Stock Code:1218

TAISUN ENTERPRISE CO., LTD.
AND SUBSIDIARIES

Consolidated Financial Statements

With Independent Auditors' Review Report
For the Nine Months Ended September 30, 2021 and 2020

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The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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Independent Auditors' Review Report

To the Board of Directors of Taisun Enterprise Co., Ltd.:

Introduction

We have reviewed the accompanying consolidated balance sheets of Taisun Enterprise Co., Ltd. and its subsidiaries as of September 30, 2021 and 2020, and the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2021 and 2020, as well as the changes in equity and cash flows for the nine months ended September 30, 2021 and 2020, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with Statement of Auditing Standards 65, "Review of Financial Information Performed by the Independent Auditor of the Entity". A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the generally accepted auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As stated in Note 4(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect total assets amounting to $192,359 thousand and $189,965 thousand, constituting 1.96% and 2.09% of consolidated total assets as of September 30, 2021 and 2020, respectively, total liabilities amounting to $80,179 thousand and $75,961 thousand, constituting 2.64% and 3.39% of consolidated total liabilities as of September 30, 2021 and 2020, respectively, and total comprehensive income amounting to $633 thousand, $3,733 thousand, $3,524 thousand and $9,863 thousand, constituting 0.50%, 1.09%, 0.77% and 1.41% of consolidated total comprehensive income for the three months and nine months ended September 30, 2021 and 2020, respectively.

Furthermore, as stated in Note 6(h), the other equity accounted investments of Taisun Enterprise Co., Ltd. and its subsidiaries in its investee companies of $274,526 thousand and $259,236 thousand as of September 30, 2021 and 2020, respectively, and its equity in net earnings on these investee companies of $4,482 thousand, $8,991 thousand, $29,046 thousand and $23,924 thousand for the three months and nine months ended September 30, 2021 and 2020, respectively, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

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Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and equity accounted investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews and the review reports of other auditors (please refer to Other Matters paragraph), nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Taisun Enterprise Co., Ltd. and its subsidiaries as of September 30, 2021 and 2020, and of its consolidated financial performance for the three months and nine months ended September 30, 2021 and 2020, and its consolidated cash flows for the nine months ended September 30, 2021 and 2020 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Other Matters

We did not review the financial statements of associates, which represented investments in other entities accounted for using the equity method. Those financial statements were reviewed by other auditors, whose review reports have been furnished to us, and our conclusion, insofar as it relates to the amounts included for associates, is based solely on the review reports of other auditors. The investments in associates accounted for using the equity method amounting to $2,927,226 thousand and $2,982,591 thousand, constituting 29.75% and 32.74% of consolidated total assets as of September 30, 2021 and 2020, respectively, and the related share of profit of associates accounted for using the equity method amounting to $63,624 thousand, $163,983 thousand, $214,538 thousand and $363,957 thousand, constituting 43.36%, 44.18%, 45.76% and 48.53% of consolidated total profit before tax for the three months and nine months ended September 30, 2021 and 2020, respectively.

The engagement partners on the reviews resulting in this independent auditors' review report are Hsin-Ting Huang and Kuo-Yang Tseng.

KPMG

Taipei, Taiwan (Republic of China)
November 9, 2021

Notes to Readers

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

The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Reviewed only, not audited in accordance with the generally accepted auditing standards as of September 30, 2021 and 2020

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

September 30, 2021, December 31, 2020, and September 30, 2020

(Expressed in Thousands of New Taiwan Dollars)

		September 30, 2021		December 31, 2020		September 30, 2020	
	Assets	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current assets:						
1100	Cash and cash equivalents (Note 6(a))	$ 812,630	8	772,454	9	645,694	7
1110	Current financial assets at fair value through profit or loss (Note 6(b))	99,323	1	82,776	1	71,761	1
1150	Notes receivable, net (Note 6(d))	170,374	2	137,198	1	172,928	2
1160	Notes receivable due from related parties, net (Notes 6(d) and 7)	-	-	2,700	-	3,200	-
1170	Accounts receivable, net (Note 6(d))	1,026,310	10	654,035	7	947,005	10
1180	Accounts receivable due from related parties, net (Notes 6(d) and 7)	362,115	4	367,324	4	310,256	4
1200	Other receivables, net (Note 6(e))	9,512	-	6,970	-	9,778	-
1220	Total current tax assets	1,502	-	1,502	-	-	-
1310	Inventories, manufacturing business (Note 6(f))	981,494	10	572,498	6	665,777	7
1400	Current biological assets	24,718	-	21,827	-	18,398	-
1421	Prepayments to suppliers	44,433	1	287,762	3	246,959	3
1429	Other prepayments	30,968	1	32,495	-	16,124	-
1460	Non-current assets classified as held for sale, net (Note 6(g))	-	-	-	-	1,057	-
1476	Other current financial assets (Notes 6(a) and 8)	224,176	2	272,796	3	149,999	2
1479	Other current assets, others	15,371	-	6,334	-	8,171	-
	Total current assets	3,802,926	39	3,218,671	34	3,267,107	36
	Non-current assets:						
1517	Non-current financial assets at fair value through other comprehensive income (Note 6(c))	189,475	2	172,581	2	147,536	2
1550	Investments accounted for using equity method (Notes 6(h) and 8)	3,201,752	33	3,368,637	37	3,241,827	36
1600	Property, plant and equipment (Note 6(i))	1,917,301	19	1,798,417	20	1,755,301	19
1755	Right-of-use assets (Note 6(j))	15,276	-	13,091	-	13,533	-
1760	Investment property, net (Note 6(k))	615,372	6	616,818	7	616,436	7
1780	Intangible assets	2,505	-	4,411	-	4,849	-
1830	Non-current biological assets	7,730	-	6,710	-	7,310	-
1840	Deferred tax assets (Note 6(s))	3,057	-	7,659	-	16,928	-
1915	Prepayments for business facilities	1,975	-	-	-	-	-
1975	Net defined benefit asset, non-current (Note 6(r))	24,577	-	21,760	-	27,666	-
1980	Other non-current financial assets (Note 6(a))	55,893	1	11,510	-	12,216	-
	Total non-current assets	6,034,913	61	6,021,594	66	5,843,602	64
	Total assets	**$ 9,837,839**	**100**	**9,240,265**	**100**	**9,110,709**	**100**

		September 30, 2021		December 31, 2020		September 30, 2020	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current liabilities:						
2100	Short-term borrowings (Note 6(l))	$ 100,000	1	148,027	2	571,186	6
2110	Short-term notes and bills payable (Note 6(m))	20,000	-	20,000	-	150,000	2
2120	Current financial liabilities at fair value through profit or loss (Note 6(b))	31	-	853	-	819	-
2130	Current contract liabilities (Note 6(v))	43,385	1	39,800	-	40,178	-
2150	Notes payable	2,480	-	1,857	-	1,967	-
2170	Accounts payable (Notes 6(n) and 7)	647,811	7	526,122	6	595,959	7
2200	Other payables (Notes 6(t) and (w))	1,118,499	11	465,552	5	411,344	5
2230	Current tax liabilities (Note 6(s))	44,896	1	29,772	-	49,079	-
2280	Current lease liabilities (Note 6(p))	2,633	-	1,634	-	1,887	-
2399	Other current liabilities, others (Note 7)	218,375	2	141,629	2	188,320	2
	Total current liabilities	2,198,110	23	1,375,246	15	2,010,739	22
	Non-Current liabilities:						
2540	Long-term borrowings (Note 6(o))	600,000	6	600,000	7	-	-
2570	Deferred tax liabilities (Note 6(s))	222,537	2	222,537	2	222,537	2
2580	Non-current lease liabilities (Note 6(p))	1,605	-	-	-	299	-
2640	Net defined benefit liability, non-current (Note 6(r))	4,844	-	5,576	-	2,391	-
2670	Other non-current liabilities, others	5,434	-	5,304	-	6,039	-
	Total non-current liabilities	834,420	8	833,417	9	231,266	2
	Total liabilities	3,032,530	31	2,208,663	24	2,242,005	24
	Equity attributable to owners of parent (Note 6(t)):						
3110	Ordinary share	4,999,990	51	4,999,990	54	4,999,990	55
3200	Capital surplus	993,134	10	974,083	11	974,083	11
	Retained earnings:						
3310	Legal reserve	209,930	2	126,621	1	126,621	1
3320	Special reserve	240,776	3	240,776	3	240,776	3
3350	Unappropriated retained earnings	624,508	6	964,748	10	827,194	9
3400	Other equity interest	(64,279)	(1)	(75,877)	(1)	(101,324)	(1)
3500	Treasury shares	(203,876)	(2)	(203,876)	(2)	(203,876)	(2)
	Total equity attributable to owners of parent:	6,800,183	69	7,026,465	76	6,863,464	76
36XX	Non-controlling interests	5,126	-	5,137	-	5,240	-
	Total equity	6,805,309	69	7,031,602	76	6,868,704	76
	Total liabilities and equity	**$ 9,837,839**	**100**	**9,240,265**	**100**	**9,110,709**	**100**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

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

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES

Consolidated Statement of Comprehensive Income

For the three months and nine months ended September 30, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

		For the three months ended September 30				For the nine months ended September 30			
		2021		2020		2021		2020	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	**Operating revenue (Notes 6(v) and 7)**	$ 2,745,795	100	2,516,161	100	7,422,702	100	6,317,456	100
5000	**Operating costs (Notes 6(f) and 7)**	2,318,777	84	1,942,041	77	6,254,519	84	5,015,713	79
5910	Less: Unrealized profit (loss) from sales	654	-	1,248	-	654	-	1,248	-
5920	Add: Realized profit (loss) on from sales	2,180	-	1,149	-	702	-	721	-
	Gross profit from operations	428,544	16	574,021	23	1,168,231	16	1,301,216	21
	Operating expenses (Notes 6(d), (f), (p), (r), (w) and 7):								
6100	Selling expenses	282,610	11	276,343	11	725,062	10	677,437	11
6200	Administrative expenses	83,332	3	124,258	5	274,065	4	308,488	5
6450	Expected credit loss	1,451	-	1,455	-	3,370	-	3,344	-
	Total operating expenses	367,393	14	402,056	16	1,002,497	14	989,269	16
	Net operating income	61,151	2	171,965	7	165,734	2	311,947	5
	Non-operating income and expenses:								
7020	Other gains and losses, net (Note 6(x))	20,058	1	28,045	1	65,767	1	53,020	1
7050	Finance costs, net (Note 6(x))	(3,039)	-	(4,171)	-	(8,780)	-	(12,379)	-
7060	Shares of profit of associates and joint ventures accounted for using equity method, net (Note 6(h))	68,106	2	172,974	7	243,584	3	387,881	6
7100	Total interest income	457	-	2,323	-	2,479	-	9,507	-
	Total non-operating income and expenses	85,582	3	199,171	8	303,050	4	438,029	7
7900	**Profit from continuing operations before tax**	146,733	5	371,136	15	468,784	6	749,976	12
7950	**Less: Income tax expenses ((Note 6(s))**	4,601	-	28,718	1	25,523	-	53,530	1
8200	**Profit**	142,132	5	342,418	14	443,261	6	696,446	11
8300	**Other comprehensive income (Note 6(t)):**								
8310	**Components of other comprehensive income that will not be reclassified to profit or loss**								
8316	Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	(13,257)	-	1,832	-	17,301	-	13,260	-
8320	Shares of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	(1,207)	-	(2,048)	-	(2,347)	-	(5,446)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-
		(14,464)	-	(216)	-	14,954	-	7,814	-
8360	**Components of other comprehensive income (loss) that will be reclassified to profit or loss**								
8361	Exchange differences on translation of foreign financial statements	(87)	-	227	-	(3,355)	-	(2,638)	-
8370	Shares 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	-	-	-	-	2	-	-	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
		(87)	-	227	-	(3,353)	-	(2,638)	-
8300	**Other comprehensive income, net**	(14,551)	-	11	-	11,601	-	5,176	-
8500	**Total comprehensive income**	**$ 127,581**	**5**	**342,429**	**14**	**454,862**	**6**	**701,622**	**11**
	Profit, attributable to:								
8610	Owners of parent	$ 142,005	5	342,298	14	443,068	6	696,120	11
8620	Non-controlling interests	127	-	120	-	193	-	326	-
	Profit	**$ 142,132**	**5**	**342,418**	**14**	**443,261**	**6**	**696,446**	**11**
	Comprehensive income attributable to:								
8710	Owners of parent	$ 127,461	5	342,298	14	454,666	6	701,278	11
8720	Non-controlling interests	120	-	131	-	196	-	344	-
	Total comprehensive income	$ 127,581	5	342,429	14	**454,862**	**6**	**701,622**	**11**
	Basic earnings per share (Note 6(u))								
9750	**Basic earnings per share**	**$**	**0.29**		**0.70**		**0.91**		**1.43**
9850	**Diluted earnings per share**	**$**	**0.29**		**0.70**		**0.91**		**1.42**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

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

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES

Consolidated Statement of Changes in Equity

For the nine months ended September 30, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent												
	Share capital		Retained earnings				Total other equity interest						
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity interest	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at January 1, 2020	$ 4,999,990	961,786	69,197	240,776	639,083	949,056	(29,042)	(78,026)	(107,068)	(203,876)	6,599,888	5,285	6,605,173
Profit	-	-	-	-	696,120	696,120	-	-	-	-	696,120	326	696,446
Other comprehensive income	-	-	-	-	-	-	(2,638)	7,796	5,158	-	5,158	18	5,176
Total comprehensive income	-	-	-	-	696,120	696,120	(2,638)	7,796	5,158	-	701,278	344	701,622
Appropriation and distribution of retained earnings:													
Legal reserve appropriated	-	-	57,424	-	(57,424)	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(449,999)	(449,999)	-	-	-	-	(449,999)	-	(449,999)
Other changes in capital surplus:													
Adjustments of capital surplus for the Company's cash dividends received by subsidiaries	-	12,297	-	-	-	-	-	-	-	-	12,297	-	12,297
Cash dividends contributed to non-controlling interests by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(389)	(389)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(586)	(586)	-	586	586	-	-	-	-
Balance at September 30, 2020	**$ 4,999,990**	**974,083**	**126,621**	**240,776**	**827,194**	**1,194,591**	**(31,680)**	**(69,644)**	**(101,324)**	**(203,876)**	**6,863,464**	**5,240**	**6,868,704**
Balance at January 1,2021	$ 4,999,990	974,083	126,621	240,776	964,748	1,332,145	(31,870)	(44,007)	(75,877)	(203,876)	7,026,465	5,137	7,031,602
Profit	-	-	-	-	443,068	443,068	-	-	-	-	443,068	193	443,261
Other comprehensive income	-	-	-	-	-	-	(3,353)	14,951	11,598	-	11,598	3	11,601
Total comprehensive income	-	-	-	-	443,068	443,068	(3,353)	14,951	11,598	-	454,666	196	454,862
Appropriation and distribution of retained earnings:													
Legal reserve appropriated	-	-	83,309	-	(83,309)	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(699,999)	(699,999)	-	-	-	-	(699,999)	-	(699,999)
Other changes in capital surplus:													
Adjustments of capital surplus for the Company's cash dividends received by subsidiaries	-	19,051	-	-	-	-	-	-	-	-	19,051	-	19,051
Cash dividends contributed to non-controlling interests by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(207)	(207)
Balance at September 30, 2021	**$ 4,999,990**	**993,134**	**209,930**	**240,776**	**624,508**	**1,075,214**	**(35,223)**	**(29,056)**	**(64,279)**	**(203,876)**	**6,800,183**	**5,126**	**6,805,309**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

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

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the nine months ended September 30, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	For the nine months ended September 30	
	2021	2020
Cash flows from (used in) operating activities:		
Profit before tax	$ 468,784	749,976
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	76,723	69,222
Amortization expense	1,906	2,195
Expected credit losses	3,370	3,344
Net (gains) losses on financial assets or liabilities at fair value through profit or loss	(7,280)	2,301
Interest expense	8,780	12,379
Interest income	(2,479)	(9,507)
Dividend income	(9,251)	(6,676)
Shares of profit of associates and joint ventures accounted for using equity method	(243,584)	(387,881)
Gains on disposal of property, plant and equipment	(303)	(1,845)
Gains on disposal of non-current assets classified as held-for-sale	-	(6,985)
Gain on disposal of investments	-	(3,755)
Unrealized profit from sales	654	1,248
Realized profit on from sales	(702)	(721)
Total adjustments to reconcile profit (loss)	(172,166)	(326,681)
Changes in operating assets and liabilities:		
Increase in current financial assets at fair value through profit or loss	(12,702)	(3,140)
Increase in notes receivable	(33,176)	(47,711)
Decrease (increase) in notes receivable due from related parties	2,700	(882)
Increase in accounts receivable	(375,673)	(337,043)
Decrease in accounts receivable due from related parties	5,209	22,465
Increase in other receivables	(2,563)	(3,659)
(Increase) decrease in inventories	(409,259)	14,345
Increase in biological assets	(5,627)	(6,173)
Decrease (increase) in prepayments	244,218	(47,511)
Decrease (increase) in other current assets	(9,048)	5,128
Increase in defined benefit assets - non-current	(2,817)	(27,666)
Increase in financial liabilities at fair value through profit or loss	2,613	2,913
Increase (decrease) in contract liabilities	4,042	(4,502)
Increase (decrease) in notes payable	623	(3,406)
Increase in accounts payable	122,022	138,579
(Decrease) increase in other payables	(28,160)	19,172
Increase in other current liabilities	77,006	52,559
Decrease in net defined benefit liabilities	(732)	(5,354)
Total changes in operating assets and liabilities, net	(421,324)	(231,886)
Total adjustments	(593,490)	(558,567)
Cash outflow generated from operations	(124,706)	191,409
Interest received	2,479	9,507
Interest paid	(8,780)	(12,379)
Income taxes paid	(5,205)	(29,184)
Net cash flows used in operating activities	(136,212)	159,353

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Reviewed only, not audited in accordance with generally accepted auditing standards

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows (CONT'D)

For the nine months ended September 30, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	For the nine months ended September 30	
	2021	2020
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	-	(74,388)
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	1,314
Proceeds from disposal of investments accounted for using equity method	-	4,883
Proceeds from disposal of non-current assets classified as held-for-sale	-	12,409
Acquisition of property, plant and equipment	(194,784)	(110,427)
Proceeds from disposal of property, plant and equipment	4,014	10,600
Increase in other financial assets	(52,760)	-
Decrease in other financial assets	55,692	176,015
Increase in prepayments for business facilities	(1,988)	(4,658)
Dividends received	417,424	357,058
Net cash flows (used in) from investing activities	227,598	372,806
Cash flows from (used in) financing activities:		
Increase in short-term loans	4,504,958	5,539,535
Decrease in short-term loans	(4,552,985)	(5,245,958)
Increase in short-term notes and bills payable	2,259,000	2,324,000
Decrease in short-term notes and bills payable	(2,259,000)	(2,435,000)
Proceeds from long-term debt	-	160,000
Repayments of long-term debt	-	(922,500)
Payment of lease liabilities	(1,944)	(1,650)
Increase (decrease) in other non-current liabilities	142	(490)
Cash dividends paid	-	(449,999)
Net cash flows from (used in) financing activities	(49,829)	(1,032,062)
Effect of exchange rate changes on cash and cash equivalents	(1,381)	(1,427)
Net increase (decrease) in cash and cash equivalents	40,176	(501,330)
Cash and cash equivalents, beginning of the period	772,454	1,147,024
Cash and cash equivalents, end of the period	**$ 812,630**	**645,694**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
Reviewed only, not audited in accordance with generally accepted auditing standards

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

September 30, 2021 and 2020

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

(1) Company history

Taisun Enterprise Corporation (the "Company") was established on October 21, 1960 in Taiwan, the Republic of China, with the approval of the Ministry of Economic Affairs. Its registered office is located at No. 6, Xinggong Rd., Tianzhong Township, Changhua County.

The consolidated financial statements of the Company as of September 30, 2021 and 2020 comprised the Company and its subsidiaries (together referred to as "the Group").

The major business activities of the Company and its subsidiaries (the "Group") are the manufacturing and sales of cooking oil, food, beverages and aquafeeds.

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

The consolidated financial statements were authorized for issuance by the Board of Directors on November 9, 2021.

(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

(Continued)

- Amendments to IFRS 3 "Reference to the Conceptual Framework"

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

The Group does not expect the following 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 "Classification of Liabilities as Current or Non-current"
- Amendments to IAS 1 "Disclosure of Accounting Policies"
- Amendments to IAS 8 "Definition of Accounting Estimates"
- Amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"

(4) Summary of significant accounting policies:

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 "Interim Financial Reporting" which are endorsed and issued into effect by FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except the following accounting policies mentioned below, the significant accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2020. For the related information, please refer to Note 4 of the consolidated financial statements for the year ended December 31, 2020.

(b) Basis of consolidation

(i) List of subsidiaries included in the consolidated financial statements

Investor Company	Subsidiary	Nature of business	Shareholding ratio			Notes
			September 30, 2021	December 31, 2020	September 30, 2020	
The Company	PIN-TAI DISTRIBUTION, ENTERPRISE CO., LTD.	Wholesaler of cooking oil and food	99.93 %	99.93 %	99.93 %	A subsidiary that the Company directly holds more than 50% of its shares.
The Group	TAIWAN NIKOMART CO., LTD.	Operating Chained Convenience Stores	98.12 %	98.12 %	98.12 %	A subsidiary that the Group directly (indirectly) holds more than 50% of its shares.

(Continued)

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Investor Company	Subsidiary	Nature of business	Shareholding ratio			Notes
			September 30, 2021	December 31, 2020	September 30, 2020	
The Group	CHUANG SHIN TRAFFIC CO., LTD.	Logistics	97.42 %	97.42 %	97.42 %	A subsidiary that the Group directly holds more than 50% of its shares. (Note)
The Company	TAISUN YUAN CO., LTD.	Investment Management	100.00 %	100.00 %	100.00 %	A subsidiary that the Company directly holds more than 50% of its shares.
The Company	TAISUN (CAYMAN) INVESTMENT LTD.	Investment	100.00 %	100.00 %	100.00 %	A subsidiary that the Company directly holds more than 50% of its shares.
TAISUN (CAYMAN) INVESTMENT LTD.	TAISUN ENTERPRISE (ZHANGZHOU) FOODS LTD.	Produce and sell food, beverage, snacks and canned products	100.00 %	100.00 %	100.00 %	A subsidiary that TAISUN (CAYMAN) INVESTMENT LTD. directly holds more than 50% of its shares.

Note: CHUANG SHIN TRAFFIC CO., LTD. is a non-significant subsidiary for the nine months ended September 30, 2021 and 2020, its financial statements have not been reviewed.

(ii) Subsidiaries excluded from consolidation：None.

(c) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of International Financial Reporting Standards 34, Interim Reporting.

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period using the effective annual tax rate which is forecasted by the management. This should be recognized fully as tax expense for the current period and allocated to current and deferred taxes based on its proportionate size.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled, and be recognized directly in equity or other comprehensive income as tax expense.

(d) Employee benefits

The pension cost in the interim period was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year.

(Continued)

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

The preparation of the consolidated financial statements in conformity with the Regulations and IFRSs (in accordance with IAS 34 "Interim Financial Reporting" and 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 preparation of the consolidated financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which is in conformity with the consolidated financial statements for the year ended December 31, 2020. For the related information, please refer to Note 5 of the consolidated financial statements for the year ended December 31, 2020.

(6) Explanation of significant accounts:

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the consolidated interim financial statements for the current period and the consolidated financial statements for the year ended December 31, 2020. Please refer to Note 6 of the consolidated financial statements for the year ended December 31, 2020.

(a) Cash and cash equivalents

	September 30, 2021	December 31, 2020	September 30, 2020
Cash on hand and petty cash	$ 1,349	917	7,968
Check deposits	21,580	30,969	24,609
Cash in banks	711,744	671,689	376,733
Time deposits	65,972	56,886	190,394
Cash equivalents	11,985	11,993	45,990
Cash and cash equivalents	**$ 812,630**	**772,454**	**645,694**

The deposit accounts of $115,128 thousand, $125,980 thousand and $0, which did not meet the definition of cash and cash equivalents and were not restricted, were classified as other financial assets–current and non-current on the September 30, 2021, December 31, 2020 and September 30, 2020.

Please refer to Note 6(y) for the fair value sensitivity analysis and interest rate risk of the financial assets and liabilities.

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(b) Financial assets and liabilities at fair value through profit or loss

		September 30, 2021	December 31, 2020	September 30, 2020
Assets mandatorily measured at fair value through profit or loss:				
Derivative instruments not used for hedging				
Forward exchange contracts	$	1,276	1,369	760
Non-derivative financial assets				
Stocks listed on domestic markets		56,958	51,072	42,641
Beneficiary certificates open-end funds		41,089	30,335	28,360
Total	**$**	**99,323**	**82,776**	**71,761**
Liabilities mandatorily measured at fair value through profit or loss:				
Non-derivative financial liabilities				
Forward exchange contracts	**$**	**31**	**853**	**819**

(i) Please refer to Note 6(y) for disclosure on financial instrument related credit, exchange rate and interest rate risk.

(ii) The aforesaid financial assets were not pledged as collateral.

(iii) Derivative instruments not used for hedging

The Group holds derivative financial instruments to hedge certain foreign exchange and interest risk the Group is exposed to, arising from its operating, financing and investing activities. The following derivative instruments, without the application of hedge accounting, were classified as mandatorily measured at fair value through profit or loss and held-for-trading financial liabilities:

Forward exchange contracts:

	September 30, 2021		
	Contract amount (In thousands)	**Exercise price**	**Exercise date**
Buy option	**USD 2,000**	27.09~27.25(USD/NTD)	2021.10.18~2021.12.16
Sell option	**USD 2,000**	27.09~27.25(USD/NTD)	2021.10.18~2021.12.16

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	December 31, 2020		
	Contract amount (In thousands)	Exercise price	Exercise date
Buy option	USD 4,000	27.45~28.055(USD/NTD)	2021.01.19~2021.06.08
Sell option	USD 4,000	27.45~28.055(USD/NTD)	2021.01.19~2021.06.08

	September 30, 2020		
	Contract amount (In thousands)	Exercise price	Exercise date
Buy option	USD 3,000	28.70~29.17(USD/NTD)	2020.10.23~2020.12.10
Sell option	USD 3,000	28.70~29.17(USD/NTD)	2020.10.23~2020.12.10

(c) Non-current financial assets at fair value through other comprehensive income

	September 30, 2021	December 31, 2020	September 30, 2020
Equity instruments at fair value through other comprehensive income-non current:			
Shares of stock of listed companies	$ 168,588	151,744	134,093
Shares of stock of unlisted companies	3,172	2,714	1,155
Shares of stock of overseas unlisted companies	17,715	18,123	12,288
Total	**$ 189,475**	**172,581**	**147,536**

(i) The Group intends to hold its equity investments for long-term strategic purposes, rather than for transaction purposes. Therefore, the investments are measured at FVOCI.

(ii) The aforesaid strategic investments were not disposed or transferred. On September 30, 2020, the value of the Group at the time of liquidation was $1,314 thousand and accumulated losses amounted to $586 thousand, the Group transferred the accumulated losses from other equity to retained earnings.

(iii) Please refer to Note 6(z) for credit risk and market risk.

(iv) The aforesaid financial assets were not pledged as collateral.

(Continued)

(d) Notes and accounts receivable

	September 30, 2021	December 31, 2020	September 30, 2020
Notes receivable	$ 170,374	137,198	172,928
Notes receivable from related parties	-	2,700	3,200
Accounts receivable	1,060,646	661,594	958,289
Accounts receivable from related parties	362,115	390,134	333,066
Overdue receivables	11,454	12,059	13,377
Less：Allowance for impairment	(45,790)	(42,428)	(47,471)
	$ 1,558,799	**1,161,257**	**1,433,389**

The Group applies the simplified approach to provide for the loss allowance used for expected credit losses, which permit the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, notes and accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as forward looking information, including overall economic environment and related industrial information.

The loss allowance provision in food, logistics and bulk materials segments was determined as follow:

	September 30, 2021		
	Gross carrying amount	Expected loss rate	Loss allowance provision
Current	$ 1,398,284	0~0.77%	10,484
Overdue 0 to 90 days	43,450	0~0.85%	4
Overdue 91 to 180 days	52	0~1.92%	1
Overdue 181 to 270 days	-	6.27~8.33%	-
Overdue 271 to 360 days	-	15.79~41.67%	-
Over 365 days past due	844	100%	844
Total	**$ 1,442,630**		**11,333**

	December 31, 2020		
	Gross carrying amount	Expected loss rate	Loss allowance provision
Current	$ 1,052,013	0~0.69%	7,142
Overdue 0 to 90 days	28,624	0~0.82%	235
Overdue 91 to 180 days	240	0~1.67%	4
Overdue 181 to 270 days	-	6.93~19.76%	-
Overdue 271 to 360 days	-	15.79~41.67%	-
Over 365 days past due	713	100%	713
Total	**$ 1,081,590**		**8,094**

(Continued)

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	September 30, 2020		
	Gross carrying amount	Expected loss rate	Loss allowance provision
Current	$ 1,265,101	0.54~0.82%	10,066
Overdue 0 to 90 days	51,083	0~0.942%	5
Overdue 91 to 180 days	2	1.98%	-
Overdue 181 to 270 days	1	8.23~16.67%	-
Overdue 271 to 360 days	-	18.75~33.33%	-
Over 365 days past due	721	100%	721
Total	**$ 1,316,908**		**10,792**

The loss allowance provision in aquafeed segment was determined as follow:

	September 30, 2021		
	Gross carrying amount	Expected loss rate	Loss allowance provision
Current	$ 119,186	0.11%	135
Overdue 0 to 90 days	8,533	2.44%	209
Overdue 91 to 180 days	145	12.41%	18
Overdue 181 to 270 days	-	14.55%	-
Overdue 271 to 360 days	-	33.33%	-
Over 365 days past due	10,648	100%	10,648
Total	**$ 138,512**		**11,010**

	December 31, 2020		
	Gross carrying amount	Expected loss rate	Loss allowance provision
Current	$ 85,324	0.13%	107
Overdue 0 to 90 days	2,607	2.71%	71
Overdue 91 to 180 days	9	13.80%	1
Overdue 181 to 270 days	-	16.09%	-
Overdue 271 to 360 days	-	38.84%	-
Over 365 days past due	10,708	100%	10,708
Total	**$ 98,648**		**10,887**

(Continued)

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	September 30, 2020		
	Gross carrying amount	Expected loss rate	Loss allowance provision
Current	$ 118,023	0.15%	176
Overdue 0 to 90 days	9,705	3.21%	311
Overdue 91 to 180 days	38	16.39%	6
Overdue 181 to 270 days	-	19.10%	-
Overdue 271 to 360 days	-	43.75%	-
Over 365 days past due	10,778	100%	10,778
Total	**$ 138,544**		**11,271**

The loss allowance provision at 100% expected loss rate was determined as follow:

	September 30, 2021		
	Gross carrying amount	Expected loss rate	Loss allowance provision
Over 365 days past due	**$ 23,447**	100%	**23,447**

	December 31, 2020		
	Gross carrying amount	Expected loss rate	Loss allowance provision
Over 365 days past due	**$ 23,447**	100%	**23,447**

	September 30, 2020		
	Gross carrying amount	Expected loss rate	Loss allowance provision
Over 365 days past due	**$ 25,408**	100%	**25,408**

The movement in the allowance for notes and accounts receivable was as follow:

	For the nine months ended September 30	
	2021	2020
Balance on January 1	$ 42,428	54,584
Impairment losses recognized	3,370	3,344
Amounts written off	-	(10,449)
Foreign exchange losses	(8)	(8)
Balance on September 30	**$ 45,790**	**47,471**

As of September 30, 2021, December 31, 2020 and September 30, 2020, the financial assets mentioned above were not pledged as collateral.

(Continued)

(e) Other receivables

	September 30, 2021	December 31, 2020	September 30, 2020
Other receivables	$ 14,912	12,370	15,178
Less: Allowance for impairment	(5,400)	(5,400)	(5,400)
	$ 9,512	**6,970**	**9,778**

There were no receivables that were past due but not impaired.

Please refer to Note 6(y) for the Group's notes and accounts receivable exposed to credit risk and currency risk.

The aforesaid financial assets were not pledged as collateral.

(f) Inventories

	September 30, 2021	December 31, 2020	September 30, 2020
Raw materials	$ 458,958	156,116	254,153
Materials	28,211	25,352	28,569
Work in process	205,903	104,650	131,580
Finished goods	247,342	254,654	225,892
Merchandise	41,080	31,726	25,583
	$ 981,494	**572,498**	**665,777**

Other gains or losses from inventories except for cost of goods sold recognized as expenses in the current period:

	For the three months ended September 30		For the nine months ended September 30	
	2021	2020	2021	2020
Operating cost				
Inventory falling price gains from price recovery of inventory	$ (34)	(930)	(393)	(2,539)
Revenue from sale of scraps	(219)	(91)	(1,239)	(1,199)
Gains on physical inventory	(2,145)	(407)	(3,326)	(5,697)
Losses on disposal	1,105	2,290	3,649	6,170
Operating expenses	5,435	5,260	15,410	19,843
	$ 4,142	**6,122**	**14,101**	**16,578**

For the three months and nine months ended September 30, 2021 and 2020, the Group recognized a gain from the reversal of allowance for inventory valuation loss resulting from destocking. Such gain was deducted from cost of goods sold.

As of September 30, 2021, December 31, 2020 and September 30, 2020, the aforesaid inventories were not pledged as collateral.

(Continued)

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(g) Non-current assets held-for-sale

(i) A resolution was made during the board meeting held on November 11, 2016 for the disposal of the real estate of TAISUN ENTERPRISE (ZHANG ZHOU) FOODS LTD., a subsidiary of the Group, to a nonrelated party. The commencement of the related transactions had been executed, with the amounts as follows:

	September 30, 2021	December 31, 2020	September 30, 2020
Property, plant and equipment	$ -	-	1,057

1) On November 24, 2019, the Group entered into an agreement to sell its real estate and the deposit of CNY100 thousand (NTD432 thousand), which was recorded under other current liabilities. In April 2020, the real estate had transferred to the buyer, resulting in the disposition benefit by the Group. Please refer to note 6(g) of the 2020 annual consolidated financial statements for other related information.

2) The remaining two parking spaces of the Group did not meet the requirements for available for immediate sale. These assets were transferred to investment property on December 31, 2020.

(h) Investments accounted for using equity method

(i) Subsidiaries that have material non-controlling interest were as follow:

Name of Affiliates	Nature of Relationship with the Group	Main operation location	Proportion of shareholding and voting rights		
			September 30, 2021	December 31, 2020	September 30, 2020
TAIWAN FAMILYMART CO., LTD.	Operate chained convenience stores, explore selling points for the Group	Taiwan	22.47 %	22.47 %	22.47 %

TAIWAN FAMILYMART CO., LTD. is one of the listed companies in Taiwan, with its fair value reflected as below:

September 30, 2021	December 31, 2020	September 30, 2020
$ 13,065,747	13,140,981	13,166,059

The following information of the aforementioned subsidiaries have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. Included in these information is the fair value adjustment made during the acquisition and relevant differences in accounting principles between the Company and its subsidiaries as at the acquisition date. The intra-group transactions were not eliminated in this information.

(Continued)

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Information regarding TAIWAN FAMILYMART CO., LTD. and its subsidiaries

	September 30, 2021	December 31, 2020	September 30, 2020
Current assets	$ 15,068,282	19,032,433	18,296,718
Non-current assets	49,702,941	42,441,957	41,619,648
Current liabilities	(32,079,864)	(30,440,441)	(29,686,190)
Non-current liabilities	(26,428,634)	(24,047,151)	(23,754,835)
Net assets	**$ 6,262,725**	**6,986,798**	**6,475,341**
Net assets attributable to non-controlling interests	**$ 387,347**	**381,607**	**353,562**
Net assets attributable to investee	**$ 5,875,378**	**6,605,191**	**6,121,779**

	For the three months ended September 30		For the nine months ended September 30	
	2021	2020	2021	2020
Operating revenue	**$ 20,662,242**	**22,732,585**	**62,005,183**	**63,635,076**
Net income	$ 302,142	765,687	1,015,460	1,698,059
Other comprehensive income	(5,376)	(9,110)	(10,470)	(24,234)
Total comprehensive income	**$ 296,766**	**756,577**	**1,004,990**	**1,673,825**
Comprehensive income attributable to non-controlling interests	**$ 18,982**	**36,145**	**60,662**	**78,854**
Comprehensive income attributable to investee	**$ 277,784**	**720,432**	**944,328**	**1,594,971**

	For the three months ended September 30		For the nine months ended September 30	
	2021	2020	2021	2020
Shares of net assets attributable to investee on January 1	$ 1,633,921	1,540,225	1,484,149	1,343,649
Changes in equity of associates and joint ventures accounted for using equity method	2	-	-	-
Comprehensive income attributable to the Group	62,418	161,935	212,192	358,511
Less: shares sold	-	(493)	-	(493)
Dividends from affiliated enterprise	(376,173)	(326,134)	(376,173)	(326,134)

(Continued)

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	For the three months ended September 30		For the nine months ended September 30	
subtotal	1,320,168	1,375,533	1,320,168	1,375,533
Add: investment property	20,000	20,000	20,000	20,000
Add: trademark	129,713	129,713	129,713	129,713
Add: goodwill	1,457,345	1,457,345	1,457,345	1,457,345
Book value of net equity of associates attributable to the Group on September 30	**$ 2,927,226**	**2,982,591**	**2,927,226**	**2,982,591**

(ii) Associates

The Group's financial information for investments accounted for using the equity method that were individually insignificant is as follows:

	September 30, 2021	December 31, 2020	September 30, 2020
Carry amounts of individually insignificant associates' equity	**$ 274,526**	**277,430**	**259,236**

	For the three months ended September 30		For the nine months ended September 30	
	2021	**2020**	**2021**	**2020**
Attributable to the Group:				
Net gain	$ 4,482	8,991	29,046	23,924
Other comprehensive income	-	-	-	-
Comprehensive income	**$ 4,482**	**8,991**	**29,046**	**23,924**

(iii) Pledge to secure

As of September 30, 2021 and December 31, 2020, the deals of the investment accounted for using equity method were pledged as collateral for long-term borrowings and credit lines, please refer to Note 8.As of September 30, 2020, the investments accounted for using equity method were not pledged as collateral.

(iv) Except for TAIWAN FAMILYMART CO., LTD. , investments were accounted for using the equity method, and the share of profit or loss and other comprehensive income of those investments was calculated based on the financial statements that have not been reviewed.

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(i) Property, plant and equipment

The cost, depreciation, and impairment loss of the property, plant and equipment of the Group as of September 30, 2021 and 2020 were as follows:

	Land	Buildings	Machinery equipment	Transportation equipment	Other facilities	Construction in progress	Total
Cost or deemed cost:							
Balance on January 1, 2021	$ 1,151,899	949,120	1,004,424	106,091	114,835	128,393	3,454,762
Additions	-	997	16,607	13,803	2,131	161,246	194,784
Disposals	-	-	(5,114)	(7,648)	(45)	-	(12,807)
Transfer in	-	9,280	85,520	-	3,275	-	98,075
Transfer out	-	-	-	-	-	(98,075)	(98,075)
Effect of movement in exchange rate	-	(1,486)	(2,897)	(102)	(154)	-	(4,639)
Balance on September 30, 2021	**$ 1,151,899**	**957,911**	**1,098,540**	**112,144**	**120,042**	**191,564**	**3,632,100**
Balance on January 1, 2020	$ 1,146,539	924,075	986,265	106,224	215,227	90,337	3,468,667
Additions	5,360	4,325	16,879	8,648	6,893	68,322	110,427
Disposals	-	-	(15,573)	(11,211)	(122,139)	-	(148,923)
Transfer in	-	30,564	37,860	4,658	9,627	-	82,709
Transfer out	-	-	-	-	-	(78,051)	(78,051)
Effect of movement in exchange rate	-	(1,422)	(2,926)	(98)	(160)	-	(4,606)
Balance on September 30, 2020	**$ 1,151,899**	**957,542**	**1,022,505**	**108,221**	**109,448**	**80,608**	**3,430,223**
Depreciation and impairment loss:							
Balance on January 1, 2021	$ -	675,406	828,773	63,709	88,457	-	1,656,345
Depreciation for the period	-	21,421	36,721	7,927	5,259	-	71,328
Disposals	-	-	(4,792)	(4,245)	(59)	-	(9,096)
Effect of movement in exchange rate	-	(1,028)	(2,510)	(93)	(147)	-	(3,778)
Balance on September 30, 2021	**$ -**	**695,799**	**858,192**	**67,298**	**93,510**	**-**	**1,714,799**
Balance on January 1, 2020	$ -	658,373	831,637	59,539	205,056	-	1,754,605
Depreciation for the period	-	20,101	33,146	7,657	3,208	-	64,112
Disposals	-	-	(15,332)	(4,818)	(120,018)	-	(140,168)
Reclassifications	-	-	(885)	-	885	-	-
Effect of movement in exchange rate	-	(916)	(2,474)	(85)	(152)	-	(3,627)
Balance on September 30, 2020	**$ -**	**677,558**	**846,092**	**62,293**	**88,979**	**-**	**1,674,922**
Carrying amounts:							
Balance on January 1, 2021	**$ 1,151,899**	**273,714**	**175,651**	**42,382**	**26,378**	**128,393**	**1,798,417**
Balance on September 30, 2021	**$ 1,151,899**	**262,112**	**240,348**	**44,846**	**26,532**	**191,564**	**1,917,301**
Balance on January 1, 2020	**$ 1,146,539**	**265,702**	**154,628**	**46,685**	**10,171**	**90,337**	**1,714,062**
Balance on September 30, 2020	**$ 1,151,899**	**279,984**	**176,413**	**45,928**	**20,469**	**80,608**	**1,755,301**

(i) Since the law in Taiwan does not allow a legal person or an entity to acquire any agricultural land beginning 2016, the title deed of the 15 pieces of agricultural land, amounting to NTD$50,749 thousand, located at parcel no.185 and 186 in the Daxin Section of Beidou Township, Changhua County, had been transferred to a natural person. However, the Group still keeps the original certificate of ownership of the real estate for security purpose.

(ii) Please refer to Note 6(x) for the disposal of profit and loss.

(Continued)

(iii) For the three months and nine months ended September 30, 2021 and 2020, there were no interest capitalization of the Group.

(iv) As of September 30, 2021, December 31, 2020 and September 30, 2020, the aforementioned land, houses and buildings were not provided as collateral guarantees.

(j) Right-of-use assets

The movements in the cost and depreciation of the leased land and buildings were as follows:

		Land	Buildings	Total
Cost:				
Balance on January 1, 2021	$	21,776	5,922	27,698
Additions		-	4,548	4,548
Effect of movement in exchange rate		(236)	-	(236)
Balance on September 30, 2021	**$**	**21,540**	**10,470**	**32,010**
Balance on January 1, 2020	$	21,589	5,922	27,511
Effect of movement in exchange rate		(226)	-	(226)
Balance on September 30, 2020	**$**	**21,363**	**5,922**	**27,285**
Accumulated depreciation:				
Balance on January 1, 2021	$	10,299	4,308	14,607
Depreciation for the period		330	1,911	2,241
Effect of movement in exchange rate		(114)	-	(114)
Balance on September 30, 2021	**$**	**10,515**	**6,219**	**16,734**
Balance on January 1, 2020	$	9,773	2,109	11,882
Depreciation for the period		324	1,648	1,972
Effect of movement in exchange rate		(102)	-	(102)
Balance on September 30, 2020	**$**	**9,995**	**3,757**	**13,752**
Carrying amounts:				
Balance on September 30, 2021	**$**	**11,025**	**4,251**	**15,276**
Balance on September 30, 2020	**$**	**11,368**	**2,165**	**13,533**

(k) Investment property

The following are the investment property, including properties, owned by the Group, with leases containing an initial noncancellable lease term of 5 to 10 years. Some leases provide the lessees with options to extend at the end of the term:

The rental revenue of investment property is a fixed amount.

	Land and improvements	Buildings	Total
Carrying amounts:			
Balance on January 1, 2021	**$ 566,062**	**50,756**	**616,818**
Balance on September 30, 2021	**$ 566,062**	**49,310**	**615,372**
Balance on January 1, 2020	**$ 566,062**	**51,767**	**617,829**
Balance on September 30, 2020	**$ 566,062**	**50,374**	**616,436**

(i) There were no significant additions, disposal, or recognition and reversal of impairment losses of investment property for the nine months ended September 30, 2021 and 2020. Information on depreciation for the period is discussed in Note 12. Please refer to Note 6(k) of the 2020 annual consolidated financial statements for other related information.

(ii) The fair value of investment property was not significantly different from those disclosed in Note 6(k) of the annual consolidated financial statements for the year ended December 31, 2020.

(iii) As of September 30, 2021, December 31, 2020 and September 30, 2020, the investment properties were not pledged as collateral.

(l) Short-term borrowings

	September 30, 2021	December 31, 2020	September 30, 2020
Letter of credit	$ -	108,027	67,186
Unsecured bank loans	100,000	40,000	504,000
Total	**$ 100,000**	**148,027**	**571,186**
Unused credit lines	**$ 3,127,134**	**2,492,721**	**2,333,281**
Interest rates	**0.80%~0.84%**	**0.77%~1.59%**	**0.875%~1.30%**

For the nine months ended September 30, 2021 and 2020, the Group obtained from short-term borrowings amounting to $4,504,958 thousand and $5,539,535 thousand, the repayment amounting to $4,552,985 thousand and $5,245,958 thousand, respectively.

Please refer to Note 8 for details on pledged assets for bank loans.

(m) Short-term notes and bills

	September 30, 2021	December 31, 2020	September 30, 2020
Commercial paper payables	$ 20,000	20,000	150,000
Unused credit lines	$ 1,170,000	1,150,000	1,020,000
Interest rates	1.3%	1.31%	0.86%~1.34%

For the nine months ended September 30, 2021 and 2020, the Group obtained from short-term notes and bills amounting to $2,259,000 thousand and $2,324,000 thousand, the repayment amounting to $2,259,000 thousand and $2,435,000 thousand, respectively.

(n) Account payable

	September 30, 2021	December 31, 2020	September 30, 2020
Payables to suppliers	$ 647,811	526,122	595,959

(o) Long-term borrowings

	September 30, 2021			
	Currency	Interest rate	Year due	Amount
Secured bank loans	NTD	1%	2023	$ 600,000
Less: Current portion				-
Total				$ 600,000
Unused credit line				$ 1,200,000

	December 31, 2020			
	Currency	Interest rate	Year due	Amount
Secured bank loans	NTD	1%	2023	$ 600,000
Less: Current portion				-
Total				$ 600,000
Unused credit line				$ 1,200,000

(i) Collateral for bank loans

Please refer to Note 8 for details on related assets pledged as collateral.

(ii) Please refer to Note 6(z) for details on financial risk.

(iii) For the nine months ended September 30, 2021 and 2020, the Group obtained from long-term borrowings amounting to $0 thousand and $160,000 thousand, the repayment amounting to $0 thousand and $922,500 thousand, respectively.

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(p) Lease liabilities

The Group's lease liabilities were as follows：

	September 30, 2021	December 31, 2020	September 30, 2020
Current	$ 2,633	1,634	1,887
Non-current	$ 1,605	-	299

Please refer to Note 6(y) for maturity analysis.

The amounts recognized in profit or loss were as follow:

	For the three months ended September 30		For the nine months ended September 30	
	2021	2021	2021	2020
Interest on lease liabilities	$ 12	9	29	34
Expenses relating to short-term leases	$ 158	138	425	431
Expenses relating to leases of low-value, excluding short-term leases of low-value assets	$ 38	9	83	26

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

	For the nine months ended September 30,	
	2021	2020
Total cash outflow for leases	$ 2,481	2,141

(i) Real estate leases

The Group leases house and buildings for its warehouses. The leases of warehouses typically run for a period of 3 years.

(ii) Other leases

The Group also leases office equipment with contract terms of one year, and these leases are short-term and/or leases of low-value items. The Group has elected not to recognize its right-of-use assets and lease liabilities for these leases.

(q) Operating leases

There were no significant changes in operating lease for the nine months ended September 30, 2021 and 2020. Please refer to Note 6(p) of the consolidated financial statements for the year ended December 31, 2020 for other related information.

(Continued)

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES
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(r) Employee benefits

(i) Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or no other material onetime events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial report as of December 31, 2020 and 2019.

The expenses recognized in profit or loss for the Group are as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Operating cost	$ 165	201	522	698
Selling expenses	84	127	260	392
Administration expenses	128	306	348	820
Total	**$ 377**	**634**	**1,130**	**1,910**

(ii) Defined contribution plans

For the three months and nine months ended September 30, 2021 and 2020, the Group' s employee benefits retirement expenses amounted to $5,370 thousand, $5,002 thousand, $15,693 thousand and $14,517 thousand, respectively.

(s) Income tax

Tax expense in the interim financial statements is measured at net income multiplied by management's best estimation on year end effective tax rate.

(i) The income tax expense for the three months and nine months ended September 30, 2021 and 2020 are as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Current income tax expense				
Current period incurred	$ -	23,751	20,857	48,225
Undistributed earnings additional tax	-	-	65	2,845
Prior years income tax adjustment	-	-	-	(2,507)
Deferred tax expense				
Origin and reversal of temporary difference	4,601	4,967	4,601	4,967
Income tax expense from continuing operations	**$ 4,601**	**28,718**	**25,523**	**53,530**

(Continued)

(ii) Status of approval of income tax

Company	Year
The Company	2018
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	2019
TAIWAN NIKOMART CO., LTD.	2019
CHUANG SHIN TRAFFIC CO., LTD.	2018
TAISUN YUAN CO., LTD.	2019

(t) Share capital and other equity

As of September 30, 2021, December 31, 2020 and September 30, 2020, the authorized capital of the Company consisted of 1,000,000 thousand shares, respectively, at a par value of $10 per share, amounting to $10,000,000 thousand, respectively, with the outstanding shares amounting to $4,999,990 thousand.

(i) Capital surplus

The components of the capital surplus are as follows:

	September 30, 2021	December 31, 2020	September 30, 2020
Treasury shares transactions	$ 57,888	38,837	38,837
Changes in equity of associates accounted for using equity method	17	17	17
Surplus from issuance of ordinary shares	915,977	915,977	915,977
Surplus from issuance of ordinary shares-employee stock options	4,132	4,132	4,132
Expired employee stock options	1,561	1,561	1,561
Other	13,559	13,559	13,559
	$ 993,134	**974,083**	**974,083**

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of the par value should not exceed 10% of the total common stock outstanding.

(ii) Retained earnings

The Company is in its mature stage of business cycle and its annual earnings and future cash flow are stable while the Company still have significant expansion of production capacity and vertical development plans in the next few years. The Company's Articles of Incorporation stipulate that the Company's net earnings should first be used to offset the prior years' deficits, if any, before paying any income taxes. Of the remaining balance, 10% is to be appropriated as legal reserve, and then at least 50% of the remaining profit, together with any undistributed retained earnings, shall be distributed according to the distribution plan proposed by the Board of Directors and submitted to the stockholders' meeting for approval. However, more than 30% of the total dividend distribution in the current year shall be distributed in cash dividends, and the rest shall be distributed in the form of stock dividends.

If the common stock dividends per share is less than NTD 0.1, the Board of Directors have the right not to distribute it.

1) Legal reserve

When a company incurs profit, the shareholders shall decide on the distribution of the statutory earnings reserve either by issuing new shares or by paying cash of up to 25% of the actual share capital.

2) Special reserve

The Company applied for exemptions during its first-time adoption of IFRSs, resulting in its retained earnings to increase by $240,776 thousand, incurred from unrealized revaluation increments, exchange differences on translation of foreign financial statements, and fair value of investment property being used as the cost on initial recognition at the transition date. In accordance with Permit No.1010012865 as issued by the Financial Supervisory Commission on April 6, 2012, a special reverse equals to the contra account of other shareholders' equity is appropriated from current and prior period earnings. The aforementioned special reserve may be reversed in proportion with the usage, disposal, or reclassification of the related assets, and then, be distributed afterwards. As of September 30, 2021, December 31, 2020, and September 30, 2020, the Company recognized the special reserve related to all IFRSs adjustments amounting to $240,776 thousand. When the debit balance of any of the contra accounts in the shareholders' equity is reversed, the related special reserve can be reversed. The subsequent reversals of the contra accounts in shareholders' equity shall qualify for additional distributions.

3) Earnings distribution

The amounts of cash dividends of appropriations of earnings for 2020 and 2019 had been approved in the shareholders' meeting on August 18, 2021 and on May 21, 2020, respectively. These earnings were appropriated as follows:

	2020	2019
Common stock dividends per share		
Cash	$ 699,999	449,999

For information on earnings distribution, which was approved during the shareholders' meeting, please visit the public information observatory for further information.

The common stock dividends payable on September 30, 2021, was $680,948 thousand, and was accounted as other payables.

(iii) Treasury stock (held by the subsidiaries)

Before the amendment of the Company Law in 2001, the Company's subsidiaries purchased the Company's stock in the open market for investment purposes. Stock held by subsidiaries are deemed as treasury stocks.

The numbers of shares, book value and market price held by the Company's subsidiaries are as follows:

Subsidiaries	Beginning shares	Add	Less	Ending shares
For the nine months ended September 30, 2021				
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	10,351	-	-	10,351
TAIWAN NIKOMART CO., LTD.	2,960	-	-	2,960
CHUANG SHIN TRAFFIC CO., LTD.	368	-	-	368
	13,679	**-**	**-**	**13,679**
For the nine months ended September 30, 2020				
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	10,351	-	-	10,351
TAIWAN NIKOMART CO., LTD.	2,960	-	-	2,960
CHUANG SHIN TRAFFIC CO., LTD.	368	-	-	368
	13,679	**-**	**-**	**13,679**

(Continued)

	September 30, 2021	December 31, 2020	September 30, 2020
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	$ 154,637	154,637	154,637
TAIWAN NIKOMART CO., LTD.	44,880	44,880	44,880
CHUANG SHIN TRAFFIC CO., LTD.	4,359	4,359	4,359
	$ 203,876	**203,876**	**203,876**

The stock prices of the Company as of September 30, 2021, December 31, 2020 and September 30, 2020, were NTD 27.00, NTD 27.60 and NTD 21.05 respectively.

(iv) Other equity

	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at FVOCI	Total
Balance on January 1, 2021	$ (31,870)	(44,007)	(75,877)
Exchange differences on foreign operation	(3,355)	-	(3,355)
Unrealized gain from financial assets measured at fair value through other comprehensive income	-	17,298	17,298
Changes in other comprehensive income (loss) of associates accounted for using equity methods	2	(2,347)	(2,345)
Balance on September 30, 2021	**$ (35,223)**	**(29,056)**	**(64,279)**
Balance on January 1, 2020	$ (29,042)	(78,026)	(107,068)
Exchange differences on foreign operation	(2,638)	-	(2,638)
Unrealized gain from financial assets measured at fair value through other comprehensive income	-	13,242	13,242
Changes in other comprehensive income (loss) of associates accounted for using equity methods	-	(5,446)	(5,446)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	586	586
Balance on September 30, 2020	**$ (31,680)**	**(69,644)**	**(101,324)**

(u) Earnings per share

The Group's basic earnings per share and diluted earnings for per share were calculated as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Basic earnings per share				
Profit from continuing operation attributable to the Company	**$ 142,005**	**342,298**	**443,068**	**696,120**
Weighted average number of ordinary shares	499,999	499,999	499,999	499,999
Less: impact of treasury stock	13,606	13,606	13,606	13,606
Adjusted weighted average number of ordinary shares	**486,393**	**486,393**	**486,393**	**486,393**
Earnings per share	**$ 0.29**	**0.70**	**0.91**	**1.43**

(Continued)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Diluted earnings per share				
Profit from continuing operation attributable to the Company(after adjusting the effect of diluted ordinary shares)	**$ 142,005**	**342,298**	**443,068**	**696,120**
Adjusted weighted average number of ordinary shares	486,393	486,393	486,393	486,393
The impact of employee stock compensation	936	1,958	1,443	2,567
Adjusted weighted average number of ordinary shares (after adjusting the effect of diluted ordinary shares)	**487,329**	**488,351**	**487,836**	**488,960**
Earnings per share	**$ 0.29**	**0.70**	**0.91**	**1.42**

(v) Revenue from contracts with customers

(i) Disaggregation of revenue

	For the Three Months Ended September 30, 2021				
	Consumption division	Commodity division	Foreign division	Other	Total
Main product/service					
Consumer food	$ 1,589,549	-	199,932	-	1,789,481
Bulk materials and aquafeeds	-	848,721	-	-	848,721
Service revenue	-	-	-	105,671	105,671
Revenue from investment properties	-	-	-	1,922	1,922
	$ 1,589,549	**848,721**	**199,932**	**107,593**	**2,745,795**

	For the Three Months Ended September 30, 2020				
	Consumption division	Commodity division	Foreign division	Other	Total
Main product/service					
Consumer food	$ 1,506,193	-	185,581	-	1,691,774
Bulk materials and aquafeeds	-	706,450	-	-	706,450
Service revenue	-	-	-	116,275	116,275
Revenue from investment properties	-	-	-	1,662	1,662
	$ 1,506,193	**706,450**	**185,581**	**117,937**	**2,516,161**

(Continued)

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	For the Nine Months Ended September 30, 2021				
	Consumption division	Commodity division	Foreign division	Other	Total
Main product/service					
Consumer food	$ 4,017,409	-	502,421	-	4,519,830
Bulk materials and aquafeeds	-	2,587,976	-	-	2,587,976
Service revenue	-	-	-	308,862	308,862
Revenue from investment properties	-	-	-	6,034	6,034
	$ 4,017,409	**2,587,976**	**502,421**	**314,896**	**7,422,702**

	For the Nine Months Ended September 30, 2020				
	Consumption division	Commodity division	Foreign division	Other	Total
Main product/service					
Consumer food	$ 3,591,092	-	437,706	-	4,028,798
Bulk materials and aquafeeds	-	1,959,171	-	-	1,959,171
Service revenue	-	-	-	324,719	324,719
Revenue from investment properties	-	-	-	4,768	4,768
	$ 3,591,092	**1,959,171**	**437,706**	**329,487**	**6,317,456**

(ii) Contract balances

	September 30, 2021	December 31, 2020	September 30, 2020
Notes receivable	$ 170,374	137,198	172,928
Notes receivable-related parties	-	2,700	3,200
Accounts receivable	1,060,646	661,594	958,289
Accounts receivable-related parties	362,115	390,134	333,066
Overdue receivables	11,454	12,059	13,377
Less: loss allowance	(45,790)	(42,428)	(47,471)
Total	**$ 1,558,799**	**1,161,257**	**1,433,389**
Contract liabilities-sales	**$ 43,385**	**39,800**	**40,178**

For details on notes receivable, accounts receivable and loss allowance, please refer to Note 6(d).

(Continued)

The amount of revenue recognized for the three months and nine months ended September 30, 2021 and 2020, which were included in the contract liabilities balance at the beginning of the period, were $6,375 thousand, $9,981 thousand, $25,044 thousand and $32,954 thousand, respectively.

The major change in the balance of contract liabilities is the difference between the time frame in the performance obligation to be satisfied by transferring ownership to the customer and the payment to be received.

(w) Remunerations to employees and directors

The Company' s Articles of Incorporation require that earnings shall first be offset against any deficit, then, a minimum of 2% will be distributed as employee remuneration, and a maximum of 5% will be allocated as remuneration to directors. Employees who are entitled to receive the above-mentioned employee remuneration, in share or cash, include the employees of the Company' s subsidiaries who meet certain specific requirements.

For the three months and nine months ended September 30, 2021 and 2020, remuneration of employees of $8,302 thousand, $22,513 thousand, $25,273 thousand and $41,211 thousand, respectively, and remuneration of directors of $5,811 thousand, $22,513 thousand, $17,691 thousand and $41,221 thousand, respectively, were estimated on the basis of the Company's net profit before tax, excluding the remuneration of employees and directors of each period, multiplied by the percentage of remuneration of employees and directors as specified in the Company' s Articles of Incorporation. Such amounts were recognized as operating expenses for the nine months ended September 30, 2021 and 2020. Management is expecting that the differences, if any, between the actual distributed amounts and estimated amounts will be treated as changes in accounting estimates and will be charged to profit or loss. The number of shares to be distributed was calculated based on the closing price of the Company's ordinary shares, one day prior to Board of Directors meeting.

For the years ended December 31, 2020 and 2019, the Company had accrued remuneration of employees of $49,188 thousand and $37,383 thousand, respectively, and remuneration of directors of $34,431 thousand and $30,586 thousand, respectively. There was no difference between the amounts approved in the Board of Directors meeting and the amounts distributed. For further information, please refer to Market Observation Post System website.

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(x) Non-operating income and expenses

(i) Other gains and losses

The details of other gain and losses were as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Dividend income	$ 6,278	4,819	9,251	6,676
Rental revenue	1,077	1,164	3,423	3,725
Foreign exchange gains (losses)	3,261	1,812	9,669	(3,196)
Gains on disposal of property, plant and equipment	50	1,191	303	1,845
Gains on disposal of non-current assets held for sale	-	-	-	6,985
Gains on disposal of investments	-	3,755	-	3,755
Gains (losses) on financial assets at FVTPL	(3,671)	2,698	7,280	(2,301)
Directors' remunerations	507	359	7,307	6,159
Delivery service income	3,470	4,072	9,707	10,546
Other gains and losses	9,086	8,175	18,827	18,826
	$ 20,058	**28,045**	**65,767**	**53,020**

(ii) Finance costs

The details of finance costs were as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Interest expense				
Bank borrowing	$ 3,027	4,162	8,751	12,345
Lease liability	12	9	29	34
	$ 3,039	**4,171**	**8,780**	**12,379**

(y) Financial instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For related information, please refer to Note 6(y) of the consolidated financial statements for the year ended December 31, 2020.

(i) Credit risk

1) Credit risk exposure

The carrying amount of financial assets represents the maximum amount exposed to credit risk.

(Continued)

2) Concentration of credit risk

As at September 30, 2021, December 31, 2020 and September 30, 2020, the Group reviewed the concentrations of credit risk arising from its biggest customer-CENTRAL UNION OIL CORP., and it was below 16.72%, 22.35% and 15.71%, respectively, of the accounts receivable.

3) Accounts receivable of credit risk

For credit risk exposure of notes and accounts receivables, please refer to note 6(d). Other financial assets at amortized cost includes other receivables and time deposits, etc.

All of these financial assets are considered to be low risk, and thus, the impairment provision recognized during the period was limited to 12 months expected losses. Please refer to Note 6(e) for the movement of allowance for loss.

(ii) Liquidity risk

The following table shows the contractual maturities of financial liabilities, excluding the estimated interest payments and the impact of netting agreements.

	Carrying amount	Contractual cash flows	Within 6 months	6-12 months	1-2 years	2-5 years
September 30, 2021						
Non-derivative financial liabilities						
Lease liabilities	$ 4,238	4,280	1,406	1,263	1,611	-
Unsecured bank loans (NTD)	100,000	100,410	100,410	-	-	-
Secured bank loans (NTD)	600,000	607,500	1,500	1,500	303,000	301,500
Short-term notes and bills payable	20,000	20,130	20,130	-	-	-
Non-interest bearing liabilities	1,768,790	1,768,790	1,768,790	-	-	-
	$ 2,493,028	**2,501,110**	**1,892,236**	**2,763**	**304,611**	**301,500**
December 31, 2020						
Non-derivative financial liabilities						
Lease liabilities	$ 1,634	1,644	954	690	-	-
Unsecured bank loans (USD)	108,027	108,706	108,706	-	-	-
Unsecured bank loans (NTD)	40,000	40,231	40,231	-	-	-
Secured bank loans (NTD)	600,000	615,000	3,000	3,000	6,000	603,000
Short-term notes and bills payable	20,000	20,000	20,000	-	-	-
Non-interest bearing liabilities	998,835	998,835	998,835	-	-	-
	$ 1,768,496	**1,784,416**	**1,171,726**	**3,690**	**6,000**	**603,000**

(Continued)

	Carrying amount	Contractual cash flows	Within 6 months	6-12 months	1-2 years	2-5 years
September 30, 2020						
Non-derivative financial liabilities						
Lease liabilities	$ 2,186	2,205	1,080	825	300	-
Unsecured bank loans (USD)	67,186	67,623	67,623	-	-	-
Unsecured bank loans (NTD)	504,000	506,759	506,759	-	-	-
Short-term notes and bills payable	150,000	150,000	150,000	-	-	-
Non-interest bearing liabilities	1,015,309	1,015,309	1,015,309	-	-	-
	$ 1,738,681	**1,741,896**	**1,740,771**	**825**	**300**	**-**

(iii) Currency risk

1) Exposure of foreign currency risk

The Group's significant exposure to foreign currency risk is as follows:

	September 30, 2021			December 31, 2020			September 30, 2020		
	Foreign Currency	Exchange Rate	NTD	Foreign Currency	Exchange Rate	NTD	Foreign Currency	Exchange Rate	NTD
Financial assets									
Monetary items									
USD : NTD	$ 16,626	27.866	463,629	11,168	28.508	318,000	10,717	29.13	313,335
USD : CNY	-	-	-	2,025	6.539	57,724	2,024	6.81	58,948
CNY : USD	13,000	0.155	56,075	13,000	0.15	56,669	13,000	0.15	55,596
Financial liabilities									
Monetary items									
USD : NTD	-	-	-	3,789	28.508	108,027	2,307	29.13	67,186
USD : CNY	-	-	-	2,000	6.539	57,017	2,000	6.81	58,252

2) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, other financial assets-current, accounts receivable, other receivables and borrowings that are denominated in foreign currency. A 1% appreciation or depreciation of US dollar against New Taiwan dollar as of September 30, 2021 and 2020 would have increased (decreased) the pre-tax net income for the nine months ended September 30, 2021 and 2020 by $4,158 thousand and $2,420 thousand, respectively. The analysis assumes that all other variables remain constant. The analysis is performed on the same basis for both periods.

3) Foreign exchange gains or losses on monetary item

Since the Group has various kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by the total amount. For the three months and nine months ended September 30, 2021 and 2020, the foreign exchange (loss) gain (including realized and unrealized portions) amounted to $3,261 thousand, $1,812 thousand, $9,669 thousand and $3,196 thousand, respectively.

(Continued)

(iv) Interest rate analysis

Please refer to the notes on liquidity risk management and interest rate exposure of the Group's financial assets and liabilities.

	Book value		
	September 30, 2021	December 31, 2020	September 30, 2020
Fixed rate instruments:			
Financial assets	$ 199,171	158,809	197,327
Financial liabilities	20,000	20,000	150,000
	$ 179,171	**138,809**	**47,327**
Variable rate instruments:			
Financial assets	$ 857,825	728,575	567,127
Financial liabilities	700,000	748,027	571,186
	$ 157,825	**(19,452)**	**(4,059)**

The following sensitivity analysis is based on the risk exposure to interest rates on the derivative and non-derivative financial instruments at the reporting date. For variable rate instruments, the sensitivity analysis assumes the variable rate liabilities are outstanding for the whole year at the reporting date. The report of the Group' s internal management on the increases/decreases in the interest rates and the exposure to changes in interest rates of 0.5% is considered by the management to be a reasonable change of interest rate.

If the interest rate increases / decreases by 0.5%, the Group' s net income will decrease /increase by $473 thousand and $15 thousand for the nine months ended September 30, 2021 and 2020, respectively, assuming all other variable factors remaining constant. This is mainly due to the Group's floating interest rate of cash in bank and borrowing factoring.

(v) Other market price risk

If the equity price changes, the impact of equity price change to other comprehensive income will be as follows; assuming the analysis is based on the same basis for both years and assuming that all other variables considered in the analysis remain constant:

	For the nine months ended September 30			
	2021		2020	
	Comprehensive Income (Loss) (net of tax)	Net Income (Loss) (net of tax)	Comprehensive Income (Loss) (net of tax)	Net Income (Loss) (net of tax)
Increase 5%	**$ 7,579**	**3,922**	**7,377**	**3,550**
Decrease 5%	**$ (7,579)**	**(3,922)**	**(7,377)**	**(3,550)**

(Continued)

(vi) Fair value of financial instruments

1) Categories of financial instruments and fair value hierarchy

The Group measured its financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows；however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

	September 30, 2021				
		Fair value			
	Book value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Derivative financial assets					
Foreign exchange option	$ 1,276	-	1,276	-	1,276
Non derivative financial assets					
Listed Stocks	56,958	56,958	-	-	56,958
Beneficiary Certificate-Open-end Funds	41,089	41,089	-	-	41,089
Subtotal	99,323	98,047	1,276	-	99,323
Financial assets at fair value through other comprehensive income					
Shares of stock listed on domestic markets	$ 168,588	168,588	-	-	168,588
Shares of stock unlisted on domestic markets	3,172	-	-	3,172	3,172
Shares of stock unlisted on foreign markets	17,715	-	-	17,715	17,715
Subtotal	189,475	168,588	-	20,887	189,475
Financial assets at amortized cost					
Cash and cash equivalents	$ 812,630	-	-	-	-
Notes and account receivables (including related parties)	1,558,799	-	-	-	-
Other receivables (including related parties)	9,512	-	-	-	-
Other financial asset-current	224,176	-	-	-	-
Other financial asset-non current	55,893	-	-	-	-
Subtotal	2,661,010	-	-	-	-
Total	**$ 2,949,808**	**266,635**	**1,276**	**20,887**	**288,798**

(Continued)

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	September 30, 2021				
		Fair value			
	Book value	Level 1	Level 2	Level 3	Total
Financial liability at fair value through profit or loss					
Derivative financial liabilities					
Foreign exchange option	$ 31	-	31	-	31
Financial liabilities at amortized cost					
Short term borrowings	$ 100,000	-	-	-	-
Short term notes and bills payable	20,000	-	-	-	-
Notes and accounts payable (including related parties)	650,291	-	-	-	-
Other payables (including related parties)	1,118,499	-	-	-	-
lease liabilities (including non-current)	4,238	-	-	-	-
Long term borrowings	600,000	-	-	-	-
Deposits received (recognized in the balance sheet as other non-current liabilities, others)	5,434	-	-	-	-
Subtotal	2,498,462	-	-	-	-
Total	**$ 2,498,493**	**-**	**31**	**-**	**31**

	December 31, 2020				
		Fair value			
	Book value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Derivative financial assets					
Foreign exchange option	$ 1,369	-	1,369	-	1,369
Non derivative financial assets					
Listed Stocks	51,072	51,072	-	-	51,072
Beneficiary Certificate-Open-end Funds	30,335	30,335	-	-	30,335
Subtotal	82,776	81,407	1,369	-	82,776
Financial assets at fair value through other comprehensive income					
Shares of stock listed on domestic markets	$ 151,744	151,744	-	-	151,744
Shares of stock unlisted on domestic markets	2,714	-	1,559	1,155	2,714
Shares of stock unlisted on foreign markets	18,123	-	-	18,123	18,123
Subtotal	172,581	151,744	1,559	19,278	172,581
Financial assets at amortized cost					
Cash and cash equivalents	$ 772,454	-	-	-	-
Notes and account receivables (including related parties)	1,161,257	-	-	-	-
Other receivables (including related parties)	6,970	-	-	-	-
Other financial asset-current	272,796	-	-	-	-
Other financial asset-non current	11,510	-	-	-	-
Subtotal	2,224,987	-	-	-	-
Total	**$ 2,480,344**	**233,151**	**2,928**	**19,278**	**255,357**

(Continued)

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	December 31, 2020				
		Fair value			
	Book value	Level 1	Level 2	Level 3	Total
Financial liability at fair value through profit or loss					
Derivative financial liabilities					
Foreign exchange option	$ 853	-	853	-	853
Financial liabilities at amortized cost					
Short term borrowings	$ 148,027	-	-	-	-
Short term notes and bills payable	20,000	-	-	-	-
Notes and accounts payable (including related parties)	527,979	-	-	-	-
Other payables (including related parties)	465,552	-	-	-	-
lease liabilities (including non-current)	1,634	-	-	-	-
Long term borrowings	600,000	-	-	-	-
Deposits received (recognized in the balance sheet as other non-current liabilities, others)	5,304	-	-	-	-
Subtotal	1,768,496	-	-	-	-
Total	**$ 1,769,349**	**-**	**853**	**-**	**853**

	September 30, 2020				
		Fair value			
	Book value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Derivative financial assets					
Foreign exchange option	$ 760	-	760	-	760
Non derivative financial assets					
Listed Stocks	42,641	42,641	-	-	42,641
Beneficiary Certificate-Open-end Funds	28,360	28,360	-	-	28,360
Subtotal	71,761	71,001	760	-	71,761
Financial assets at fair value through other comprehensive income					
Shares of stock listed on domestic markets	$ 134,093	134,093	-	-	134,093
Shares of stock unlisted on domestic markets	1,155	-	-	1,155	1,155
Shares of stock unlisted on foreign markets	12,288	-	-	12,288	12,288
Subtotal	147,536	134,093	-	13,443	147,536
Financial assets at amortized cost					
Cash and cash equivalents	$ 645,694	-	-	-	-
Notes and accounts receivable (including related parties)	1,433,389	-	-	-	-
Other receivables (including related parties)	9,778	-	-	-	-
Other financial asset-current	149,999	-	-	-	-
Other financial asset-non current	12,216	-	-	-	-
Subtotal	2,251,076	-	-	-	-
Total	**$ 2,470,373**	**205,094**	**760**	**13,443**	**219,297**

(Continued)

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	September 30, 2020				
		Fair value			
	Book value	Level 1	Level 2	Level 3	Total
Financial liability at fair value through profit or loss					
Derivative financial liabilities					
Foreign exchange option	$ 819	-	819	-	819
Financial liabilities at amortized cost					
Short term borrowings	$ 571,186	-	-	-	-
Short term notes and bills payable	150,000	-	-	-	-
Notes and accounts payable (including related parties)	597,926	-	-	-	-
Other payables (including related parties)	411,344	-	-	-	-
lease liabilities (including non-current)	2,186	-	-	-	-
Deposits received (recognized in the balance sheet as other non current liabilities, others)	6,039	-	-	-	-
Subtotal	1,738,681	-	-	-	-
Total	**$ 1,739,500**	**-**	**819**	**-**	**819**

2) Valuation techniques for financial instruments not measured at fair value:

The assumptions and methods used in valuing financial instruments that are not measured at fair value are as follows:

a) Financial assets and liabilities measured at amortized cost

Fair value measurement for financial assets and liabilities is based on the latest quoted price and agreed-upon price if these prices are available in an active market. When market value is unavailable, fair value of financial assets and liabilities are evaluated based on the discounted cash flow of the financial assets and liabilities.

3) Valuation techniques for financial instruments measured at fair value:

a) Non-derivative financial instruments

Financial instruments trade in active markets is based on quoted market prices.

If a quoted price of a financial instrument can be obtained in time and often from exchanges, brokers, underwriters, industrial union, pricing institute, or authorities and such price can reflect those actual trading and frequently happen in the market, then the financial instrument is considered to have a quoted price in an active market. If a financial instrument does not accord with the aforementioned definition, then it is considered to be without a quoted price in an active market. In general, market with low trading volume or high bid-ask spreads is an indication of a non-active market.

(Continued)

If the financial instruments held by the Group have an active market, the measurements of fair value are categorized as follows:

- The listed stocks and beneficiary certificate-open-end funds are recognized as financial assets and liabilities traded in active markets by the standards and nature. The fair value is measured at the market quoted price.

Measurements of fair value of financial instruments without an active market are based on valuation technique or quoted price from competitor. Fair value measured by valuation technique can be extrapolated from similar financial instruments, discounted cash flow method or other valuation technique which include model calculating with observable market data at the balance sheet date.

If the financial instruments held by the Group have no active market, the measurements of fair value are categorized as follows:

- Equity instruments without quoted price: The fair value is measured at net asset value method. By looking through the nature and the included items of each asset and liability item and collecting the market value information of each asset and liability for items whose book value may be different from the fair value, the Group needs to obtain the fair value of the Company's net assets, and calculate the Company's equity value. The discount effect is adjusted due to lack of market liquidity in equity securities.

b) Derivative financial instruments

These are based on the valuation model accepted by the most market users, ex: discount rate and option pricing model. Forward exchange agreement is usually based on the current forward rate.

Fair value of structured financial instruments is based on appropriated valuation model, ex: Black-Scholes model, or other valuation model, ex: Monte Carlo simulation.

c) Financial instruments measured at fair value

The Group uses market-observable inputs as much as possible to measure its assets and liabilities. The different levels, wherein the inputs of valuation techniques are used to measure the fair value of financial and non-financial instruments have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

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

- Level 3: Unobservable inputs for the asset or liability.

(Continued)

4) Transfers between Level 1 and Level 2

There were no changes in the valuation techniques for fair value for the nine months ended September 30, 2021 and 2020. In addition, there have been no transfers from each level for the nine months ended September 30, 2021 and 2020.

5) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Group's financial instruments that use Level 3 inputs to measure fair value include financial assets measured at fair value through other comprehensive income-equity investments.

The Group's equity instrument investments without an active market in Level 3 have more than one significant unobservable inputs. The significant unobservable inputs of financial instrument investments without an active market are individually independent, and there is no correlation between them.

Quantified information of significant unobservable inputs was as follow:

Item	Valuation technique	Significant unobservable inputs	Interrelationship between significant unobservable inputs and fair value measurement
Financial assets at fair value through other comprehensive income-equity investments without an active market	net asset value method	·net asset value ·Market illiquidity discount (as of September 30, 2021, December 31, 2020 and September 30, 2020 were 25%)	· Not applicable · The estimated fair value would increase (decrease) if the market illiquidity discount were lower (higher)
Financial assets at fair value through profit or loss-equity investments without an active market	net asset value method	·net asset value ·Market illiquidity discount (as of September 30, 2021, December 31, 2020 and September 30, 2020 were 25%)	· Not applicable · The estimated fair value would increase (decrease) if the market illiquidity discount were lower (higher)

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

The Group' s measurement on the fair value of financial instruments is deemed reasonable despite different valuation models or assumptions may lead to different results. For fair value measurements in Level 3, changing one or more of the assumptions would have the following effects on profit or loss and other comprehensive income：

	Inputs	Fluctuation in inputs	Profit or loss		Other comprehensive income	
			Favorable	Unfavorable	Favorable	Unfavorable
September 30, 2021						
Financial assets at fair value through other comprehensive income						
Equity investments without an active market	Market illiquidity discount	1%	$ -	-	209	(209)

(Continued)

	Inputs	Fluctuation in inputs	Profit or loss		Other comprehensive income	
			Favorable	Unfavorable	Favorable	Unfavorable
December 31, 2020						
Financial assets at fair value through other comprehensive income						
Equity investments without an active market	Market illiquidity discount	1%	$ -	-	193	(193)
September 30, 2020						
Financial assets at fair value through other comprehensive income						
Equity investments without an active market	Market illiquidity discount	1%	$ -	-	134	(134)

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.

(z) Financial risk management

There were no significant changes in the Group' s financial risk management and policies as disclosed in Note 6(z) of the consolidated financial statements for the year ended December 31, 2020.

(aa) Capital management

The Group's objectives for managing capital are to safeguard its capacity to continue to operate, to continue to provide a return on shareholders, to maintain the interest of other related parties, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, reduce the capital for redistribution to shareholders, issue new shares, or sell its assets to settle any liabilities.

	September 30, 2021	December 31, 2020	September 30, 2020
Total liabilities	$ 3,032,530	2,208,663	2,242,005
Less: cash and cash equivalents	(812,630)	(772,454)	(645,694)
Net debt	2,219,900	1,436,209	1,596,311
Total capital	6,805,309	7,031,602	6,868,704
Adjusted captial	**$ 9,025,209**	**8,467,811**	**8,465,015**
Debt to equity ratio	**24.60%**	**16.96%**	**18.86%**

Note: The increase in dividends payable in other payables resulted in the increase in debt to equity ratio on September 30, 2021, goes up.

(ab) Investing and financing activities not affecting the current cash flow

The Group's investing and financing activities which did not affect the current cash flow for the nine months ended September 30, 2021 and 2020 were from foreign exchange movement.

(7) Related-party transactions:

(a) Names and relationship with related parties

The following are entities that have had transactions with related parties and the Group during the periods covered in the consolidated financial statements.

Name of related party	Relationship with the Group
CENTRAL UNION OIL CORP.	Equity-accounted Investee by the Company (associates)
TAIWAN FAMILYMART CO., LTD.	〃
TAIWAN DISTRIBUTION CENTER CO., LTD.	Equity-accounted Investee's Subsidiary by the Company (associates)
RE-YI DISTRIBUTION SERVICE CO., LTD.	〃
TAISUN FOODS & MARKETING CO., LTD. (Note)	Substantive related parties (other related parties)

Note: No longer a related party since March 1, 2021.

(b) Significant transactions with related parties

(i) Sale of Goods to Related Parties

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Associates:				
CENTRAL UNION OIL CORP.	$ 562,032	435,417	1,940,809	1,329,729
Other associates	154,161	168,923	436,023	444,778
Other related parties	-	42,157	22,207	122,463
	$ 716,193	**646,497**	**2,399,039**	**1,896,970**

The sales prices of the Group to its related parties were the same as those offered to general convenient stores, with a payment term ranging from 35 to 45 days.

The Group provides services to its related parties and nonrelated parties, wherein the charges varies depending on the distance of the area and the nature of the contracted items. In addition, the payment term used by the subsidiary for its regular customers is at the end of each month. The Group's credit terms for its related parties, except for logistics on open account to 30 days and physical distribution on open account to 45 days, is 60 days before the 20th of the following month. For promissory notes, nonrelated parties charge 30~75 days and 45~60 days of promissory notes before the 30th of the following month.

(Continued)

The sales prices of soy powder to CENTRAL UNION OIL CORP. is deducted from the related sales expenses based on the market prices, wherein the Group collects the payment within 45 to 60 days.

The sales prices of food to TAISUN FOODS & MARKETING CO., LTD. is deducted from the related sales expenses based on the market price. The payment term of the original transaction was collected within 60 days. Starting May 2019, the payment terms have been changed to 70% advance receivables, and 30% of the receivables are collected within 30 days. However, another change had been made again on the payment term beginning October 2019, 50% advance receivables, and 50% monthly change-90 days promissory notes.

The Group's unrealized gross profit on sales with its associates is eliminated based on pro rata share.

No collaterals were pledged from the receivables of the related parties. However, the Group evaluated that no bad debts were recognized for TAISUN FOODS & MARKETING CO., LTD.'s allowance for doubtful accounts of $22,810 thousand.

(ii) Purchase of Goods from Related Parties

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Associates —processing cost	$ 62,636	59,311	200,724	191,885

The above processing cost is the soybean refining processing expenditure derived from the committed related parties of the Group. According to the estimated processing amount, the payment is made in advance and the payment term is open account 15 days to make up the payment. In addition, the Group does not outsource the processing transaction to other non-related parties.

(iii) Receivables from Related Parties

The receivables from related parties were as follows:

Accounts	Related party category	September 30, 2021	December 31, 2020	September 30, 2020
Note receivable	Other related parties	$ -	2,700	3,200
Account receivable	Associates—CENTRAL UNION OIL CORP.	268,301	269,069	218,516
	—Other associates	93,814	96,755	90,036
	Other related parties	-	1,500	1,704
		$ 362,115	370,024	313,456

(Continued)

(iv) Payables from Related Parties

The payables from related parties were as follows:

Accounts	Related party category	September 30, 2021	December 31, 2020	September 30, 2020
Accounts payable	Associates	$ 3,656	2,282	9,507

(v) Other

Accounts	Related party category	September 30, 2021	December 31, 2020	September 30, 2020
Other current liabilities	Associates	$ 10,166	9,500	8,641

(c) Key management personnel compensation

	For the three months ended September 30		For the nine months ended September 30	
	2021	2020	2021	2020
Short-term employee benefits	$ 16,212	30,764	43,502	65,450

(8) Pledged assets:

Asset	Purpose of pledge	September 30, 2021	December 31, 2020	September 30, 2020
Other current financial assets	Forward foreign exchange contract and foreign exchange options	$ 4,737	4,276	4,369
Other current financial assets	Credit lines of sort-term bank loans	139,330	142,540	145,630
Other current financial assets	Deposit guarantee from provisional execution	8,100	-	-
Investment using equity method	Long-term bank loans	338,221	357,184	-
		$ 490,388	504,000	149,999

(9) Commitments and contingencies:

(a) Unused standby letters of credit

	September 30, 2021	December 31, 2020	September 30, 2020
Unused standby letters of credit	$ 779,833	773,746	570,476

(b) The Group provides endorsements and guarantees to its related parties: Please refer to Note 13.

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(c) The following are the contract price and the amount paid on fixed assets:

	September 30, 2021	December 31, 2020	September 30, 2020
Signed-contract	$ 286,391	286,285	157,585
Paid-price	$ 191,564	128,393	80,608

(d) As of September 30, 2021, December 31, 2020 and September 30, 2020, the Group has issued a promissory note of $160,000 thousand as a guarantee for bank financing and performance.

(10) Losses due to major disasters: None.

(11) Subsequent events: None.

(12) Other:

A summary of current-period employee benefits, depreciation, and amortization, by function, is as follows:

	For the three months ended September 30					
	2021			2020		
By function / By item	Cost of Sale	Operating Expense	Total	Cost of Sale	Operating Expense	Total
Employee benefits						
Salary	62,769	108,236	171,005	56,650	142,562	199,212
Labor and health insurance	10,350	9,431	19,781	5,483	7,255	12,738
Pension	2,478	3,269	5,747	2,272	3,364	5,636
Others	4,445	4,506	8,951	4,304	4,547	8,851
Depreciation	23,965	3,002	26,967	23,645	2,610	26,255
Amortization	-	631	631	-	623	623

	For the nine months ended September 30					
	2021			2020		
By function / By item	Cost of Sale	Operating Expense	Total	Cost of Sale	Operating Expense	Total
Employee benefits						
Salary	168,075	332,355	500,430	153,214	359,787	513,001
Labor and health insurance	19,136	26,468	45,604	15,998	20,752	36,750
Pension	7,230	9,593	16,823	6,638	9,789	16,427
Others	11,884	12,628	24,512	10,615	11,880	22,495
Depreciation	67,638	8,725	76,363	60,857	8,005	68,862
Amortization	-	1,906	1,906	-	2,195	2,195

Depreciation for the three months ended September 30, 2021 and 2020, and for nine months ended September 30, 2021 and 2020, amounting to $116 thousand, $117 thousand, $360 thousand and $360 thousand, respectively, was recognized as other gains and losses.

(Continued)

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(13) Other disclosures:

(a) Information on significant transactions:

The following is the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group:

(i) Loans to other parties:

(In Thousands of New Taiwan Dollars)

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits	Maximum limit of fund financing
													Item	Value		
0	The Company	TAISUN ENTERPRISE (ZHANG ZHOU) FOODS LTD.	Other receivables-related party	Yes	83,598	56,055	-	-	2	-	Operation Requirements	-	None	-	680,018	1,360,037
1	TAISUN (CAYMAN) INVESTMENT LTD.	TAISUN ENTERPRISE (ZHANG ZHOU) FOODS LTD.	Other receivables-related party	Yes	56,055	56,055	56,055	2.1%	2	-	Operation Requirements	-	Promissory Notes	56,055	250,853	250,853

Note 1: Lending of capital has the following two types:
1.Entities with business transaction with the Company
2. Loans provided for short-term financing

Note 2: According to our policy, the calculation for the maximum total amount of loans granted are as follows:
1. The Company's total amount available for lending shall not exceed 40% of its net value
2. For entities with business transaction with the Company, the total amount of loans shall not exceed 20% of the Company's net value; and for a single entity, the total amount of loans shall not exceed 10% of the Company's net value or 120% of its monthly business transaction with the Company.
3. For entities with business transaction with the Company, the total amount of short-term loans shall not exceed 20% of the Company's net value; and for a single entity, the total amount of short-term loans shall not exceed 10% of the Company's net value or 50% of the net value of the single entity.
4. For those foreign subsidiaries whose voting shares are directly or indirectly wholly owned by the Company, the total amount of loans shall not exceed 100% of the Company's net value, with two years term.

Note 3: Balance of loan as of the reporting date was within the credit limits approved by the Board of Directors.

Note 4: Intra-group transactions have been eliminated in the consolidated financial statements.

(ii) Guarantees and endorsements for other parties: None

(iii) Securities held as of September 30, 2021 (excluding investment in subsidiaries, associates and joint ventures):

(In Thousands of New Taiwan Dollars/shares)

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Note
				Shares/Units	Carrying value	Percentage of ownership (%)	Fair value	
The Company	Fubon S&P US Preferred Stock ETF	-	Note 2	1,000,000	16,920	- %	16,920	
The Company	Shin Kong Environmental Sustainability Bond	-	〃	1,000,000	9,934	- %	9,934	
The Company	Yuanta Global Future Telecommunication ETF	-	〃	500,000	14,235	- %	14,235	
The Company	Stock-YI JINN INDUSTRIAL CO., LTD	-	〃	2,622,600	48,387	0.87 %	48,387	
The Company	Stock- CANDO CORPORATION	-	〃	256,923	-	0.07 %	-	
The Company	Cathay Financial Holding Co., Ltd. Preferred Stock A	-	Note 3	333,000	20,679	- %	20,679	
The Company	Stock-CHINA TRADE AND DEVELOPMENT CORPORATION	-	〃	2,788	28	- %	28	
The Company	Stock-MEGA 888 CORP.	-	〃	17,350	174	1.16 %	174	
The Company	Stock-HSIN TUNG YANG CO., LTD.	-	〃	79,000	853	0.09 %	853	
The Company	Stock-UNIMICRON TECHNOLOGY CORP.	-	〃	485,000	64,020	0.03 %	64,020	
The Company	Stock-YIN-WANG CO., LTD.	-	〃	10,000	100	10.00 %	100	
The Company	Stock-TAISUN FOODS & MARKETING CO., LTD.	-	〃	886,788	-	18.90 %	-	
The Company	Stock-FWUSOW INDUSTRY CO., LTD.	-	〃	3,765,000	76,430	1.17 %	76,430	
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	Stock-Taitung Business Bank	-	Note 2	9,628	-	- %	-	
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	Stock-CHUNG HSIN ELECTRIC & MACHINERY MANUFACTURING CORPORATION	-	Note 3	1,183	58	- %	58	

(Continued)

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Note
				Shares/Units	Carrying value	Percentage of ownership (%)	Fair value	
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	Stock-KERRY TJ LOGISTICS CO., LTD.	-	Note 3	15,524	721	- %	721	
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	Stock-WUS PRINTED CIRCUIT CO., LTD.	-	〃	729	20	- %	20	
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	Stock-LITE-ON TECHNOLOGY CORPORATION	-	〃	6,260	391	- %	391	
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	Stock-MACRONIX INTERNATIONAL CO., LTD.	-	〃	362	13	- %	13	
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	Stock-Winbond Electronics Corporation	-	〃	1,195	32	- %	32	
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	Stock-SILICON INTEGRATED SYSTEMS CORP.	-	〃	2,136	54	- %	54	
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	Stock-China Development Financial Holding Corporation	-	〃	56,505	802	- %	802	
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	Stock-Taishin Financial Holding Co., Ltd.	-	〃	98,026	1,774	- %	1,774	
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	Stock-Shin Kong Financial Holding Co., Ltd.	-	〃	20,225	188	- %	188	
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	Stock-CGS INTERNATIONAL, INC.	-	〃	1,243	16	- %	16	
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	Stock-TAISUN ENTERPRISE CO., LTD.	Parent /Subsidiary	〃	10,351,332	279,486	2.07 %	279,486	
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	Stock-HUALON CORPORATION	-	〃	5,176	-	- %	-	
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	Stock-PACIFIC ELECTRIC WIRE & CABLE CO., LTD.	-	〃	579	-	- %	-	
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	Stock-PAO SHIANG CONSTRUCTION & INDUSTRIAL CO., LTD.	-	〃	27,425	-	- %	-	
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	Stock-ORNATUBE ENTERPRISE CO., LTD.	-	〃	55,000	-	0.01 %	-	
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	Stock-KUEI HUNG INDUSTRIAL CO., LTD.	-	〃	22,000	-	- %	-	
TAIWAN NIKOMART CO., LTD.	Stock-CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.	-	Note 2	107,000	8,571	0.04 %	8,571	
TAIWAN NIKOMART CO., LTD.	Stock- TAISUN ENTERPRISE CO., LTD.	Parent /Subsidiary	Note 3	2,960,186	79,925	0.59 %	79,925	
CHUANG SHIN TRAFFIC CO., LTD.	Stock-Taitung Business Bank	-	Note 2	9,628	-	- %	-	
CHUANG SHIN TRAFFIC CO., LTD.	Stock- TAISUN ENTERPRISE CO., LTD.	Parent /Subsidiary	Note 3	368,524	9,950	0.07 %	9,950	
CHUANG SHIN TRAFFIC CO., LTD.	Stock-SYSGRATION LTD.	-	〃	42,451	1,409	0.03 %	1,409	
CHUANG SHIN TRAFFIC CO., LTD.	Stock- CHUNG HSIN ELECTRIC & MACHINERY MANUFACTURING CORPORATION	-	〃	1,928	94	- %	94	
CHUANG SHIN TRAFFIC CO., LTD.	Stock- WINBOND ELECTRONICS CORPORATION	-	〃	5,305	141	- %	141	
CHUANG SHIN TRAFFIC CO., LTD.	Stock- HUALON CORPORATION	-	〃	5,176	-	- %	-	
CHUANG SHIN TRAFFIC CO., LTD.	Stock- PAO SHIANG CONSTRUCTION & INDUSTRIAL CO., LTD.	-	〃	38,760	-	- %	-	
CHUANG SHIN TRAFFIC CO., LTD.	Stock- KUEI HUNG INDUSTRIAL CO., LTD.	-	〃	22,000	-	- %	-	
CHUANG SHIN TRAFFIC CO., LTD.	Stock- ORNATUBE ENTERPRISE CO., LTD.	-	〃	60,000	-	0.01 %	-	
CHUANG SHIN TRAFFIC CO., LTD.	Stock- POWERCHIP SEMICONDUCTOR MANUFACTURING CO.	-	〃	38,995	2,017	- %	2,017	
TAISUN (CAYMAN) INVESTMENT LTD.	Stock-YAMAI LIMITED	-	〃	-	17,715	3.66 %	17,715	Note 4
TAISUN YUAN CO., LTD.	Stock-FWUSOW INDUSTRY CO., LTD.	-	〃	86,000	1,746	0.03 %	1,746	

Note 1: Financial products after deducting unrealized gains and losses.

Note 2: Financial assets at fair value through profit or loss.

Note 3: Non-current financial assets at fair value through other comprehensive income.

Note 4: Unissued shares.

Note 5: Subsidiaries and subsidiaries held by the Company have been written off when preparing the consolidated financial report.

(iv) Individual securities acquired or disposed with accumulated amount exceeding the lower of NT$300 million or 20% of the capital stock: None

(v) Acquisition of individual real estate with amount exceeding the lower of NT$300 million or 20% of the capital stock: None

(vi) Disposal of individual real estate with amount exceeding the lower of NT$300 million or 20% of the capital stock: None

(Continued)

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(vii) Related-party transactions for purchases and sales with amounts exceeding the lower of NT$300 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase /Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
The Company	PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	Subsidiary	Sale	(1,506,223)	(24) %	OA60	No significant difference to the general customers.	General purchases payments in 30~60 days for non-related party	677,347	43%	
The Company	CENTRAL UNION OIL CORP.	Investee company measured by equity method	Sale	(1,940,809)	(31) %	OA45~60	Deduct sales expenses related to CENTRAL UNION OIL CORP. based on market price	No comparable client	268,301	17%	
The Company	CENTRAL UNION OIL CORP.	Investee company measured by equity method	Purchase	200,724	4 %	OA15	Deduct related sales expenses according to market	No comparable client	(3,656)	(1)%	
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	TAISUN ENTERPRISE CO., LTD.	Ultimate parent company	Purchase	1,506,223	98 %	OA60	No significant difference to the general customers.	General purchases payments in 30~60 days for non-related party	(677,347)	(99)%	
CHUANG SHIN TRAFFIC CO., LTD.	TAIWAN DISTRIBUTION CENTER CO., LTD	Associates	Sale	(195,267)	(3) %	OA30	No significant difference to the general customers.	No significant difference to the general customers.	23,034	1%	

(viii) Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
The Company	CENTRAL UNION OIL CORP.	Subsidiary measured by equity method	Account receivable 268,301	9.65	-	-	93,025	-
The Company	PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	Subsidiary	Account receivable 677,347	3.71	-	-	219,833	-

(ix) Trading in derivative instruments: Please refer to notes 6(b).

(x) Business relationships and significant intercompany transactions:

(In Thousands of New Taiwan Dollars)

No. (Note 1)	Name of company	Name of counter-party	Nature of relationship (Note 2)	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	The Company	PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	1	Sales revenue	1,506,223	OA60	20.29%
0	The Company	PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	1	Account receivable-related party	677,347	〃	6.89%
1	TAISUN (CAYMAN) INVESTMENT LTD.	TAISUN ENTERPRISE (ZHANG ZHOU) FOODS LTD.	1	Other receivables-related party	56,055	Half-year imputed interest repay the principal when matured	0.57%

Note 1: The numbering is as follows:
1.“0” represents the parent company.
2.Subsidiaries are sequentially numbered from 1 by company.

Note 2: The types of transaction between the parent company and subsidiaries are as follows:
1.Transactions from parent company to subsidiary.
2.Transactions from subsidiary to parent company.
3.Transactions between subsidiaries.

(Continued)

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(b) Information on investees:

The following is the information on investees for the nine months ended September 30, 2021 (excluding information on investees in Mainland China):

(In Thousands of New Taiwan Dollars)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of September 30, 2021			Net income (losses) of investee	Share of profits/losses of investee	Note
				September 30, 2021	December 31, 2020	Shares	Percentage of ownership	Carrying value			
The Company	TAIWAN NIKOMART CO., LTD.	Taiwan	Operation of chain convenience stores	284,067	284,067	27,203,632	73.92 %	22,085	4,694	(597)	Note 1, 3
The Company	PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	Taiwan	Wholesale and retail sales of cooking oil and food	346,126	346,126	21,255,839	99.93 %	173,873	40,715	26,204	Note 1, 2, 3
The Company	TAISUN YUAN CO., LTD.	Taiwan	Investment management	5,000	5,000	500,000	100.00 %	16,364	5,534	5,534	
The Company	TAISUN (CAYMAN) INVESTMENT LTD.	Cayman	Investments	1,498,670	1,498,670	40,290,000	100.00 %	250,853	78,824	78,824	
The Company	CENTRAL UNION OIL CORP.	Taiwan	Manufacturing, processing and sales of bean products	204,125	204,125	20,000,000	33.33 %	269,874	87,136	29,046	Note 2
The Company	TAIWAN FAMILYMART CO., LTD.	Taiwan	Operation of, and investment in, chain convenience stores	2,341,622	2,341,622	50,136,417	22.46 %	2,923,656	954,798	214,453	
The Company	CHUANG SHIN TRAFFIC CO., LTD.	Taiwan	Logistics	15,352	15,352	1,358,480	13.26 %	7,834	3,015	(103)	Note 1
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	CHUANG SHIN TRAFFIC CO., LTD.	Taiwan	Logistics	94,780	94,780	8,630,240	84.21 %	96,072	3,015	Note 5	
PIN-TAI DISTRIBUTION ENTERPRISE CO., LTD.	TAIWAN NIKOMART CO., LTD.	Taiwan	Operation of chain convenience stores	87,084	87,084	8,904,412	24.20 %	30,019	4,694	〃	Note 3
TAIWAN NIKOMART CO., LTD.	CVS.COM CO., LTD.	Taiwan	Wholesale of edible products	2,490	2,490	249,000	24.90 %	4,652	-	〃	
TATSUN YUAN CO., LTD.	TAIWAN FAMILYMART CO., LTD.	Taiwan	Operation of, and investment in, chain convenience stores	3,522	3,522	20,000	0.01 %	3,570	954,798	85	

Note 1: The part of holding of the Company's stock by a subsidiary, is treated as treasury stock, has been deducted; please refer to Notes 6(t).

Note 2: Unrealized gains and losses on transactions between affiliates have been eliminated.

Note 3: The impairment loss recognized with the indication of impairment has been deducted.

Note 4: Subsidiaries transactions have been written off when preparing the consolidated financial reports.

Note 5: Disclosures are exempted in accordance with the provisions of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(c) Information on investment in Mainland China:

(i) The names of investees in Mainland China, the main businesses and products, and other information:

(In Thousands of New Taiwan Dollars)

Name of investee	Main business and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2021	Investment flows		Accumulated outflow of investment from Taiwan as of September 30, 2021	Net income (losses) of the investee	Percentage of ownership	Investment income (losses)	Book value	Accumulated remittance of earnings in current period
					Outflow	Inflow						
TAISUN ENTERPRISE (ZHANGZHOU) FOODS LTD.	Operation, production and sales of food, beverages, snacks, canned products, etc.	766,315 (USD27,500)	(Note 1)	930,724 (USD33,400)	-	-	930,724 (USD33,400)	77,553	100.00%	77,553	170,218	-
Cheng Da Restaurant Investment Management (Sichuan) LTD.	Fresh bread and other food products	35,390 (USD1,270)	(Note 6)	17,277 (USD620)	-	-	17,277 (USD620)	-	3.66%	-	47	-
JIANGSU DA MAI FOODS LTD.	Fresh bread and other food products	92,738 (USD3,328)	(Note 6)	20,342 (USD730)	-	-	20,342 (USD730)	-	3.66%	-	982	-

(Continued)

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Limitation on investment in Mainland China:

Accumulated Investment in Mainland China as of September 30, 2021	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
968,344	1,333,388	4,080,110

Note 1: Indirect investment in Mainland China through the company (TAISUN (CAYMAN) INVESTMENT LTD.) in the third region.

Note 2: Indirect investment in Mainland China through an existing company in Mainland China. According to the rules of the Investment Board, Ministry of Economic Affairs, the reinvestment of investment businesses in Mainland China does not need to apply to the Investment Board; therefore, these investment amounts are not included in the calculation of the Company's investment in Mainland China.

Note 3: The recognition of the investment through profit or loss of TAISUN ENTERPRISE (ZHANG ZHOU) FOODS LTD. was based on the financial statements which were reviewed and attested by parent company's CPA in R.O.C. within the same period.

Note 4: The above amounts were translated into New Taiwan dollars at the exchange rate 27.866 as of September 30, 2021.

Note 5: According to the rules of the Investment Board, Ministry of Economic Affairs, the maximum amount on investments should be the higher of the Company' s net asset or 60% of the consolidated net assets.

Note 6: The Company reinvested 3.66% shareholding in YAMAI LIMITED, whose company is in Hong Kong and indirectly held 100% shares of its Mainland China company, through TAISUN (CAYMAN) INVESTMENT LTD. The Company does not have any significant influence on YAMAI LIMITED, therefore, no gain or loss on its investment was recognized.

(iii) For details of capital lending to TAISUN ENTERPRISE (ZHANG ZHOU) FOODS LTD., please refer to Note 13(a).

(d) Major shareholders:

Shareholding Shareholder's Name	Shares	Percentage
LONG BON INTERNATIONAL CO., LTD.	127,533,000	25.50 %
EVERWIN INVESTMENT CO., LTD.	31,434,000	6.28 %
CHU-YU INVESTMENT LTD.	25,141,000	5.02 %

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TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(14) Segment information:

The Group's operating segment information and reconciliation are as follows:

For the Three Months Ended September 30, 2021	Consumption division	Commodity division	Foreign division	Other	Adjustment and eliminations	Total
Total revenue	$ 1,589,549	848,721	199,932	107,593	-	2,745,795
Reportable segment profit or loss	$ 81,543	(19,104)	31,943	52,351	-	146,733
For the Three Months Ended September 30, 2020						
Total revenue	$ 1,506,193	706,450	185,581	117,937	-	2,516,161
Reportable segment profit or loss	$ 171,107	27,755	42,409	129,865	-	371,136
For the Nine Months Ended September 30, 2021						
Total revenue	$ 4,017,409	2,587,976	502,421	314,896	-	7,422,702
Reportable segment profit or loss	$ 161,692	35,851	78,824	192,417	-	468,784
For the Nine Months Ended September 30, 2020						
Total revenue	$ 3,591,092	1,959,171	437,706	329,487	-	6,317,456
Reportable segment profit or loss	$ 323,575	64,184	85,047	277,170	-	749,976

Note : Since the measured amount of assets of the Group was not provided to the operating decision maker, it was disclosed as zero.