39,000	- %	39,000	- %	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	54,000	- %	54,000	- %	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	400,415	- %	400,415	- %	

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				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)		
Chailease Finance Co., Ltd	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	Non-current financial assets at amortized cost	-	11,750	- %	11,750	- %	
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	—	"	-	95,090	- %	95,090	- %	
"	HSIN BA BA Corporation Bond	—	"	-	930,000	- %	930,000	- %	
"	Ding-Yue Development Corp. Bond	—	"	-	537,500	- %	537,500	- %	
"	Ding-Yue Development Corp. Bond	—	"	-	537,500	- %	537,500	- %	
"	CTCI Corp.	Investee at fair value	Non-current financial assets at fair value through other comprehensive income	770	28,644	0.10 %	28,644	0.10 %	
"	Chin Poon	"	"	380	13,946	0.10 %	13,946	0.10 %	
"	O-Bank	"	"	92,694	741,552	3.06 %	741,552	3.06 %	
"	Subton Technology Co., Ltd.	"	"	288	9,530	0.10 %	9,530	0.10 %	
"	Kingmax Technology Inc.	"	"	3,537	21,043	4.73 %	21,043	4.73 %	
"	Spring House Entertainment Tech Inc.	"	"	688	10,603	4.67 %	10,603	4.67 %	
"	Everterminal Co., Ltd.	"	"	245	2,448	0.50 %	2,448	0.50 %	
"	Tekcon Electronics Corp.	"	"	137	1,145	0.52 %	1,145	0.52 %	
"	Ecomsoftware Inc.	"	"	130	2,772	2.60 %	2,772	2.60 %	
"	Crownpo Technology Inc.(former name:SMTEK INC.)	"	"	57	1,106	0.51 %	1,106	0.51 %	
"	Book4u Co., Ltd.	"	"	9	-	0.19 %	-	0.19 %	(Note 2)
"	Phoenix Innovation Technology Venture Capital Corporation	"	"	1,000	12,324	0.02 %	12,324	2.34 %	
Chailease Specialty Finance Co., Ltd.	Linkou amusement Co., Ltd.(Stock)	"	"	-	36,708	- %	36,708	- %	Shareholding less than 1,000 shares
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	—	Current financial assets at amortized cost	-	64,500	- %	64,500	- %	
"	Agora Garden Taipei	—	"	-	910,000	- %	910,000	- %	
Chailease Energy Integration Inc. Co.	International Ocean Vessel Technical Consultant Co., LTD.	Investee at fair value	Non-current financial assets at fair value through other comprehensive income	1,137	29,023	9.01 %	29,023	9.01 %	
Bangkok Grand Pacific Lease Public Company Limited	Bangkok Club Co., Ltd.(stock)	"	"	64	176	0.14 %	176	0.14 %	
Asia Sermkij Leasing Public Co., Ltd.	Swe Trans Group Co., Ltd.	"	"	10	3,035	19.00 %	3,035	19.00 %	
"	Bumrungrad Hospital(stock)	Investee company accounted for under the financial assets at fair value through profit or loss	Current financial assets at fair value through profit or loss	59	6,885	0.10 %	6,885	0.10 %	

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Held company Name	Marketable securities type and name	Relationship with the company	Financial statement account	Ending balance				Highest percentage of ownership during the year	Note
				Shares/Units in (thousands)	Carrying value	Percentage of ownership (%)	Fair value (Note 1)		
Grand Pacific Holdings Corp.	Mobileshift, Inc.	Investee at fair value	Non-current financial assets at fair value through other comprehensive income	359	6,920	3.45 %	6,920	3.45 %	
"	Stemcyte Inc.	"	"	38	1,384	- %	1,384	0.15 %	
Grand Pacific Financing Corp.	Swabplus Inc.	Investee at fair value	Non-current financial assets at fair value through other comprehensive income	10	-	- %	-	- %	Percentage of ownership less than 0.01% (Note 2)
"	Mobileshift, Inc.	"	"	358	6,920	3.45 %	6,920	3.45 %	
"	Stemcyte Inc.	"	"	38	1,384	- %	1,384	- %	
Chailease International Company (Malaysia) Limited	Anywhere 2 GO Co. Ltd CB	Investee company accounted for under the financial assets at fair value through profit or loss	Current financial assets at fair value through profit or loss	-	68,542	- %	68,542	- %	
"	Logicsnesia PTE LTD	"	"	-	9,234	- %	9,234	- %	
"	The Future Commerce Sdn. Bhd	"	Non-current financial assets at fair value through profit or loss	-	18,536	- %	18,536	- %	

Note 1: Listed companies use price in the open market, and non-listed companies use its net worth. The aforementioned net worths were calculated in financial statements audit by accountants.

Note 2: The chance of recovery of the decrease in net worth and continuous losses is insignificant; therefore, they belong to permanent reduction.

Note 3: The aforementioned inter-company transactions have been eliminated upon the consolidation.

4. Aggregate purchases or sales of the same securities reaching NT\$300 million or 20 percent of paid-in capital or more:

(Amounts Expressed in Thousands of New Taiwan Dollars)

Company name	Marketable securities type and name	Financial statement account	Counter-party (Note 1)	Nature of relationship (Note 1)	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Shares (In thousands)	Amount	Shares (In thousands)	Amount	Shares (In thousands)	Amount	Carrying value	Gain (loss) on disposal	Shares (In thousands)	Amount
The Company	Chailease International Company (Malaysia) Limited	Investments accounted for using equity method	Subsidiaries	Subsidiaries	-	-	-	-	-	-	-	-	-	-
Chailease International Company (Malaysia) Limited	Asia Sermkij Leasing Public Company Limited	"	"	"	-	-	-	-	-	-	-	-	-	-
"	Chailease International Company (UK) Limited	"	"	"	-	-	-	-	-	-	-	-	-	-
Chailease International Company (UK) Limited	Chailease Finance Co., Ltd.	"	"	"	-	-	-	-	-	-	-	-	-	-
Chailease Finance Co., Ltd.	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	Financial assets at amortized cost	-	-	-	613,450	-	189,540	-	-	685,990	-	-	117,000
"	Global Glory Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	"	-	-	-	275,790	-	378,620	-	-	198,000	-	-	456,410

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Company name	Marketable securities type and name	Financial statement account	Counter-party (Note 1)	Nature of relationship (Note 1)	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Shares (In thousands)	Amount	Shares (In thousands)	Amount	Shares (In thousands)	Amount	Carrying value	Gain (loss) on disposal	Shares (In thousands)	Amount
Chailease Finance Co., Ltd.	Chung Ho Real Estate Management Co., Ltd.	Financial assets at amortized cost	-	-	-	-	-	516,260	-	-	-	-	-	516,260
"	Chung Ho Real Estate Management Co., Ltd.	"	-	-	-	-	-	490,000	-	-	-	-	-	490,000
"	Chung Ho Real Estate Management Co., Ltd.	"	-	-	-	-	-	1,205,170	-	-	146,450	-	-	1,058,720
"	Chung Ho Real Estate Management Co., Ltd.	"	-	-	-	1,560,000	-	320,000	-	-	-	-	-	1,880,000
"	Chung Ho Real Estate Management Co., Ltd.	"	-	-	-	-	-	720,000	-	-	-	-	-	720,000
"	Chung Ho Real Estate Management Co., Ltd.	"	-	-	-	-	-	1,582,480	-	-	725,480	-	-	857,000
"	Chung Ho Real Estate Management Co., Ltd.	"	-	-	-	-	-	669,000	-	-	-	-	-	669,000
"	United Real Estate Management Co., Ltd.'s Beneficial Right of the Real Estate Trust	"	-	-	-	796,412	-	601,328	-	-	782,000	-	-	615,740
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	"	-	-	-	-	-	817,040	-	-	224,616	-	-	592,424
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	"	-	-	-	612,910	-	246,590	-	-	715,300	-	-	144,200
"	Chaofu real estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	"	-	-	-	-	-	363,000	-	-	-	-	-	363,000
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	"	-	-	-	-	-	347,000	-	-	-	-	-	347,000
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	"	-	-	-	663,000	-	130,800	-	-	793,800	-	-	-
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	"	-	-	-	141,135	-	400,415	-	-	-	-	-	541,550
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	"	-	-	-	-	-	320,000	-	-	-	-	-	320,000
"	Taiyi Real-Estate management Co., Ltd.'s Beneficial Right of the Real Estate Trust	"	-	-	-	370,625	-	353,327	-	-	-	-	-	723,952
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	"	-	-	-	573,000	-	-	-	-	573,000	-	-	-
"	HSIN BA BA Corporation Bond	"	-	-	-	-	-	1,000,000	-	-	-	-	-	1,000,000
"	Ding-Yue Development Corp. Bond	"	-	-	-	-	-	1,250,000	-	-	-	-	-	1,250,000

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Company name	Marketable securities type and name	Financial statement account	Counter-party (Note 1)	Nature of relationship (Note 1)	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Shares (In thousands)	Amount	Shares (In thousands)	Amount	Shares (In thousands)	Amount	Carrying value	Gain (loss) on disposal	Shares (In thousands)	Amount
Chailease Finance Co., Ltd.	Asia Sermkij Leasing Public Company Limited	Investments accounted for using equity method	Associates	Associates	-	-	-	-	-	-	-	-	-	-
"	Chailease Finance (B.V.I.) Company, Ltd	"	Subsidiaries	Subsidiaries	-	-	-	-	-	-	-	-	-	-
"	Chailease Specialty Finance Co., Ltd.	"	"	"	-	-	-	-	-	-	-	-	-	-
"	Chailease Power Technology Co., Ltd.	"	"	"	-	-	-	-	-	-	-	-	-	-
"	Ho Lien Energy Integration Co., Ltd.	"	"	"	-	-	-	-	-	-	-	-	-	-
"	Tai Yuan Energy Intergration Co., Ltd.	"	"	"	-	-	-	-	-	-	-	-	-	-
"	Chung Ho Energy Integration Co., Ltd.	"	"	"	-	-	-	-	-	-	-	-	-	-
"	Chung Yen Energy Integration Co., Ltd.	"	"	"	-	-	-	-	-	-	-	-	-	-
"	Jung Yu Energy Integration Co., Ltd.	"	"	"	-	-	-	-	-	-	-	-	-	-
Jung Yu Energy Integration Co., Ltd.	Chung Ming Co., Ltd.	"	"	"	-	-	-	-	-	-	-	-	-	-
"	Ho Hsuan Co., Ltd.	"	"	"	-	-	-	-	-	-	-	-	-	-
Chailease International Company (Hong Kong) Limited	PT Chailease Finance Indonesia	"	"	"	-	-	-	-	-	-	-	-	-	-
Ho Lien Energy Integration Co., Ltd.	Tien Sin Intelligent Green Energy Co., Ltd.	Investments accounted for using equity method	Subsidiaries	Subsidiaries	-	-	-	-	-	-	-	-	-	-
"	Tien Jen Energy Co., Ltd.	"	"	"	-	-	-	-	-	-	-	-	-	-
"	Tien Chu Energy Co., Ltd.	"	"	"	-	-	-	-	-	-	-	-	-	-
"	Tien Ying Energy Co., Ltd.	"	"	"	-	-	-	-	-	-	-	-	-	-
"	Tien Jui Energy Co., Ltd.	"	"	"	-	-	-	-	-	-	-	-	-	-
Chailease Specialty Finance Co., Ltd.	Sing Chuang Limited Partnership	"	"	"	-	-	-	-	-	-	-	-	-	-
"	Agora Garden Taipei	Financial assets at amortized cost	-	-	-	1,300,000	-	300,000	-	-	690,000	-	-	910,000

Note 1: Securities accounted under equity method only need to fill in the first two columns.

Note 2: The aforementioned inter-company transactions have been eliminated upon consolidation.

5.Acquisition of real estate reaching NT\$300 million or 20 percent of paid-in capital or more:

(Amounts Expressed in Thousands of New Taiwan Dollars)

Company name	Name of real estate	Date of transaction	Amount	Condition of payment	Counter-party	Nature of relationship	The details of previous transition if counterparty is related party				Reference for price desision	Purpose of acquirement	Other covenant
							Possessor	Nature of relationship	Transition date	Amount			
Chailease Finance Co., Ltd.	Land	2021.11.09	580,000	Note	Jin Lin Construction Co.,Ltd.	Non-related party	-	-	-	-	Accordace with appraisement report	Expanding business	None

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6. Disposal of real estate reaching NT\$300 million or 20 percent of paid-in capital or more: None.

7. Purchases or sales of goods from or to related parties reaching NT\$100 million or 20 percent of paid-in capital or more: None.

8. Accounts receivable from related parties reaching NT\$100 million or 20 percent of paid-in capital or more:

(Amounts Expressed in Thousands of New Taiwan Dollars)

Company name	Related party	Nature of relationship	Ending balance	Turnover days	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
Chailease International Financial Services Co., Ltd.	Chailease International Financial Services (Liberia) Corp.	Associates	416,156	-	-		-	-
"	Chailease International Fortune Corp (Liberia)	Associates	222,217	-	-		-	-
"	Chailease International Company (Malaysia) Limited	Associates	1,663,771	-	-		-	-
"	Chailease International Financial Services (Labuan) Co., Ltd.	Associates	1,336,991	-	-		-	-
"	Chailease International Financial Services (Singapore) Pte. Ltd.	Associates	6,723,875	-	-		-	-
"	Chailease Virtue Co., Ltd.	Associates	666,422	-	-		-	-
"	Chailease Bright Co., Ltd.	Associates	624,546	-	-		-	-
Chailease International Company (Malaysia) Limited	Chailease International Company (UK) Limited	Subsidiaries	1,664,700	-	-		-	-
Chailease International Company (UK) Limited	C&E Engine Leasing Limited	Associates	1,367,700	-	-		-	-
My Leasing (Mauritius) Corp.	Chailease International Finance Corporation	Subsidiaries	3,530,003	-	-		-	-
Chailease Finance Co., Ltd.	Golden Bridge (B.V.I.) Corp.	Associates	152,605	-	-		-	-
"	Chailease Berjaya Credit Sdn. Bhd.	Associates	145,867	-	-		-	-
"	Tien Hsing Integration Co., Ltd	Subsidiaries	1,813,101	-	-		-	-
"	Ysolar Co., Ltd	Associates	1,195,976	-	-		-	-
"	Tien Chuan Intelligent Energy Co., Ltd.	Associates	188,269	-	-		-	-

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Company name	Related party	Nature of relationship	Ending balance	Turnover days	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
Chailease Finance Co., Ltd.	Yu Heng Intelligent Energy Co., Ltd.	Associates	186,133	-	-		-	-
"	Kai Yang Intelligent Energy Co., Ltd.	Associates	124,748	-	-		-	-
"	Yao Kuang Intelligent Energy Co., Ltd.	Associates	111,564	-	-		-	-
"	Yiyang Green Power Co., Ltd.	Associates	277,626	-	-		-	-
Fina Finance & Trading Co., Ltd	Chuang Ju Limited Partnership	Subsidiaries	4,847,085	-	-		-	-
Asia Sermkij Leasing Public Co., Ltd.	Bangkok Grand Pacific Lease Public Company Limited.	Subsidiaries	4,248,623	-	-		-	-
Chailease Consumer Finance Co., Ltd.	Chuang Ju Limited Partnership	Subsidiaries	1,022,438	-	-		-	-

Note: The aforementioned inter-company transactions have been eliminated upon consolidation.

9.Trading in derivative instruments: Please reference to Note (6)(b).

10.Others: The business relationship between the parent and the subsidiaries and between each subsidiary, and the circumstances and amounts of any significant transactions between them:

No.	Company name	Counter-party	Nature of relationship	Intercompany transactions			
				Financial statements item	Amount	Terms	Percentage of the consolidated net revenue or total assets
1	Chailease Finance Co., Ltd	Tien Hsing Integration Co., Ltd.	3	Financing and interest receivable	1,813,101	Same as normal transactions	0.25 %
2	Fina Finance & Trading Co., Ltd.	Chuang Ju Limited Partnership	3	Financing and interest receivable	4,847,085	"	0.68 %
3	Chailease Consumer Finance Co., Ltd.	Chuang Ju Limited Partnership	3	Financing, interest receivable and other financial assets-current	1,022,438	"	0.14 %
4	Chailease International Financial Services Co., Ltd.	Chailease International Financial Services (Liberia) Corp.	3	Financing and interest receivable	416,156	"	0.06 %
"	"	Chailease International Company (Malaysia) Limited	3	Financing and interest receivable	1,663,771	"	0.23 %
"	"	Chailease International Financial Services (Labuan) Co., Ltd.	3	Capital leases receivable	1,336,991	"	0.19 %
"	"	Chailease International Financial Services (Singapore) Pte. Ltd.	3	Financing and interest receivable	6,723,875	"	0.94 %
"	"	Chailease Virtue Co., Ltd.	3	Financing and interest receivable	666,422	"	0.09 %
"	"	Chailease Bright Co., Ltd.	3	Financing and interest receivable	624,546	"	0.09 %
5	Chailease International Company (Malaysia) Limited	Chailease International Company (UK) Limited	3	Financing and interest receivable	1,664,700	"	0.23 %
6	My Leasing (Mauritius) Corp.	Chailease International Finance Corporation	3	Other financial assets-current	3,530,003	"	0.49 %
7	Asia Sermkij leasing public Co., Ltd.	Bangkok Grand Pacific Lease Public Company Limited	3	Other financial assets-current	4,248,623	"	0.60 %

Note 1: Descriptions of numbers are as follows:

- 1.Parent company is coded "0".
- 2.The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: Nature of relationship is categorized as follows:

- 1.Transactions from parent company to subsidiary.
- 2.Transactions from subsidiary to parent company.
- 3.Transactions from subsidiary to subsidiary.

Note 3: Business transaction less than 300 million is not required to be disclosed.

Note 4: The aforementioned inter-company transactions have been eliminated upon consolidation.

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(b) Information on investees:

The information on investees of the Group for the year ended December 31, 2021 is as follows (excluding information on investment in Mainland China):

Investor company	Investee company	Location	Main businesses and products	Original investment amount		Balance as of December 31, 2021			Highest percentage of ownership during the year	Net income (losses) of the investee	Share of profits/losses of investee	Note
				December 31, 2021	December 31, 2020	Shares/Units (In thousands)	Percentage of ownership	Carrying value				
The Company	Chailease International Company (Malaysia) Limited	Malaysia	Investment	28,845,747	23,863,347	1,614,372	100.00 %	60,159,677	100.00 %	11,294,426	11,294,426	
"	Chailease International Financial Services Co., Ltd.	British Virgin Islands	Installment sales, leasing overseas and financial consulting	2,684,960	2,684,960	97,000	100.00 %	5,625,012	100.00 %	338,070	338,070	
"	Grand Pacific Holdings Corp. and its subsidiaries	U.S.	Financing leasing, real estate, and mortgage	135,391	135,391	3,927	51.00 %	1,145,035	51.00 %	116,860	59,599	
"	Golden Bridge (B.V.I.) Corp. and its subsidiaries	British Virgin Islands	Investment	16,065,736	16,065,736	506,150	100.00 %	52,066,439	100.00 %	11,559,074	11,559,074	
"	Chailease International Company (Hong Kong) Limited	Hong Kong	Investment	473,328	238,048	17,100	100.00 %	442,792	100.00 %	(34,245)	(34,245)	
"	Chailease International Financial Services (Liberia) Corp.	Liberia	Leasing	163,986	163,986	-	100.00 %	123,724	100.00 %	65,712	65,712	share holding less than 1,000 shares
"	Chailease International Financial Services (Labuan) Co., Ltd.	Malaysia	Leasing	6,514	6,514	30	100.00 %	8,732	100.00 %	7,329	7,329	
"	Chailease International Fortune Corp (Liberia)	Liberia	Leasing	277	277	-	100.00 %	11,031	100.00 %	9,070	9,070	share holding less than 1,000 shares
"	Chailease International Financial Services Co. (Singapore) Pte. Ltd.	Singapore	Financing	3,134,811	3,134,811	109,000	100.00 %	3,899,435	100.00 %	673,518	673,518	
Chailease International Company (Malaysia) Limited	Asia Sermkij Leasing Public Co., Ltd. and its subsidiaries	Thailand	Installment sales of automobiles	744,292	430,088	62,699	11.88 %	917,829	11.88 %	1,058,828	125,720	
"	Chailease International Company (UK) Limited	U.K.	Consulting, aircraft leasing and investment	31,588,393	27,297,993	683,287	100.00 %	55,764,918	100.00 %	10,579,421	10,579,421	
"	Chailease Berjaya Credit Sdn. Bhd.	Malaysia	Installment sales	667,275	556,063	105,000	70.00 %	1,424,391	70.00 %	580,509	406,356	
"	Chailease Royal Leasing Plc.	Cambodia	Leasing	83,040	83,040	3,000	60.00 %	267,170	60.00 %	104,038	62,423	
"	Chailease Royal Finance Plc.	Cambodia	Financing	248,899	165,859	9,312	60.00 %	320,204	60.00 %	94,040	56,424	
"	Yellowstone Holding AG	Swiss	Investment	190,103	190,103	630,000	35.00 %	104,638	35.00 %	(138,351)	(48,424)	

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Investor company	Investee company	Location	Main businesses and products	Original investment amount		Balance as of December 31, 2021			Highest percentage of ownership during the year	Net income (losses) of the investee	Share of profits/losses of investee	Note
				December 31, 2021	December 31, 2020	Shares/Units (In thousands)	Percentage of ownership	Carrying value				
Chailease International Company (Malaysia) Limited	Chailease Berjaya Finance Corporation	Philippines	Leasing and financing	219,473	219,473	410,000	63.08 %	127,845	63.08 %	28,175	17,773	
"	CL Capital Management Company Limited	Cayman Islands	Investment consultant	-	-	-	48.00 %	-	48.00 %	784	-	
"	CL Investment Partners Company Limited	Cayman Islands	Investment consultant	3,888	3,888	-	48.00 %	3,797	48.00 %	(70)	(34)	
"	Chailease Greater China SME Fund, L.P.	Cayman Islands	Investment funds	391,257	384,813	-	48.00 %	307,916	48.00 %	(75,742)	(36,356)	
"	Diamond Rain Group Limited	British Virgin Islands	Investment	612,082	612,082	18,212	35.28 %	708,665	35.28 %	312,583	110,279	
"	Chailease Capital (Thailand) Co., Ltd.	Thailand	Investment	53,170	53,170	19,600	49.00 %	56,904	49.00 %	14,022	6,871	
"	Chailease Royal Insurance Broker Plc.	Cambodia	Insurance Brokers	2,491	-	90	60.00 %	1,213	60.00 %	(2,155)	(1,293)	
Chailease International Financial Services (Liberia) Corp.	Chailease Bright Co., Ltd.	Liberia	Ship leasing business	277	-	-	100.00 %	(3,615)	100.00 %	(3,936)	(3,936)	share holding less than 1,000 shares
"	Chailease Virtue Co., Ltd.	Liberia	Ship leasing business	277	-	-	100.00 %	6,153	100.00 %	5,943	5,943	share holding less than 1,000 shares
"	Chailease Cherish Co., Ltd.	Liberia	Ship leasing business	277	-	-	100.00 %	201	100.00 %	(77)	(77)	share holding less than 1,000 shares
Chailease Berjaya Credits Sdn. Bhd.	Chailease Agency Sdn. Bhd.	Malaysia	Insurance Brokers	636	636	100	100.00 %	9,252	100.00 %	5,015	5,015	
"	Chailease Services Sdn. Bhd.	Malaysia	Insurance Brokers	636	636	100	100.00 %	2,379	100.00 %	305	305	
Chailease International Company (UK) Limited	Chailease Finance Co., Ltd.	Taiwan	Installment sales, leasing and factoring	28,890,864	24,694,543	2,422,500	100.00 %	55,985,369	100.00 %	11,612,116	11,612,116	
"	C&E Engine Leasing Limited	Ireland	Leasing	623,313	623,313	22,519	50.00 %	634,088	50.00 %	21,819	10,910	
Chailease Finance Co., Ltd.	Fina Finance & Trading Co., Ltd.	Taiwan	Installment sales, trading and factoring	9,991,242	9,991,242	1,016,300	100.00 %	22,699,716	100.00 %	4,344,455	4,344,455	
"	Chailease Specialty Finance Co., Ltd.	Taiwan	Installment sales	6,337,496	5,137,496	249,561	100.00 %	6,650,654	100.00 %	290,526	290,526	
"	Asia Sermkij Leasing Public Co., Ltd. and its subsidiaries	Thailand	Installment sales of automobiles	1,616,166	702,070	193,256	36.61 %	2,828,240	36.61 %	1,058,828	387,637	

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				December 31, 2021	December 31, 2020	Shares/Units (In thousands)	Percentage of ownership	Carrying value				
Chailase Finance Co., Ltd.	Chailase Finance (B.V.I.) Company, Ltd.	British Virgin Islands	Installment sales, leasing overseas and financial consulting	-	1,132,389	-	- %	-	100.00 %	(15,486)	(15,486)	
"	Chailase International Leasing Company Limited (Vietnam)	Vietnam	Leasing	681,233	681,233	-	100.00 %	2,106,912	100.00 %	426,797	426,797	
"	Chailase Auto Rental Co., Ltd.	Taiwan	Leasing	1,352,227	1,352,227	155,983	100.00 %	1,697,017	100.00 %	106,649	106,649	
"	Chailase Insurance Brokers Co., Ltd.	Taiwan	Personal and property insurance brokers	8,000	8,000	800	100.00 %	82,452	100.00 %	66,200	66,200	
"	Grand Pacific Holdings Corp. and its subsidiaries	U.S.	Financing leasing, real estate, and mortgage	113,729	113,729	3,773	49.00 %	1,100,131	49.00 %	116,860	57,261	
"	Chailase Cloud Service Co., Ltd.	Taiwan	Software of cloud products, leasing and installment sales	25,000	10,000	2,500	100.00 %	22,245	100.00 %	1,211	1,211	
"	Yun Tang Inc.	Taiwan	Solar power business	465,000	445,000	-	100.00 %	568,941	100.00 %	41,638	41,638	
"	Chailase Energy Integration Co., Ltd.	Taiwan	Solar power business	50,000	50,000	5,000	100.00 %	679,859	100.00 %	578,030	578,030	
"	Chailase Power Technology Co., Ltd.	Taiwan	Solar power business	770,000	250,000	77,000	100.00 %	792,804	100.00 %	20,653	20,653	
"	Chailase International Trading Company Limited (Vietnam)	Vietnam	Trading	138,400	138,400	-	100.00 %	248,627	100.00 %	56,436	56,436	
"	Chung Cheng Energy Integration Co., Ltd.	Taiwan	Solar power business	303,400	303,400	30,340	100.00 %	303,374	100.00 %	225	225	
"	Ho Lien Energy Integration Co., Ltd.	Taiwan	Solar power business	3,460,588	2,660,588	346,059	100.00 %	3,451,744	100.00 %	(8,873)	(8,873)	
"	Chailase Finance Securitization Trust 2019	Taiwan	Special purpose entity	1,045,149	1,045,149	-	- %	991,369	- %	303,682	303,682	
"	Tai Yuan Energy Integration Co., Ltd.	Taiwan	Solar power business	1,170,050	180,050	117,005	100.00 %	1,165,731	100.00 %	(3,460)	(3,460)	
"	Chung Ho Energy Integration Co., Ltd.	Taiwan	Solar power business	2,792,124	1,612,124	279,212	100.00 %	2,751,503	100.00 %	(40,126)	(40,126)	
"	Chung Yen Energy Integration Co., Ltd.	Taiwan	Solar power business	775,400	302,900	77,540	100.00 %	778,557	100.00 %	3,593	3,593	
"	Tung Feng Inc.	Taiwan	Solar power business	34,010	34,010	-	100.00 %	33,820	100.00 %	(69)	(69)	
"	He To Energy Integration Co., Ltd.	Taiwan	Solar power business	500	500	50	100.00 %	338	100.00 %	(85)	(85)	
"	Chung Yu Energy Integration Co., Ltd.	Taiwan	Solar power business	500	500	50	100.00 %	338	100.00 %	(85)	(85)	

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				December 31, 2021	December 31, 2020	Shares/Units (In thousands)	Percentage of ownership	Carrying value				
Chailease Finance Co., Ltd.	Jung Yu Energy Integration Co., Ltd.	Taiwan	Solar power business	2,282,208	500	228,221	100.00 %	2,281,130	100.00 %	(1,001)	(1,001)	
"	Chung Wei Energy Integration Co., Ltd.	Taiwan	Solar power business	500	500	50	100.00 %	338	100.00 %	(85)	(85)	
"	Tung Ching Energy Technology Inc.	Taiwan	Solar power business	201,000	-	-	- %	199,671	100.00 %	(359)	(359)	
Fina Finance & Trading Co., Ltd.	Chailease Consumer Finance Co., Ltd.	Taiwan	Factoring, trading-in, management, and valuation on accounts receivable; installment sales; financial instrument	4,152,436	4,152,436	345,304	100.00 %	6,735,158	100.00 %	1,105,317	1,105,317	
"	Chailease Credit Services Co., Ltd.	Taiwan	Installment sales and leasing	10,101	10,101	1,000	100.00 %	10,585	100.00 %	427	427	
Chailease Consumer Finance Co., Ltd.	Chuang Ju Limited Partnership	Taiwan	Installment sales and leasing	3,300,000	3,300,000	-	99.99 %	3,918,683	99.99 %	618,683	618,683	(Note 2)
Chailease Specialty Finance Co., Ltd.	Sing Chuang Limited Partnership	Taiwan	Installment sales and leasing	1,800,000	1,500,000	-	99.99 %	1,994,257	99.99 %	194,257	194,257	(Note 3)
Chailease Credit Services Co., Ltd.	Chuang Ju Limited Partnership	Taiwan	Installment sales and leasing	10	10	-	0.01 %	10	0.01 %	-	-	(Note 2)
Chailease Cloud Service Co., Ltd.	Sing Chuang Limited Partnership	Taiwan	Installment sales and leasing	10	10	-	0.01 %	10	0.01 %	-	-	(Note 3)
Chailease International Company (Hong Kong) Limited	PT Chailease Indonesia Finance	Indonesia	Financing	19,305	222,750	97,500	75.00 %	242	75.00 %	(19,164)	(14,373)	
"	PT Chailease Finance Indonesia	Indonesia	Financing	420,750	-	2,125,000	85.00 %	400,838	85.00 %	(24,544)	(20,862)	
"	Chailease Management Consulting Co., Limited	Hong Kong	Consulting	1,775	1,775	500	100.00 %	1,736	100.00 %	(721)	(721)	
Chailease Capital (Thailand) Co., Ltd.	Asia Sermkij Leasing Public Co., Ltd and its subsidiaries	Thailand	Installment sales of automobiles	161,255	81,880	10,128	1.92 %	148,218	1.92 %	1,058,828	20,056	
Chailease Power Technology Co., Ltd.	Chu Chiang Solar Energy Inc.	Taiwan	Solar power business	45,050	-	-	100.00 %	44,757	100.00 %	(293)	(293)	
Ho Lien Energy Integration Co., Ltd.	Tien Sin Intelligent Green Energy Co., Ltd.	Taiwan	Solar power business	544,000	-	54,400	80.00 %	542,991	100.00 %	(1,284)	(1,196)	
"	Tien Jen Energy Co., Ltd.	Taiwan	Solar power business	544,000	-	54,400	80.00 %	543,416	100.00 %	(748)	(734)	
"	Tien Chu Energy Co., Ltd.	Taiwan	Solar power business	544,000	-	54,400	80.00 %	542,608	100.00 %	(1,872)	(1,694)	
"	Tien Ying Energy Co., Ltd.	Taiwan	Solar power business	1,024,000	-	102,400	80.00 %	1,021,147	100.00 %	(3,703)	(3,412)	
"	Tien Jui Energy Co., Ltd.	Taiwan	Solar power business	544,000	-	54,400	80.00 %	541,872	100.00 %	(2,679)	(2,400)	

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				December 31, 2021	December 31, 2020	Shares/Units (In thousands)	Percentage of ownership	Carrying value				
Jung Yu Energy Integration Co., Ltd.	Chung Ming Co., Ltd.	Taiwan	Solar power business	300,050	-	30,005	100.00 %	299,892	100.00 %	(158)	(158)	
"	Chung Yao Co., Ltd.	Taiwan	Solar power business	20,050	-	2,005	100.00 %	19,954	100.00 %	(96)	(96)	
"	Yao Jih Co., Ltd.	Taiwan	Solar power business	50	-	5	100.00 %	(38)	100.00 %	(89)	(89)	
"	Ho Hsuan Co., Ltd.	Taiwan	Solar power business	1,253,120	-	125,312	100.00 %	1,253,030	100.00 %	(89)	(89)	
"	Hsia Ching Co., Ltd.	Taiwan	Solar power business	50	-	5	100.00 %	(61)	100.00 %	(111)	(111)	
Chung Ho Energy Integration Co., Ltd.	Tien Hsing Integration Co., Ltd.	Taiwan	Solar power business	1,000	-	100	100.00 %	(39,666)	100.00 %	(40,666)	(40,666)	

Note 1: The aforementioned inter-company transactions have been eliminated upon consolidation.

Note 2: Chailease Consumer Financial Co., Ltd. is the limited partner, and Chailease Credit Services Co., Ltd. is the general partner.

Note 3: Chailease Specialty Financial Co., Ltd. is the limited partner, and Chailease Cloud Services Co., Ltd. is the general partner.

(c) Information on investment in Mainland China:

1.Related information on investment in Mainland China:

Name of the Investee Company	Principal Business Activities	Total Amount of Paid-in Capital	Method of Investment (Note 1)	Accumulated Outflow of Investment from Taiwan as of January 1, 2021	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2021	Net Income (Losses) of the Investee	Percentage of Ownership	Percentage of Ownership	Share of profits/losses (Note 2)	Carrying Amount as of December 31, 2021	Accumulated Inward Remittance of Earnings as of December 31, 2021
					Outflow	Inflow							
Chailease International Finance Corporation	Leasing	10,573,186	(2)	-	-	-	-	12,525,874	97.89 %	97.89 %	12,261,578	48,785,251	2,851,040
Chailease Finance International Corp.	Leasing	3,875,200	(2)	-	-	-	-	813,371	98.41 %	98.41 %	800,438	5,780,176	-
Chailease International Corp.	Trading	2,345,760	(2)	-	-	-	-	1,052,390	97.89 %	97.89 %	1,030,185	4,178,294	-
Jirong Real Estate Co., Ltd.	House property leasing and management	738,480	(2)	-	-	-	-	14,523	97.89 %	97.89 %	14,217	755,770	-
DMC Energy Management Services (Shenzhen) Co., Ltd.	Environmental business	-	(2)	-	-	108,600	-	(1,329)	19.57 %	19.57 %	(260)	-	-
Chailease International Commercial Factoring Corporation	Factoring	217,200	(2)	-	-	-	-	3,785	97.89 %	97.89 %	3,705	218,481	-
Chailease Commercial Factoring Corporation	Factoring	217,200	(2)	-	-	-	-	42	97.89 %	- %	41	212,658	-

Note 1: The methods for engaging in investment in Mainland China include the following:

- 1.Direct investment in China companies.
- 2.Indirectly invested in China company through third region.
- 3.Others.

Note 2: Investment gains and losses were recognized based on the financial reports audited by the subsidiary's certified public accountants.

Note 3: The limit is not calculated because the Company is foreign company.

Note 4: All numbers are disclosed in NT dollars. The amounts involved with foreign currency are converted to NT dollars by using exchange rates on the financial report date.

Note 5: Current investment gains and losses and book values at the end of the period are included the amounts of direct and indirect investments.

Note 6: The aforementioned inter-company transactions have been eliminated upon consolidation.

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2. Limit on the amount of investment in Mainland China area: None.

3. Significant transactions:

The aforementioned intercompany transactions have been eliminated upon consolidation for the year ended December 31, 2021, please refer to Note (13) (a).

(d) Major shareholders: There were no shareholders whose shareholding ratio exceeded 5%.

(14) Segment information

- (a) The Group's reportable segments include operations in Taiwan, China, ASEAN and other areas. These segments engage mainly in installment sales, capital leasing and operating lease. The Group uses operating profit as the measurement for segment profit and the basis of performance assessment.
- (b) Information about profit or loss and assets and liabilities the report amount is similar to that in the report used by the chief operating decision maker.

Operating segment financial information:

For the year ended December 31, 2021	Taiwan	China	ASEAN	Others	Elimination	Total
Revenue						
Revenue from external customers	\$ 36,351,671	27,548,958	7,861,671	397,254	-	72,159,554
Intersegment revenue	1,685,264	77,339	511,864	-	(2,274,467)	-
Interest revenue	7,382	222,969	13,604	275	-	244,230
Total revenue	\$ 38,044,317	27,849,266	8,387,139	397,529	(2,274,467)	72,403,784
Interest expenses	\$ 2,822,777	4,989,543	1,524,670	86,774	-	9,423,764
Depreciation and amortization	\$ 4,824,070	304,177	167,185	9,374	-	5,304,806
Share of profit (loss) of associates and joint ventures accounted for using equity method	\$ -	(260)	-	10,910	-	10,650
Reportable segment profit or loss	\$ 11,961,739	12,622,226	2,296,927	178,199	-	27,059,091
Reportable segment assets	\$ 426,660,491	217,260,342	78,888,333	5,670,592	(23,610,037)	704,869,721
Reportable segment liabilities	\$ 366,491,684	164,180,226	65,149,327	3,648,958	(23,610,037)	575,860,158

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For the year ended December 31, 2020	Taiwan	China	ASEAN	Others	Elimination	Total
Revenue						
Revenue from external customers	\$ 29,859,070	22,596,447	6,656,356	365,886	-	59,477,759
Intersegment revenue	1,452,354	123,496	300,300	-	(1,876,150)	-
Interest revenue	18,123	159,686	37,770	815	-	216,394
Total revenue	\$ 31,329,547	22,879,629	6,994,426	366,701	(1,876,150)	59,694,153
Interest expenses	\$ 2,690,718	4,479,017	1,564,269	106,378	-	8,840,382
Depreciation and amortization	\$ 4,060,289	335,644	155,387	9,430	-	4,560,750
Share of profit (loss) of associates and joint ventures accounted for using equity method	\$ (1)	(784)	-	43,189	-	42,404
Reportable segment profit or loss	\$ 9,468,256	8,681,386	1,363,799	182,879	-	19,696,320
Reportable segment assets	\$ 328,868,241	200,955,829	69,085,318	5,734,098	(14,682,123)	589,961,363
Reportable segment liabilities	\$ 279,197,048	158,835,237	59,367,272	3,607,258	(14,682,123)	486,324,692

(c) Information about the products and services

Revenue from the external customers of the Group was as follows:

Products and services	For the years ended December 31,	
	2021	2020
Sales revenue	\$ 5,132,662	4,210,818
Interest revenue - installment sales	13,648,813	10,880,685
Interest revenue - capital lease	24,544,166	20,718,562
Rental revenue - operating leases	4,585,134	3,820,500
Interest revenue - loans	6,109,708	5,065,606
Other interest revenue	8,689,291	6,270,379
Other operating revenue	9,449,780	8,511,209
Total	\$ 72,159,554	59,477,759

(d) Geographical information

Please refer to Note (14)(b) for the related information on the Group's reportable segments by geographical location.

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(e) Reconciliation information for segment income (loss)

1. The revenue from external customers reported to the chief operating decision-maker is measured in a manner consistent with that of the statement of comprehensive income. A reconciliation of reportable segment income and profit for the years ended December 31, 2021 and 2020 is provided as follows:

	For the years ended December 31,	
	2021	2020
Reportable segment income	\$ 27,059,091	19,696,320
Management segment loss	(4,364,291)	(2,157,899)
Profit for the period	<u><u>\$ 22,694,800</u></u>	<u><u>17,538,421</u></u>

2. A reconciliation of reportable segment assets as of December 31, 2021 and 2020 is provided as follows:

	2021.12.31	2020.12.31
Reportable segment assets	\$ 728,479,758	604,643,486
Management segment assets	10,023,046	5,178,531
Elimination	(25,275,888)	(16,498,183)
Total assets	<u><u>\$ 713,226,916</u></u>	<u><u>593,323,834</u></u>

3. A reconciliation of reportable segment liabilities as of December 31, 2021 and 2020 is provided as follows:

	2021.12.31	2020.12.31
Reportable segment liabilities	\$ 599,470,195	501,006,815
Management segment liabilities	22,518,346	8,836,332
Elimination	(25,275,888)	(16,498,183)
Total liabilities	<u><u>\$ 596,712,653</u></u>	<u><u>493,344,964</u></u>