

**SYNNEX TECHNOLOGY INTERNATIONAL
CORPORATION AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
DECEMBER 31, 2021 AND 2020**

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION
DECEMBER 31, 2021 AND 2020 CONSOLIDATED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT
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SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND ITS SUBSIDIARIES

Declaration of Consolidated Financial Statements of Affiliated Enterprises

In connection with the Consolidated Financial Statements of Affiliated Enterprises of Synnex Technology International Corporation (the “Consolidated FS of the Affiliates”), we represent to you that, the entities required to be included in the Consolidated FS of the Affiliates as of and for the year ended December 31, 2021 in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” are the same as those required to be included in the Consolidated Financial Statements of Synnex Technology International Corporation and its subsidiaries (the “Consolidated FS of the Group”) in accordance with International Financial Reporting Standard 10. In addition, the information required to be disclosed in the Consolidated FS of Affiliates is disclosed in the Consolidated FS of the Group. Consequently, Synnex Technology International Corporation does not prepare a separate set of Consolidated FS of Affiliates.

Very truly yours,

Synnex Technology International Corporation

By

Matthew Miao Feng Chiang, Chairman

March 8, 2022

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR21000349

To the Board of Directors and Shareholders of Synnex Technology International Corporation

Opinion

We have audited the accompanying consolidated balance sheets of Synnex Technology International Corporation and its subsidiaries (the “Group”) as of December 31, 2021 and 2020, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors (see information disclosed in the *Other Matter* section of our report), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

Basis for opinion

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

Key audit matters

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

Key audit matters in relation to the consolidated financial statements for the year ended December 31, 2021 are stated as follows:

Assessment of allowance for uncollectible accounts

Description

Please refer to Notes 4(10) & (11) for accounting policies adopted for accounts receivable. Please refer to Note 5(2), for critical accounting estimates and key sources of assumption uncertainty of loss allowance for accounts receivable. Please refer to Note 6(5) for details of accounts receivable.

The Group is primarily engaged in the sale of communication products, consumer electronic products, electronic products and components. The Group manages the collection of accounts receivable from customers and bears the associated credit risk. The Group assesses impairment of accounts receivable in accordance with IFRS 9, 'Financial instruments'. The management categorized the accounts receivable assessment into individual provision and group provision. For individually assessed accounts receivable, allowance is recognised on a case by case basis. The assessment process is affected by management's judgement on various factors: customers' financial conditions, internal credit ratings, historical transaction records, and current economic conditions, etc. For group assessed accounts receivable, assessment process is affected by management's judgement on historical uncollectible records, current economic conditions and the forecastability information to assess the default possibility of uncollectible accounts.

As management's judgement on determining allowance for uncollectible accounts is relatively subjective and the estimated amount is material to the financial statements, therefore, we indicated that the assessment of allowance for uncollectible accounts as one of the key audit matters.

How our audit addressed the matter

We performed the following audit procedures in relation to the key audit matter:

1. Obtained an understanding of the credit quality of the Group's customers, assessed the reasonableness of classification of accounts receivable, the policies and the procedures applied in loss allowance provision.
2. For individually assessed accounts, selected and verified samples of managements' impairment evaluation. Discussed with management the assessment results and evaluated the adequacy of the provision.
3. For accounts assessed as a group, considered historical uncollectible records and the management's forecastability adjustment information to determine whether the provision ratio of allowance for uncollectible accounts is reasonable. For significant accounts, examined subsequent collections after balance sheet date.

Assessment of allowance for valuation of inventory

Description

Please refer to Note 4(14) for description of accounting policies on allowance for inventory valuation. Please refer to Note 5(2) for accounting estimates and assumption uncertainty. Please refer to Note 6(8) for details of inventory items.

The Group is primarily engaged in the sale of communication products, consumer electronic products, electronic products and components. For the purpose of meeting diverse customer needs, the Group applied multi-brand and multi-product strategy. However, due to rapid changes in technology, the short life cycle of electronic products, and the price highly affected by market fluctuation, there is a high risk of incurring inventory valuation losses. The Group's inventory policy on inventory valuation is based on the lower of cost or net realisable value. The net realisable value of inventory was identified on an item-by-item basis. The Group then applied the lower of cost or net realisable value method for recognizing loss on decline in market value.

As management's judgement on determining net realizable value of inventory is relatively subjective and the valuation amount is material to the financial statements, therefore, we indicated that the assessment of allowance for valuation of inventory as one of the key audit matters.

How our audit addressed the matter

We performed the following audit procedures in relation to the key audit matter:

1. Obtained the policy applied to the assessment of allowance for valuation of inventory loss. Assessed whether the allowance recognition policy is applied in a manner consistent between comparative and current periods of the financial statements.
2. Obtained net realisable value report for inventory items and verified that a consistent systematic logic was applied to the calculation. First, tested the assumptions such as: sources of sales or purchases data and relevant supporting estimation documents. Second, recalculated net realisable value item by item, then applied the lower of cost or net realizable value method for valuation and examined whether reasonable allowance was recognised.
3. Compared current and previous years' rate of allowance for valuation of inventory. Reviewed each period's days sales of inventory in order to assess the adequacy and reasonableness of allowance recognised.

Assessment of purchase rebate

Description

Please refer to Note 4(14) for accounting policies adopted for the recognition of purchase rebate. Please refer to Note 5(2) for critical accounting estimates and assumptions applied in the accounting policy for the recognition of purchase rebate.

The Group is primarily engaged in the sale of communication products, consumer electronic products, electronic products and components. The Group engages in various purchase contracts for different items with different suppliers. There are various types of rebate programs including incentives for certain purchase volume from vendors, purchase discounts and allowances, participations in special purchase promotions, and subsidies for marketing. The Group estimates rebates that shall be recognised in accordance with the percentage of achievement of the rebate contract terms.

There are various types of rebate programs, complicated calculations and transactions with different suppliers as well as the manual process involved in the verification and calculation of rebates. All of these aforementioned factors add to the complexity of assessing purchasing rebate. Thus, we indicated that the assessment of purchase rebate as one of the key audit matters.

How our audit addressed the matter

We performed the following audit procedures in relation to the key audit matter:

1. Obtained an understanding and tested the effectiveness of internal control over the estimation of purchase rebate. Tested the appropriate controls over contractual terms regarding rebates. Checked whether the recognition of rebate amount has been approved by the proper authority.
2. Selected samples of details of purchase rebate estimation, reviewed the inventory items and obtained the supporting documents in order to recalculate the rebate amount and assess the reasonableness of estimation.
3. First, sampled details of purchase rebate estimation without notice from suppliers that has been recognised as of the balance sheet date and obtained debit notes or other supporting documents that were received from suppliers after the balance sheet date to evaluate the reasonableness of estimation. In addition, after balance sheet date, examined whether there were significant new rebates that should be recognised as of the balance sheet date.
4. Selected samples of significant outstanding rebate receivable accounts and obtained the original vouchers or supporting documents or tested subsequent collections after the balance sheet date.

Other matter – Reference to report of other independent auditors

We did not audit the financial statements of certain subsidiaries which were included in the consolidated financial statements of the Group and were audited by other auditors whose reports thereon have been furnished to us, and our opinion expressed herein, in so far as it relates to the amounts and the information disclosed in Note 13 included in these financial statements, is based solely on the reports of the other auditors. Those subsidiaries' statements reflect total assets of NT\$1,539,457 thousand and NT\$1,373,157 thousand, both constituting 1% of the consolidated total assets as of December 31, 2021 and 2020, respectively, and total operating revenues of both NT\$0 thousand, both constituting 0% of the consolidated total operating revenues for the years then ended. In addition, as stated in Note 6(9), the financial statements and the information disclosed in Note 13 of certain investments accounted for using equity method were audited by other auditors whose reports thereon have been furnished to us. We did not audit the financial statements of certain investees which were prepared under a different framework for financial reporting. We have performed necessary audit procedures for the adjustments of these reports in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

Therefore, our opinion expressed regarding the amounts before adjustments in the aforementioned investees' financial statements is based solely on the reports of the other auditors. For the years ended December 31, 2021 and 2020, the recognised net profit of investments accounted for using equity method was NT\$2,205,169 thousand and NT\$1,952,790 thousand, respectively, constituting 12% and 23% of the consolidated net profits respectively; the recognised comprehensive income of investments accounted for using equity method was NT\$2,043,630 thousand and NT\$1,977,232 thousand, respectively, constituting 14% and 21% of the consolidated comprehensive income, respectively. As of December 31, 2021 and 2020, the balance of related investments was NT\$11,041,956 thousand and NT\$14,928,931 thousand, respectively, constituting 5% and 9% of the consolidated total assets respectively.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion with other matter on the parent company only financial statements of Synnex Technology International Corporation as of and for the years ended December 31, 2021 and 2020.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

Those charged with governance, including audit committee, are responsible for overseeing the Group's

financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Yeh, Tsui-Miao

Liang Yi Chang

For and on behalf of PricewaterhouseCoopers, Taiwan

March 8, 2022

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Assets		Notes	December 31, 2021		December 31, 2020	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 7,052,958	4	\$ 15,229,773	10
1110	Current financial assets at fair value through profit or loss	6(2) and 12(3)	2,323,570	1	120,604	-
1120	Current financial assets at fair value through other comprehensive income	6(3) and 12(3)	12,240,488	6	-	-
1136	Current financial assets at amortised cost	6(4) and 8	-	-	9,390	-
1150	Notes receivable, net	6(5)	6,380,332	3	7,622,345	5
1170	Accounts receivable, net	6(5), 8 and 12(2)	78,379,888	39	56,451,172	35
1180	Accounts receivable - related parties, net	6(5) and 7(2)	701,473	-	331,988	-
1200	Other receivables	6(7) and 7(2)	6,283,010	3	6,363,831	4
1220	Current income tax assets		47,909	-	89,408	-
130X	Inventories	6(8) and 8	47,713,272	24	30,886,665	19
1410	Prepayments		4,928,721	2	4,497,978	3
11XX	Total current assets		166,051,621	82	121,603,154	76
Non-current assets						
1517	Non-current financial assets at fair value through other comprehensive income	6(3) and 12(3)	6,613,070	3	5,185,936	3
1535	Non-current financial assets at amortised cost	6(4) and 8	1,439,507	1	1,255,138	1
1550	Investments accounted for under equity method	6(9)	12,662,828	6	16,409,181	10
1600	Property, plant and equipment	6(10)	9,568,187	5	9,599,877	6
1755	Right-of-use assets	6(11)	1,105,654	1	1,264,896	1
1760	Investment property, net	6(13)	1,004,071	1	1,222,623	1
1780	Intangible assets	6(14)	639,919	-	637,705	-
1840	Deferred income tax assets	6(33)	970,043	-	825,525	1
1900	Other non-current assets	6(5)(12)(15)	1,628,806	1	1,671,678	1
15XX	Total non-current assets		35,632,085	18	38,072,559	24
1XXX	Total assets		\$ 201,683,706	100	\$ 159,675,713	100

(Continued)

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Liabilities and Equity		Notes	December 31, 2021		December 31, 2020	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(16)	\$ 53,326,707	26	\$ 42,967,204	27
2110	Short-term notes and bills payable	6(17)	12,490,000	6	13,730,000	9
2120	Current financial liabilities at fair value through profit or loss	6(2) and 12(3)	700	-	751	-
2150	Notes payable		1,046,556	1	1,027,413	1
2170	Accounts payable	7(2)	49,046,067	24	32,561,833	20
2200	Other payables	6(18) and 7(2)	7,204,272	4	5,294,800	3
2230	Current income tax liabilities		1,275,524	1	2,365,438	2
2280	Current lease liabilities		222,101	-	233,715	-
2300	Other current liabilities	6(19)	4,781,962	2	3,563,035	2
21XX	Total current liabilities		129,393,889	64	101,744,189	64
Non-current liabilities						
2540	Long-term borrowings	6(20)	1,500,000	1	-	-
2570	Deferred income tax liabilities	6(33)	4,110,062	2	194,196	-
2580	Non-current lease liabilities		223,920	-	310,826	-
2600	Other non-current liabilities	6(21)	564,758	-	576,334	-
25XX	Total non-current liabilities		6,398,740	3	1,081,356	-
2XXX	Total liabilities		135,792,629	67	102,825,545	64
Equity attributable to owners of parent						
	Share capital	6(22)				
3110	Share capital - ordinary share		16,679,470	8	16,679,470	10
	Capital surplus	6(23)				
3200	Capital surplus		14,199,960	7	14,709,395	9
	Retained earnings	6(24)				
3310	Legal reserve		9,673,477	5	8,855,413	6
3320	Special reserve		6,336,545	3	7,295,010	5
3350	Unappropriated retained earnings		24,968,224	13	13,380,084	8
	Other equity interest	6(25)				
3400	Other equity interest		(8,247,112)	(4)	(6,336,546)	(4)
31XX	Total equity attributable to owners of parent		63,610,564	32	54,582,826	34
36XX	Non-controlling interest		2,280,513	1	2,267,342	2
3XXX	Total equity		65,891,077	33	56,850,168	36
	Significant contingent liabilities and unrecognized contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	Total liabilities and equity		\$ 201,683,706	100	\$ 159,675,713	100

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

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT FOR EARNINGS PER SHARE AMOUNTS)

				Years ended December 31	
				2021	2020
Items	Notes	AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(26) and 7(2)	\$ 408,811,612	100	\$ 334,200,976	100
5000 Operating costs	6(8) and 7(2)	(391,212,144)	(96)	(319,106,359)	(96)
5950 Net operating margin		17,599,468	4	15,094,617	4
Operating expenses	6(31)(32)				
6100 Selling expenses		(6,543,389)	(2)	(6,145,691)	(2)
6200 General and administrative expenses		(1,475,687)	-	(1,480,326)	-
6450 Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	12(2)	(247,430)	-	(234,843)	-
6000 Total operating expenses		(8,266,506)	(2)	(7,860,860)	(2)
6900 Operating profit		9,332,962	2	7,233,757	2
Non-operating income and expenses					
7100 Interest income	6(27)	299,752	-	295,245	-
7010 Other income	6(28) and 7(2)	1,007,171	-	1,142,813	-
7020 Other gains and losses	6(29)	9,824,049	3	143,982	-
7050 Finance costs	6(30)	(490,128)	-	(511,711)	-
7060 Share of profit of associates and joint ventures accounted for using equity method	6(9)	3,258,136	1	2,196,806	1
7000 Total non-operating income and expenses		13,898,980	4	3,267,135	1
7900 Profit before income tax		23,231,942	6	10,500,892	3
7950 Income tax expense	6(33)	(5,454,218)	(1)	(1,962,506)	-
8200 Profit for the year		\$ 17,777,724	5	\$ 8,538,386	3

(Continued)

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT FOR EARNINGS PER SHARE AMOUNTS)

	Items	Notes	Years ended December 31			
			2021		2020	
			AMOUNT	%	AMOUNT	%
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Gains (losses) on remeasurements of defined benefit plans		\$ 3,642	-	(\$ 19,707)	-
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(3)	14,496	-	1,014,464	-
8320	Share 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	6(9)(25)	28,689	-	7,039	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(33)	(1,069)	-	4,769	-
8310	Components of other comprehensive income that will not be reclassified to profit or loss		45,758	-	1,006,565	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations	6(25)	(2,614,824)	(1)	(301,457)	-
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	6(9)(25)	(110,304)	-	17,403	-
8360	Components of other comprehensive income that will be reclassified to profit or loss		(2,725,128)	(1)	(284,054)	-
8300	Total other comprehensive (loss) income		(\$ 2,679,370)	(1)	\$ 722,511	-
8500	Total comprehensive income for the year		\$ 15,098,354	4	\$ 9,260,897	3
	Profit, attributable to:					
8610	Owners of parent		\$ 17,271,560	5	\$ 8,158,539	3
8620	Non-controlling interest		506,164	-	379,847	-
	Profit for the year		<u>\$ 17,777,724</u>	<u>5</u>	<u>\$ 8,538,386</u>	<u>3</u>
	Comprehensive income attributable to:					
8710	Owners of parent		\$ 15,029,919	4	\$ 9,109,055	3
8720	Non-controlling interest		68,435	-	151,842	-
	Comprehensive income for the year		<u>\$ 15,098,354</u>	<u>4</u>	<u>\$ 9,260,897</u>	<u>3</u>
	Earnings per share					
9750	Basic earnings per share	6(34)	\$ 10.35		\$ 4.89	
9850	Diluted earnings per share	6(34)	<u>\$ 10.35</u>		<u>\$ 4.89</u>	

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

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		Equity attributable to owners of the parent										
		Retained Earnings					Other equity interest					
								Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income				
		Notes	Share capital – ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations		Non-controlling interest	Total equity	
<u>Year ended December 31, 2020</u>												
Balance at January 1, 2020			\$ 16,679,470	\$ 14,743,296	\$ 8,175,300	\$ 6,177,007	\$ 11,334,225	(\$ 8,626,394)	\$ 1,331,383	\$ 49,814,287	\$ 51,945,672	
Profit			-	-	-	-	8,158,539	-	-	8,158,539	379,847	8,538,386
Other comprehensive income (loss)		6(25)	-	-	-	-	(8,578)	(63,919)	1,023,013	950,516	(228,005)	722,511
Total comprehensive income (loss)			-	-	-	-	8,149,961	(63,919)	1,023,013	9,109,055	151,842	9,260,897
Appropriations of 2019 earnings		6(24)										
Legal reserve			-	-	680,113	-	(680,113)	-	-	-	-	-
Special reserve			-	-	-	1,118,003	(1,118,003)	-	-	-	-	-
Cash dividends			-	-	-	-	(4,336,662)	-	-	(4,336,662)	-	(4,336,662)
Changes in equity of associates and joint ventures accounted for using equity method		6(23)	-	(34,323)	-	-	30,047	-	-	(4,276)	-	(4,276)
Difference between consideration and carrying amount of subsidiaries acquired		6(35)	-	126	-	-	-	-	-	126	(15,885)	(15,759)
Capital surplus transferred from unclaimed dividends		6(23)	-	296	-	-	-	-	-	296	-	296
Disposal of equity instruments at fair value through other comprehensive income		6(25)	-	-	-	-	629	-	(629)	-	-	-
Balance at December 31, 2020			<u>\$ 16,679,470</u>	<u>\$ 14,709,395</u>	<u>\$ 8,855,413</u>	<u>\$ 7,295,010</u>	<u>\$ 13,380,084</u>	<u>(\$ 8,690,313)</u>	<u>\$ 2,353,767</u>	<u>\$ 54,582,826</u>	<u>\$ 2,267,342</u>	<u>\$ 56,850,168</u>
<u>Year ended December 31, 2021</u>												
Balance at January 1, 2021			\$ 16,679,470	\$ 14,709,395	\$ 8,855,413	\$ 7,295,010	\$ 13,380,084	(\$ 8,690,313)	\$ 2,353,767	\$ 54,582,826	\$ 2,267,342	\$ 56,850,168
Profit			-	-	-	-	17,271,560	-	-	17,271,560	506,164	17,777,724
Other comprehensive income (loss)		6(25)	-	-	-	-	474	(2,282,714)	40,599	(2,241,641)	(437,729)	(2,679,370)
Total comprehensive income (loss)			-	-	-	-	17,272,034	(2,282,714)	40,599	15,029,919	68,435	15,098,354
Appropriations of 2020 earnings		6(24)										
Legal reserve			-	-	818,064	-	(818,064)	-	-	-	-	-
Special reserve			-	-	-	(958,465)	958,465	-	-	-	-	-
Cash dividends			-	-	-	-	(5,504,225)	-	-	(5,504,225)	-	(5,504,225)
Changes in equity of associates and joint ventures accounted for using equity method		6(23)	-	29,158	-	-	(157,342)	-	-	(128,184)	-	(128,184)
Difference between consideration and carrying amount of subsidiaries acquired		6(35)	-	1,472	-	-	-	-	-	1,472	(55,264)	(53,792)
Capital surplus transferred from unclaimed dividends		6(23)	-	480	-	-	-	-	-	480	-	480
Disposal of investments accounted for using equity method		6(23)	-	(540,545)	-	-	(162,728)	331,549	-	(371,724)	-	(371,724)
Balance at December 31, 2021			<u>\$ 16,679,470</u>	<u>\$ 14,199,960</u>	<u>\$ 9,673,477</u>	<u>\$ 6,336,545</u>	<u>\$ 24,968,224</u>	<u>(\$ 10,641,478)</u>	<u>\$ 2,394,366</u>	<u>\$ 63,610,564</u>	<u>\$ 2,280,513</u>	<u>\$ 65,891,077</u>

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

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		Years ended December 31,	
	Notes	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 23,231,942	\$ 10,500,892
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation charges on property, plant and equipment	6(31)	309,985	289,216
Depreciation charges on right-of-use assets	6(31)	261,291	283,187
Depreciation charges on investment property	6(31)	44,536	62,152
Amortization charges on intangible assets	6(31)	39,396	39,436
Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	12(2)	247,430	234,843
Net gain on financial assets at fair value through profit or loss	6(29)	(360,093)	(383,270)
Loss on decline in (gain on reversal of) market value and obsolete and slow-moving inventories	6(8)	(18,908)	(170,642)
Interest expense	6(30)	490,128	511,711
Interest income	6(27)	(299,752)	(295,245)
Dividend income	6(28)	(201,799)	(113,011)
Share of profit of associates accounted for under equity method	6(9)	(3,258,136)	(2,196,806)
Gain on disposal of property, plant and equipment and investment property	6(29)	(8,446)	(12,110)
Gain on disposal of investments	6(29)	(820,319)	-
Gain on remeasurement of investments at fair value that were previously accounted for using equity method	6(29)	(9,020,026)	-
Gain on lease modification	6(11)	(164)	-
Changes in operating assets and liabilities			
Changes in operating assets			
Notes and accounts receivable		(21,101,069)	(12,670,960)
Other receivables		80,821	594,201
Inventories		(16,807,699)	975,898
Prepayments		(430,743)	(246,159)
Long-term notes and overdue receivables		(516,794)	297,151
Long-term lease receivables		47,706	(56,818)
Changes in operating liabilities			
Notes and accounts payable		16,503,377	(2,157,058)
Other payables		2,061,704	618,744
Other current liabilities		1,218,927	83,568
Other non-current liabilities		(49,317)	(62,249)
Cash outflow generated from operations		(8,356,022)	(3,873,329)
Dividends received from investments accounted for under equity method		914,559	508,955
Interest paid		(490,128)	(516,227)
Interest received		299,752	295,245
Dividends received		201,799	113,011
Income taxes paid		(2,492,830)	(1,449,693)
Net cash flows used in operating activities		(9,922,870)	(4,922,038)

(Continued)

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	Years ended December 31, 2021	2020
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
(Increase) decrease in financial assets at fair value through profit or loss		(\$ 2,046,087)	\$ 9,179,350
Proceeds from disposal of non-current financial assets at fair value through other comprehensive income		-	7,589
Decrease in financial assets at amortized cost		-	19,188
Proceeds from disposal of investments accounted for under equity method		1,097,835	-
Acquisition of additional shares in subsidiary	6(35)	(53,792)	(15,759)
Acquisition of property, plant and equipment		(445,043)	(780,215)
Proceeds from disposal of property, plant and equipment		27,365	17,143
Acquisition of investment property	6(13)	(354)	(2,195)
Acquisition of intangible assets	6(14)	(16,001)	(35,986)
Decrease in refundable deposits		472,138	48,181
Increase in refundable deposits		(24,835)	(131,340)
Increase in restricted time deposits		(425,706)	(5,777)
Decrease in restricted time deposits		241,337	74,582
Increase in other non-current assets		(48,887)	4,427
Decrease in time deposits maturing over three months		347,881	1,764,289
Increase in time deposits maturing over three months		(338,491)	(867,868)
Net cash flow on loss of control of subsidiary	6(37)	189,657	-
Net cash flows (used in) from investing activities		(1,022,983)	9,275,609
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(36)	10,359,503	1,432,837
(Decrease) increase in short-term notes and bills payable	6(36)	(1,240,000)	7,450,000
Increase in guarantee deposits received	6(36)	93,211	169,426
Decrease in guarantee deposits received	6(36)	(41,823)	(86,586)
Increase in long-term borrowings	6(36)	1,500,000	-
Payments of lease liabilities	6(36)	(244,900)	(255,165)
Cash dividends paid	6(36)	(5,504,225)	(4,336,662)
Net cash flows from financing activities		4,921,766	4,373,850
Effects of changes in foreign exchange rates		(2,152,728)	160,194
Net (decrease) increase in cash and cash equivalents		(8,176,815)	8,887,615
Cash and cash equivalents at beginning of year		15,229,773	6,342,158
Cash and cash equivalents at end of year		<u>\$ 7,052,958</u>	<u>\$ 15,229,773</u>

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

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,
EXCEPT AS OTHERWISE INDICATED)

1. HISTORY AND ORGANISATION

Synnex Technology International Corporation (the “Company”) was incorporated in 1988 under the provisions of the Company Act of the Republic of China (R.O.C.). The Company and its subsidiaries (collectively referred herein as the “Group”) are primarily engaged in:

- A. Assembly and sale of computers and computer peripherals;
- B. Sale of communication products;
- C. Sale of consumer electronic products;
- D. Sale of electronic products and components;
- E. Warehouse and logistics services; and
- F. Maintenance and technical services for the products mentioned above.

The Company’s shares have been traded on the Taiwan Stock Exchange since December 1995.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These consolidated financial statements were authorised for issuance by the Board of Directors on March 8, 2022.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS”) as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC effective from 2021 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 4, ‘Extension of the temporary exemption from applying IFRS 9’	January 1, 2021
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, ‘Interest Rate Benchmark Reform - Phase 2’	January 1, 2021
Amendment to IFRS 16, ‘Covid-19-related rent concessions beyond 30 June 2021’	April 1, 2021 (Note)

Note: Earlier application from January 1, 2021 is allowed by FSC.

The above standards and interpretations have no significant impact to the Group’s consolidated financial condition and consolidated financial performance based on the Group’s assessment.

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group

New standards, interpretations and amendments endorsed by the FSC effective from 2022 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 3, 'Reference to the conceptual framework'	January 1, 2022
Amendments to IAS 16, 'Property, plant and equipment: proceeds before intended use'	January 1, 2022
Amendments to IAS 37, 'Onerous contracts - cost of fulfilling a contract'	January 1, 2022
Annual improvements to IFRS Standards 2018-2020	January 1, 2022

The above standards and interpretations have no significant impact to the Group's consolidated financial condition and consolidated financial performance based on the Group's assessment.

(3) IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs as endorsed by the FSC are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2023
Amendments to IAS 1, 'Disclosure of accounting policies'	January 1, 2023
Amendments to IAS 8, 'Definition of accounting estimates'	January 1, 2023
Amendments to IAS 12, 'Deferred tax related to assets and liabilities arising from a single transaction'	January 1, 2023

The above standards and interpretations have no significant impact to the Group's consolidated financial condition and consolidated financial performance based on the Group's assessment.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the “IFRSs”).

(2) Basis of preparation

A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:

- (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
- (b) Financial assets and liabilities at fair value through other comprehensive income.
- (c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

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

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

- (a) All subsidiaries are included in the Group’s consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
- (b) Inter-Group transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
- (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the noncontrolling interests having a deficit balance.
- (d) Changes in a parent’s ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.
- (e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary

are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:
December 31, 2021 and 2020:

Name of investor	Name of subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2021	December 31, 2020	
Synnex Technology International Corporation	Synnex Global Ltd.	Investment holding	100	100	-
Synnex Technology International Corporation	Seper Technology Corporation	Sales of 3C products	100	100	-
Synnex Technology International Corporation	E-Fan Investments CO., LTD.	Investment holding	100	100	-
Synnex Technology International Corporation	Synergy Intelligent Logistics Corporation	Warehouse and logistics services	100	100	-
Synnex Technology International Corporation	Bestcom Infotech Corp.	Sales of 3C products	98.93	95.83	-
Synnex Technology International Corporation	Synergy Technology Services Corporation	Maintenance and technical services	100	100	-
Bestcom Infotech Corp.	Bizwave Tech Co., Ltd.	Sales of 3C products	100	100	-
Bestcom Infotech Corp.	Bestcom Infotech Holdings Ltd. (Note 2)	Investment holding	-	100	-
Bestcom Infotech Holding Ltd.	Bestcom International Ltd. (Note 2)	Investment holding	-	100	-
Bestcom International Ltd.	Bestcom Infotech Shanghai Ltd. (Note 1)	Sales of 3C products	-	-	-
Synnex Global Ltd.	King's Eye Investments Ltd.	Investment holding	100	100	-
Synnex Global Ltd.	Peer Developments Ltd.	Investment holding	100	100	-
Synnex Global Ltd.	Synnex Mauritius Ltd.	Investment holding	100	100	-
Synnex Global Ltd.	Synnex China Holdings Ltd.	Investment holding	100	100	-

Name of investor	Name of subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2021	December 31, 2020	
Synnex Global Ltd.	Trade Vanguard Global Ltd.	Investment holding	100	100	-
King's Eye Investments Ltd.	Laser Computer Holdings Ltd.	Investment holding	100	100	-
King's Eye Investments Ltd.	Synnex Australia Pty. Ltd.	Sales of 3C products	100	100	-
King's Eye Investments Ltd.	Synnex New Zealand Ltd.	Sales of 3C products	100	100	-
King's Eye Investments Ltd.	Synnex Electronics Hong Kong Ltd.	Sales of electronic components	100	100	-
King's Eye Investments Ltd.	Syntech Asia Ltd.	Sales of electronic components	100	100	-
King's Eye Investments Ltd.	Fortune Ideal Ltd.	Real estate investments	100	100	-
King's Eye Investments Ltd.	Golden Thinking Ltd.	Real estate investments	100	100	-
King's Eye Investments Ltd.	PT. Synnex Metrodata Indonesia and subsidiaries	Sales of 3C products	50	50	-
Laser Computer Holdings Ltd.	Laser Computer (China) Ltd. (Note 3)	Sales of 3C products	-	100	-
Laser Computer Holdings Ltd.	Synnex Technology International (HK) Ltd. and subsidiaries	Sales of 3C products	100	100	-
Peer Developments Ltd.	LianXiang Technology (Shenzhen) Ltd.	Sales of electronic components	100	100	-
Peer Developments Ltd.	Synergy Intelligent Logistics (HK) Corporation	Warehouse and logistics services	100	100	-
Synnex China Holdings Ltd.	Synnex Investments (China) Ltd.	Investment holding	100	100	-
Synnex China Holdings Ltd.	Leveltech Ltd.	Sales of electronic components	100	-	-
Synnex Investments (China) Ltd.	Synnex Distributions (China) Ltd.	Sales of 3C products	100	100	-
Synnex Investments (China) Ltd.	Synnex (Beijing) Ltd.	Warehouse and logistics services	100	100	-
Synnex Investments (China) Ltd.	Synnex (Shanghai) Ltd.	Sales of electronic components and warehouse and logistics services	100	100	-
Synnex Investments (China) Ltd.	Synnex (Tianjin) Ltd.	Warehouse and logistics services	100	100	-

Name of investor	Name of subsidiary	Main business activities	Ownership (%)		Description
			December 31, 2021	December 31, 2020	
Synnex Investments (China) Ltd.	Synnex (Chengdu) Ltd.	Warehouse and logistics services	100	100	-
Synnex Investments (China) Ltd.	Synnex (Nanjing) Ltd.	Warehouse and logistics services	100	100	-
Synnex Investments (China) Ltd.	Synnex (Shenyang) Ltd.	Warehouse and logistics services	100	100	-
Synnex Investments (China) Ltd.	Synnex (Hangzhou) Ltd.	Warehouse and logistics services	100	100	-
Synnex Investments (China) Ltd.	Synnex (Qingdao) Ltd.	Warehouse and logistics services	100	100	-
Synnex Investments (China) Ltd.	Synnex (Guangzhou) Ltd.	Warehouse and logistics services	100	100	-
Synnex Investments (China) Ltd.	Synnex (Xi'an) Ltd.	Warehouse and logistics services	100	100	-
Synnex Investments (China) Ltd.	Synnex (Suzhou) Ltd.	Warehouse and logistics services	100	100	-
Synnex Investments (China) Ltd.	Synnex (Wuhan) Ltd.	Warehouse and logistics services	100	100	-
Synnex Investments (China) Ltd.	Synnex (Jinan) Ltd.	Warehouse and logistics services	100	100	-
Synnex Investments (China) Ltd.	Synnex (Changsha) Ltd.	Warehouse and logistics services	100	100	-
Synnex Investments (China) Ltd.	Synnex (Zhengzhou) Ltd.	Warehouse and logistics services	100	100	-
Synnex Investments (China) Ltd.	Synnex (Ningbo) Ltd. (Note 4)	Warehouse and logistics services	-	100	-
Synnex Investments (China) Ltd.	Synnex (Hefei) Ltd.	Warehouse and logistics services	100	100	-
Synnex Investments (China) Ltd.	Synnex (Nanchang) Ltd.	Warehouse and logistics services	100	100	-
Synnex Investments (China) Ltd.	Synnex (Harbing) Ltd.	Warehouse and logistics services	100	100	-
Synnex Investments (China) Ltd.	Synnex (Xiamen) Ltd.	Warehouse and logistics services	100	100	-
Synnex Investments (China) Ltd.	Yude (Shanghai) Warehouse Co., Ltd.	Warehouse and logistics services	97.96	97.96	-
Synnex Investments (China) Ltd.	Synnex Technology Development Ltd.	Sales of 3C products	100	100	-
Synnex Investments (China) Ltd.	Jifu Intelligent Logistics Corporation	Warehouse and logistics services	100	100	-

The above subsidiaries were audited by the Company's auditors, apart from Fortune Ideal Ltd. and Golden Thinking Ltd., which were audited by other auditors.

Note 1: The Company's subsidiary - Bestcom Infotech Shanghai Ltd. cancelled its registration on December 23, 2020.

Note 2: The Company's subsidiaries - Bestcom Infotech Holdings Ltd. and Bestcom International Ltd. were dissolved as resolved by the Board of Directors on March 11, 2021. Loss on disposal was \$16,550 and its registration was cancelled in the second quarter of 2021.

Note 3: The Company's subsidiary – Laser Computer (China) Ltd. cancelled its registration on October 6, 2021.

Note 4: The Company's subsidiary – Synnex (Ningbo) Ltd. was sold. The effective date of the sale was February 28, 2021. The proceeds from the sale were RMB 43,500 thousand and gain on disposal was \$126,220. Please refer to Note 6(37) for more details.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in New Taiwan dollars, which is the Company's functional and the Group's presentation currency.

A. Foreign currency transactions and balances

- (a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.
- (b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.
- (c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
- (d) All foreign exchange gains and losses are presented in the statement of comprehensive income within 'other gains and losses'.

B. Translation of foreign operations

- (a) The operating results and financial position of all the group entities and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
 - i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
 - ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

- iii. All resulting exchange differences are recognised in other comprehensive income.
- (b) When the foreign operation partially disposed of or sold is an associate, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Group retains partial interest in the former foreign associate after losing significant influence over the former foreign associate, such transactions should be accounted for as disposal of all interest in the foreign operation.
- (c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(5) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
 - (a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;
 - (b) Assets held mainly for trading purposes;
 - (c) Assets that are expected to be realised within twelve months from the balance sheet date;
 - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
 - (a) Liabilities that are expected to be settled within the normal operating cycle;
 - (b) Liabilities arising mainly from trading activities;
 - (c) Liabilities that are to be settled within twelve months from the balance sheet date;
 - (d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(7) Financial assets at fair value through profit or loss

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value and recognises the gain or loss in profit or loss.
- D. The Group recognises the dividend income when the right to receive payment is established, future

economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

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

- A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value. The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investments. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(9) Financial assets at amortised cost

- A. Financial assets at amortised cost are those that meet all of the following criteria:
 - (a) The objective of the Group's business model is achieved by collecting contractual cash flows.
 - (b) The assets' contractual cash flows represent solely payments of principal and interest.
- B. On a regular way purchase or sale basis, financial assets at amortised cost are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognised in profit or loss when the asset is derecognised or impaired.
- D. The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(10) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.
- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(11) Impairment of financial assets

For financial assets at amortised cost and lease receivables, at each reporting date, the Group recognises the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Group recognises the impairment provision for lifetime ECLs.

(12) Derecognition of financial assets

The Group derecognises a financial asset when one of the following conditions is met:

- A. The contractual rights to receive the cash flows from the financial asset expire.
- B. The contractual rights to receive cash flows of the financial asset have been transferred and the

- Group has transferred substantially all risks and rewards of ownership of the financial asset.
- C. The contractual rights to receive cash flows of the financial asset have been transferred; however, the Group has not retained control of the financial asset.

(13) Leasing arrangements (lessor)-lease receivables/operating leases

- A. Based on the terms of a lease contract, a lease is classified as a finance lease if the lessee assumes substantially all the risks and rewards incidental to ownership of the leased asset.
- (a) At commencement of the lease term, the lessor should record a finance lease in the balance sheet as 'lease receivables' at an amount equal to the net investment in the lease (including initial direct costs). The difference between gross lease receivable and the present value of the receivable is recognised as 'unearned finance income of finance lease'.
- (b) The lessor should allocate finance income over the lease term based on a systematic and rational basis reflecting a constant periodic rate of return on the lessor's net investment in the finance lease.
- (c) Lease payments (excluding costs for services) during the lease term are applied against the gross investment in the lease to reduce both the principal and the unearned finance income.
- B. Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(14) Inventories

- A. Cost of inventory purchases includes purchasing price, import taxes and all the related costs involved in the process of obtaining inventory. Discounts, allowances and etc. shall be deducted from the cost of inventory purchases.
- B. Inventories are stated at the lower of cost and net realisable value. Cost is determined using the the moving-average method. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the applicable variable selling expenses.

(15) Investments accounted for using equity method / associates

- A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.
- B. The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.
- C. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Group's ownership percentage of the associate, the Group recognises change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.
- D. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
- E. In the case that an associate issues new shares and the Group does not subscribe or acquire new

shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

- F. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognised in profit or loss.
- G. When the Group disposes of its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.
- H. When the Group disposes of its investment in an associate and loses significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss proportionately.

(16) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.
- B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
- C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.
- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change.

The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	20 - 50 years
Utilities equipment	7 - 15 years
Computer equipment	3 - 7 years
Transportation equipment	10 years

Furniture and fixtures	5 years
Tools	5 - 20 years
Leasehold improvements	3 years

(17) Leasing arrangements (lessee)-right-of-use assets/lease liabilities

- A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.
- B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of fixed payments, less any lease incentives receivable.
The Group subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.
- C. At the commencement date, the right-of-use asset is stated at cost comprising the following:
 - (a) The amount of the initial measurement of lease liability; and
 - (b) Any lease payments made at or before the commencement date.
 The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.
- D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognise the difference from remeasured lease liability in profit or loss.

(18) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life. The estimated useful lives of investment property are as follows:

Buildings and structures	20 - 50 years
Utilities equipment	7 - 15 years

(19) Intangible assets

- A. Computer software
Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 3 to 7 years.
- B. Goodwill
Goodwill arises in a business combination accounted for by applying the acquisition method.

(20) Impairment of non-financial assets

- A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is

the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

- B. The recoverable amounts of goodwill is evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.
- C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

(21) Borrowings

Borrowings comprise long-term and short-term bank borrowings. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(22) Notes and accounts payable

- A. Accounts payable are liabilities for purchases of goods or services and notes payable are those resulting from operating and non-operating activities.
- B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(23) Financial liabilities at fair value through profit or loss

- A. Financial liabilities at fair value through profit or loss. Financial liabilities that meet one of the following criteria are designated as at fair value through profit or loss at initial recognition:
 - (a) Hybrid (combined) contracts; or
 - (b) They eliminate or significantly reduce a measurement or recognition inconsistency; or
 - (c) They are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management policy.
- B. At initial recognition, the Group measures the financial liabilities at fair value. All related transaction costs are recognised in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognised in profit or loss.

(24) Derecognition of financial liabilities

A financial liability is derecognised when the obligation specified in the contract is either discharged or cancelled or expires.

(25) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(26) Non-hedging and embedded derivatives

Non-hedging derivatives are initially recognised at fair value on the date a derivative contract is entered into and recorded as financial assets or financial liabilities at fair value through profit or loss. They are subsequently remeasured at fair value and the gains or losses are recognised in profit or loss.

(27) Provisions

Warranties provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Warranties provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognised as interest expense.

(28) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expense when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.

ii. Remeasurements arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and recorded as retained earnings.

iii. Past service costs are recognised immediately in profit or loss.

C. Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of employment as a result from either the Group's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept an offer of redundancy benefits in exchange for the termination of employment. The Group recognises expense as it can no longer withdraw an offer of termination benefits or as it recognises relating restructuring costs, whichever is earlier. Benefits that are expected to be due more than 12 months after balance sheet date shall be discounted to their present value.

D. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognised as

expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the subsequently resolved distributed amounts and the estimated amounts is accounted for as changes in estimates. If employee compensation is paid by shares, the Group calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(29) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.
- B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred tax is recognised, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.
- D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.
- F. A deferred tax asset shall be recognised for the carryforward of unused tax credits resulting from equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilised.

(30) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(31) Dividends

Cash dividends were recorded as liabilities in the Company's financial statements after the special

resolution of the Board of Directors in accordance with Article 240 of Company Act and Articles of Incorporation. Stock dividends are recorded as stock dividends to be distributed when they are resolved by the Company's shareholders and are reclassified to ordinary shares on the effective date of new shares issuance.

(32) Revenue recognition

A. Sales of goods

- (a) The Group sells information, communication, electronic and consumer electronic products. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.
- (b) Revenue from these sales is recognised based on the price specified in the contract, net of the estimated sales return, volume discounts, sales discounts and allowances. The estimated volume discounts, sales discounts and allowances given to customers are based on the expected purchase volume and accumulated experience. A refund liability is recognised for expected sales return, volume discounts, sales discounts and allowances payable to customers in relation to sales made until the end of the reporting period. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date.
- (c) The Group's obligation to provide a refund for faulty products under the standard warranty terms is recognised as a provision.
- (d) A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

B. Service revenue

The Group provides services of inventory management, installation and maintenance services. Revenue from providing services is recognised in the accounting period in which the services are rendered.

C. Financing components

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(33) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group's chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions

and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the information is addressed below:

(1) Critical judgements in applying the Group's accounting policies

Revenue recognition on a net/gross basis

The Group determines whether the nature of its performance obligation is to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for the other party to provide those goods or services (i.e. the Group is an agent) based on the transaction model and its economic substance. The Group is a principal if it controls a promised good or service before it transfers the good or service to a customer. The Group recognises revenue at gross amount of consideration to which it expects to be entitled in exchange for those goods or services transferred. The Group is an agent if it does not control a promised good or service before the good or service is transferred to a customer. The Group recognises revenue at the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services.

Indicators that the Group controls the good or service before it is provided to a customer include the following:

- A. The Group is primarily responsible for the provision of goods or services;
- B. The Group assumes the inventory risk before transferring the specified goods or services to the customer or after transferring control of the goods or services to the customer; and
- C. The Group has discretion in establishing prices for the goods or services.

(2) Critical accounting estimates and assumptions

A. Assessment of allowance for uncollectible accounts receivable

During the assessment process of allowance for uncollectible accounts receivable, the Group has to utilize judgements and estimates to determine the recoverable amount of accounts receivable. The recoverable amount is affected by various factors such as customers' financial conditions, Group's internal credit ratings, historical transaction records, current economic conditions, and other factors that could affect customers' paying ability. If there is a concern regarding the collectability of the account, the Group shall assess the account's collectability individually and recognize appropriate allowances. Management makes critical assumptions and estimates concerning future events as of balance sheet date, which may differ from actual results. Thus, there might be material changes to the assessment.

B. Evaluation of inventories

As inventories are stated at the lower of cost or net realizable value, the Group must determine the net realizable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Group evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market value on balance sheet date, and writes down the cost of inventories to the net realizable value. Such evaluation of inventories is primarily based on the demand for the products within a specific period in the future. Therefore, there might be material changes to the evaluation.

C. Accrual of inventory purchase rebates

Accrual of inventory purchase rebates is estimated based on contract terms and expected achievement rate. However, contract terms for rebates could be in various types, with complicated calculations and entered into with different counterparties. Therefore, a substantial volume of purchase and sale information has to be matched with individual merchandise item manually in order to calculate rebates. Management makes critical assumptions and estimates concerning future events as of balance sheet date, which may differ from actual results. Thus, there might be material changes to the assessment.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	December 31, 2021	December 31, 2020
Cash on hand and revolving funds	\$ 540	\$ 1,080
Checking accounts and demand deposits	7,012,599	12,699,468
Time deposits	39,819	2,529,225
	<u>\$ 7,052,958</u>	<u>\$ 15,229,773</u>

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. For information regarding cash and cash equivalents pledged as collateral and reclassified as financial assets at amortised cost, please refer to Notes 6(4) and 8.

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

	December 31, 2021	December 31, 2020
Current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Listed stocks	\$ 23,314	\$ 23,444
Financial products	2,046,087	-
	<u>2,069,401</u>	<u>23,444</u>
Valuation adjustment	254,169	97,160
	<u>\$ 2,323,570</u>	<u>\$ 120,604</u>
Financial liabilities held for trading		
Non-hedging derivatives-forward exchange	\$ 700	\$ 751

A. The Group recognised net gain of \$361,920 and \$414,469 on financial assets at fair value through profit or loss for the years ended December 31, 2021 and 2020, respectively.

B. The subsidiaries entered into contracts relating to derivative financial instruments which were not accounted for under hedge accounting. The information is as follows:

		December 31, 2021	
		Book Value	Nominal Principal (in thousands)
The subsidiaries	Items		
Synnex New Zealand	Forward exchange - buy USD sell NZD	(\$ 756)	USD 2,840
Synnex New Zealand	Forward exchange - buy AUD sell NZD	56	AUD 550
		<u>(\$ 700)</u>	
		December 31, 2020	
		Book Value	Nominal Principal (in thousands)
The subsidiaries	Items		
Synnex New Zealand	Forward exchange - buy USD sell NZD	(\$ 781)	USD 1,330
Synnex New Zealand	Forward exchange - buy AUD sell NZD	30	AUD 1,230
		<u>(\$ 751)</u>	

For the years ended December 31, 2021 and 2020, the subsidiaries of the Company undertook

forward exchange contracts with local banks to hedge risks of foreign currency assets and liabilities arising from fluctuations in exchange rates. The Group recognised (loss) gain on valuation amounting (\$1,827) and (\$31,199), respectively, for the years ended December 31, 2021 and 2020.

C. The Group has no financial assets at fair value through profit or loss pledged to others.

D. Information relating to credit risk is provided in Note 12(2).

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

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Current items:		
Equity instruments		
Listed stocks	\$ 13,600,899	\$ -
Valuation adjustment	(1,360,411)	-
	<u>\$ 12,240,488</u>	<u>\$ -</u>
Non-current items:		
Equity instruments		
Listed stocks	\$ 835,880	\$ 820,687
Non-listed (TSE and OTC) stocks	2,037,306	2,017,802
Valuation adjustment	3,739,884	2,347,447
	<u>\$ 6,613,070</u>	<u>\$ 5,185,936</u>

A. The Group has elected to classify share investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments as at December 31, 2021 and 2020 is listed in the table above.

B. Amounts recognised in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	<u>Years ended December 31,</u>	
	<u>2021</u>	<u>2020</u>
<u>Equity instruments at fair value through other comprehensive income</u>		
Change in fair value recognised in other comprehensive income	<u>\$ 14,496</u>	<u>\$ 1,014,464</u>

C. The Group has no financial assets at fair value through other comprehensive income pledged to others as collateral.

(4) Financial assets at amortised cost

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Current items:		
Time deposits maturing over three months	<u>\$ -</u>	<u>\$ 9,390</u>
Non-current items:		
Pledged time deposits	<u>\$ 1,439,507</u>	<u>\$ 1,255,138</u>

Details of the Group's financial assets at amortised cost pledged to others as collateral are provided in Note 8.

(5) Notes, accounts and overdue receivable

	December 31, 2021	December 31, 2020
Notes receivable	\$ 6,396,329	\$ 7,642,861
Less: Allowance for uncollectible accounts	(15,997)	(20,516)
	<u>\$ 6,380,332</u>	<u>\$ 7,622,345</u>
Accounts receivable	\$ 78,414,180	\$ 56,442,917
Accounts receivable due from related parties	701,473	331,988
Lease receivables (expiring within one year)	152,814	143,826
	<u>79,268,467</u>	<u>56,918,731</u>
Less: Allowance for uncollectible accounts	(187,106)	(135,571)
	<u>79,081,361</u>	<u>56,783,160</u>
Overdue receivables (recorded as other non-current assets)	3,550,763	2,930,420
Less: Allowance for uncollectible accounts	(2,202,041)	(2,126,571)
	<u>1,348,722</u>	<u>803,849</u>
	<u>\$ 80,430,083</u>	<u>\$ 57,587,009</u>

Overdue receivables consist primarily of amounts due from customers under bankruptcy proceedings and are stated at their estimated net realizable value. As of December 31, 2021 and 2020, the Group received certain security for a portion of the amounts due.

A. The ageing analysis of notes receivable and accounts receivable (including related parties) is as follows:

	December 31, 2021			
	Notes receivable	Accounts receivable	Overdue receivables	Total
Not past due	\$ 6,396,329	\$ 71,824,208	\$ -	\$ 78,220,537
Up to 60 days past due	-	6,267,609	-	6,267,609
61-120 days past due	-	648,532	23,714	672,246
121-180 days past due	-	139,415	5,477	144,892
More than 181 days past due	-	388,703	3,521,572	3,910,275
	<u>\$ 6,396,329</u>	<u>\$ 79,268,467</u>	<u>\$ 3,550,763</u>	<u>\$ 89,215,559</u>
	December 31, 2020			
	Notes receivable	Accounts receivable	Overdue receivables	Total
Not past due	\$ 7,642,861	\$ 51,373,735	\$ -	\$ 59,016,596
Up to 60 days past due	-	4,991,929	17,241	5,009,170
61-120 days past due	-	358,905	36,537	395,442
121-180 days past due	-	83,807	7,412	91,219
More than 181 days past due	-	110,355	2,869,230	2,979,585
	<u>\$ 7,642,861</u>	<u>\$ 56,918,731</u>	<u>\$ 2,930,420</u>	<u>\$ 67,492,012</u>

The above ageing analysis was based on past due date.

B. As of December 31, 2021 and 2020, accounts receivable and notes receivable were all from contracts with customers. And as of January 1, 2020, the balance of receivables from contracts with customers amounted to \$55,020,856.

- C. Details of the Group's accounts receivable pledged to others as collateral are provided in Note 8.
- D. Certain notes receivable that were discounted to banks (pertaining to bankers' acceptance) met the derecognition criteria for financial assets. The Group has payment obligation when the acceptors (acceptance banks) of the notes refuse to pay the notes at maturity. However, the credit rating of the aforesaid acceptors (acceptance banks) is high. In general, the Group does not expect that the acceptors (acceptance banks) of the notes would refuse to pay for the notes at maturity. As of December 31, 2021 and 2020, the Group had derecognized notes receivable (pertaining to bankers' acceptance) that were discounted to banks but not yet matured amounting to \$310,957 and \$0, respectively.
- E. Lease receivables
Information relating to lease receivables is provided in Note 6(12).
- F. Information relating to credit risk of notes and accounts receivable is provided in Note 12(2).

(6) Transfer of financial assets

Transferred financial assets that are derecognised in their entirety

The Group entered into factoring agreements with banks to sell its accounts receivable. Under the agreements, the Group is not obligated to bear the default risk of the transferred accounts receivable, but is liable for the losses incurred in any business dispute. The Group does not have any continuing involvement in the transferred accounts receivable. Thus, the Group derecognised the factored accounts receivable, and the related information is as follows:

(Unit: USD thousand)

December 31, 2021				
Accounts receivable transferred	Amount derecognized	Facilities	Amount advanced	
<u>The Company</u>				
\$ 529,170	\$ 529,170	US\$57,500	\$ 529,170	
(US\$18,980)	(US\$18,980)		(US\$18,980)	
<u>Subsidiaries</u>				
\$ 779,284	\$ 779,284	US\$107,000	\$ 779,284	
(US\$28,103)	(US\$28,103)		(US\$28,103)	

(Unit: USD thousand)

December 31, 2020				
Accounts receivable transferred	Amount derecognized	Facilities	Amount advanced	
<u>Subsidiaries</u>				
\$ 436,487	\$ 436,487	US\$107,000	\$ 436,487	
(US\$15,299)	(US\$15,299)		(US\$15,299)	

As of December 31, 2020, no factored accounts receivable were derecognised.

- A. The counterparties of the Group's accounts receivable factoring mainly were Taishin International Bank, Chang Hwa Bank, E.SUN Commercial Bank and other financial institutions. As of December 31, 2021 and 2020, the interest rate of amount advanced was 0.64~0.71 % and 0.75%, respectively.
- B. As of December 31, 2021 and 2020, the commercial papers issued for accounts receivable factoring amounted to US\$42,200 thousand and US\$42,200 thousand, respectively.

(7) Other receivables

	December 31, 2021	December 31, 2020
Receivables from suppliers	\$ 5,323,567	\$ 5,813,586
Tax refund receivable-business tax	833,084	334,858
Other non-operating receivables, others (including related parties)	126,359	215,387
	<u>\$ 6,283,010</u>	<u>\$ 6,363,831</u>

(8) Inventories

	December 31, 2021		
	Cost	Allowance for Valuation loss	Book value
Merchandise inventories	\$ 47,395,461	(\$ 488,187)	\$ 46,907,274
Inventory in transit	805,998	-	805,998
	<u>\$ 48,201,459</u>	<u>(\$ 488,187)</u>	<u>\$ 47,713,272</u>
	December 31, 2020		
	Cost	Allowance for Valuation loss	Book value
Merchandise inventories	\$ 30,878,690	(\$ 507,095)	\$ 30,371,595
Inventory in transit	515,070	-	515,070
	<u>\$ 31,393,760</u>	<u>(\$ 507,095)</u>	<u>\$ 30,886,665</u>

A. Information relating to inventories pledged to others as collaterals is provided in Note 8.

B. The cost of inventories recognised as expense for the period:

	Years ended December 31,	
	2021	2020
Cost of inventories sold	\$ 391,231,052	\$ 319,277,001
Loss on decline in (gain on reversal of) market value	(18,908)	(170,642)
	<u>\$ 391,212,144</u>	<u>\$ 319,106,359</u>

For the years ended December 31, 2021 and 2020, gain on reversal of valuation loss and obsolescence arose after the inventories were scrapped or sold.

(9) Investments accounted for under equity method

A. The details are as follows:

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Associates:		
TD Synnex Corporation (Notes 1, 3 and 4)	\$ -	\$ 4,425,255
Concentrix Corporation (Notes 1 and 2)	4,966,657	4,871,435
Redington (India) Ltd.	4,787,716	4,322,194
Synnex FPT Joint Stock Company	1,591,778	1,405,489
Synnex (Thailand) Public Company Ltd.	1,287,583	1,310,047
Other	29,094	74,761
	<u>\$ 12,662,828</u>	<u>\$ 16,409,181</u>

The information on shareholding ratio is provided in Note 8.

B. The above investments accounted for under equity method are profit/(loss) and share of other comprehensive income of associates recognised based on financial statements that were audited by the investees' auditors. Details are as follows:

	<u>Profit/(loss) of associates</u>	
	<u>Years ended December 31,</u>	
	<u>2021</u>	<u>2020</u>
TD Synnex Corporation (Note 4)	\$ 575,014	\$ 1,155,465
Concentrix Corporation	770,481	-
Redington (India) Ltd.	1,132,005	554,183
Synnex FPT Joint Stock Company	473,689	235,300
Synnex (Thailand) Public Company Ltd.	302,683	243,142
Other	4,264	8,716
	<u>\$ 3,258,136</u>	<u>\$ 2,196,806</u>
	<u>Share of other comprehensive</u>	
	<u>income of associates</u>	
	<u>Years ended December 31,</u>	
	<u>2021</u>	<u>2020</u>
TD Synnex Corporation (Note 4)	\$ 79,923	\$ 32,120
Concentrix Corporation	(128,800)	-
Redington (India) Ltd.	(61,427)	(14,717)
Synnex (Thailand) Public Company Ltd.	28,689	7,039
	<u>(\$ 81,615)</u>	<u>\$ 24,442</u>

Note 1: On December 1, 2020, TD Synnex Corporation completed the spin-off of Concentrix Corporation, and shareholders of TD Synnex Corporation received the same number of shares in Concentrix Corporation as they held in TD Synnex Corporation.

Note 2: The Group is one of the major shareholders of Concentrix Corporation and has significant influence over Concentrix Corporation.

Note 3: The Group was one of the major shareholders of TD Synnex Corporation, and the Group's Chairman Mr. Matthew Miao served as TD Synnex's honorary chairman. Thus, the Group had significant influence over TD Synnex Corporation. The Group lost significant influence over TD Synnex and its ownership decreased to 4.02% due to the issuance of new shares for a merger by TD Synnex on September 1, 2021. On the same date, the Group

derecognised the carrying amount of the investment accounted for using equity method, and the investment was remeasured to its fair value and recognised as financial assets at fair value through other comprehensive income. The difference was recognised in gains on disposal of investments amounting to USD 320,651 thousand, equivalent to \$9,017,328.

Note 4. Synnex Corporation announced the change in its company name to TD Synnex Corporation on September 1, 2021.

C. Associates

The Group has no material associates as of December 31, 2021 and 2020.

(a) The carrying amount of the Group's interests in all individually immaterial associates and the Group's share of the operating results are summarized below:

As of December 31, 2021 and 2020, the carrying amount of the Group's individually immaterial associates amounted to \$12,662,828 and \$16,409,181, respectively.

	Years ended December 31,	
	2021	2020
Profit or loss for the period from continuing operations	\$ 3,258,136	\$ 2,196,806
Other comprehensive (loss) income, net of tax	(81,615)	24,442
Total comprehensive income	\$ 3,176,521	\$ 2,221,248

(b) The fair value calculated proportionately based on ownership shares of the Group's associates with quoted market prices is as follows:

	December 31, 2021	December 31, 2020
TD Synnex Corporation	\$ -	\$ 8,968,373
Concentrix Corporation	\$ 17,820,792	\$ 10,869,097
Redington (India) Ltd.	\$ 10,159,445	\$ 4,859,070
Synnex (Thailand) Public Company Ltd.	\$ 10,255,666	\$ 4,849,580

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(10) Property, plant and equipment

2021

	Land			Buildings and structures			Utilities equipment			Computer equipment	Transportation equipment	Furniture and fixtures	Tools			Leasehold improvements	Construction in progress and equipment to be inspected	Total
	Owner -occupied	Owner -occupied	Lease	Subtotal	Owner -occupied	Lease	Subtotal	Owner -occupied	Owner -occupied	Owner -occupied	Owner -occupied	Lease	Subtotal	Owner -occupied	Owner -occupied			
<u>At January 1</u>																		
Cost	\$ 1,516,732	\$ 4,783,716	\$ 842,822	\$ 5,626,538	\$ 483,048	\$ 71,372	\$ 554,420	\$ 265,589	\$ 169,397	\$ 87,875	\$ 595,050	\$ 2,341	\$ 597,391	\$ 83,498	\$ 2,764,464	\$ 11,665,904		
Accumulated depreciation and impairment	-	(1,078,113)	(148,428)	(1,226,541)	(267,323)	(31,903)	(299,226)	(152,873)	(79,580)	(64,421)	(187,615)	(1,115)	(188,730)	(54,611)	(45)	(2,066,027)		
	<u>\$ 1,516,732</u>	<u>\$ 3,705,603</u>	<u>\$ 694,394</u>	<u>\$ 4,399,997</u>	<u>\$ 215,725</u>	<u>\$ 39,469</u>	<u>\$ 255,194</u>	<u>\$ 112,716</u>	<u>\$ 89,817</u>	<u>\$ 23,454</u>	<u>\$ 407,435</u>	<u>\$ 1,226</u>	<u>\$ 408,661</u>	<u>\$ 28,887</u>	<u>\$ 2,764,419</u>	<u>\$ 9,599,877</u>		
Opening net book amount	\$ 1,516,732	\$ 3,705,603	\$ 694,394	\$ 4,399,997	\$ 215,725	\$ 39,469	\$ 255,194	\$ 112,716	\$ 89,817	\$ 23,454	\$ 407,435	\$ 1,226	\$ 408,661	\$ 28,887	\$ 2,764,419	\$ 9,599,877		
Additions	-	34,113	3,263	37,376	8,112	-	8,112	12,382	2,255	5,381	13,025	22	13,047	435	366,055	445,043		
Disposals	-	(18)	-	(18)	(5,185)	-	(5,185)	(1,279)	(4,061)	(30)	(1,260)	-	(1,260)	-	(7,086)	(18,919)		
Reclassifications	-	(660,839)	675,523	14,684	36,601	(36,350)	251	31,250	26,913	(160)	3,006	(1,111)	1,895	2,006	(15,043)	61,796		
Depreciation charge	-	(102,533)	(38,902)	(141,435)	(42,614)	(2,633)	(45,247)	(41,045)	(16,973)	(9,751)	(40,163)	(137)	(40,300)	(15,234)	-	(309,985)		
Effect of exchange rate changes	(72,495)	(75,698)	(4,323)	(80,021)	(2,892)	(486)	(3,378)	(848)	(629)	(820)	(19,055)	-	(19,055)	(279)	(32,100)	(209,625)		
Closing net book amount	<u>\$ 1,444,237</u>	<u>\$ 2,900,628</u>	<u>\$ 1,329,955</u>	<u>\$ 4,230,583</u>	<u>\$ 209,747</u>	<u>\$ -</u>	<u>\$ 209,747</u>	<u>\$ 113,176</u>	<u>\$ 97,322</u>	<u>\$ 18,074</u>	<u>\$ 362,988</u>	<u>\$ -</u>	<u>\$ 362,988</u>	<u>\$ 15,815</u>	<u>\$ 3,076,245</u>	<u>\$ 9,568,187</u>		
<u>At December 31</u>																		
Cost	\$ 1,444,237	\$ 3,935,891	\$ 1,601,720	\$ 5,537,611	\$ 428,854	\$ -	\$ 428,854	\$ 270,128	\$ 182,227	\$ 79,859	\$ 558,903	\$ -	\$ 558,903	\$ 69,502	\$ 3,076,245	\$ 11,647,566		
Accumulated depreciation and impairment	-	(1,035,263)	(271,765)	(1,307,028)	(219,107)	-	(219,107)	(156,952)	(84,905)	(61,785)	(195,915)	-	(195,915)	(53,687)	-	(2,079,379)		
	<u>\$ 1,444,237</u>	<u>\$ 2,900,628</u>	<u>\$ 1,329,955</u>	<u>\$ 4,230,583</u>	<u>\$ 209,747</u>	<u>\$ -</u>	<u>\$ 209,747</u>	<u>\$ 113,176</u>	<u>\$ 97,322</u>	<u>\$ 18,074</u>	<u>\$ 362,988</u>	<u>\$ -</u>	<u>\$ 362,988</u>	<u>\$ 15,815</u>	<u>\$ 3,076,245</u>	<u>\$ 9,568,187</u>		

															Construction in progress and equipment to be inspected	Total
	Land	Buildings and structures			Utilities equipment			Computer equipment	Transportation equipment	Furniture and fixtures	Tools			Leasehold improvements		
	Owner -occupied	Owner -occupied	Lease	Subtotal	Owner -occupied	Lease	Subtotal	Owner -occupied	Owner -occupied	Owner -occupied	Owner -occupied	Lease	Subtotal	Owner -occupied	Owner -occupied	
<u>At January 1</u>																
Cost	\$ 1,055,787	\$ 4,479,285	\$ 528,348	\$ 5,007,633	\$ 429,127	\$ 42,841	\$ 471,968	\$ 290,291	\$ 205,486	\$ 73,366	\$ 499,528	\$ 2,168	\$ 501,696	\$ 90,622	\$ 491,980	\$ 8,188,829
Accumulated depreciation and impairment	-	(972,690)	(90,347)	(1,063,037)	(231,872)	(19,885)	(251,757)	(151,147)	(124,153)	(52,182)	(157,622)	(621)	(158,243)	(38,946)	-	(1,839,465)
	<u>\$ 1,055,787</u>	<u>\$ 3,506,595</u>	<u>\$ 438,001</u>	<u>\$ 3,944,596</u>	<u>\$ 197,255</u>	<u>\$ 22,956</u>	<u>\$ 220,211</u>	<u>\$ 139,144</u>	<u>\$ 81,333</u>	<u>\$ 21,184</u>	<u>\$ 341,906</u>	<u>\$ 1,547</u>	<u>\$ 343,453</u>	<u>\$ 51,676</u>	<u>\$ 491,980</u>	<u>\$ 6,349,364</u>
Opening net book amount	\$ 1,055,787	\$ 3,506,595	\$ 438,001	\$ 3,944,596	\$ 197,255	\$ 22,956	\$ 220,211	\$ 139,144	\$ 81,333	\$ 21,184	\$ 341,906	\$ 1,547	\$ 343,453	\$ 51,676	\$ 491,980	\$ 6,349,364
Additions	420,443	24,738	70	24,808	2,837	24	2,861	19,685	16,893	9,841	16,139	173	16,312	880	268,492	780,215
Disposals	-	(27)	-	(27)	(752)	-	(752)	(362)	(2,873)	(28)	(212)	-	(212)	(779)	-	(5,033)
Reclassifications	2,521	238,351	253,719	492,070	48,528	18,339	66,867	275	12,837	5,229	73,774	-	73,774	-	1,990,565	2,644,138
Depreciation charge	-	(106,610)	(10,361)	(116,971)	(35,535)	(2,593)	(38,128)	(46,289)	(18,525)	(11,871)	(34,217)	(494)	(34,711)	(22,721)	-	(289,216)
Effect of exchange rate changes	37,981	42,556	12,965	55,521	3,392	743	4,135	263	152	(901)	10,045	-	10,045	(169)	13,382	120,409
Closing net book amount	<u>\$ 1,516,732</u>	<u>\$ 3,705,603</u>	<u>\$ 694,394</u>	<u>\$ 4,399,997</u>	<u>\$ 215,725</u>	<u>\$ 39,469</u>	<u>\$ 255,194</u>	<u>\$ 112,716</u>	<u>\$ 89,817</u>	<u>\$ 23,454</u>	<u>\$ 407,435</u>	<u>\$ 1,226</u>	<u>\$ 408,661</u>	<u>\$ 28,887</u>	<u>\$ 2,764,419</u>	<u>\$ 9,599,877</u>
<u>At December 31</u>																
Cost	\$ 1,516,732	\$ 4,783,716	\$ 842,822	\$ 5,626,538	\$ 483,048	\$ 71,372	\$ 554,420	\$ 265,589	\$ 169,397	\$ 87,875	\$ 595,050	\$ 2,341	\$ 597,391	\$ 83,498	\$ 2,764,464	\$ 11,665,904
Accumulated depreciation and impairment	-	(1,078,113)	(148,428)	(1,226,541)	(267,323)	(31,903)	(299,226)	(152,873)	(79,580)	(64,421)	(187,615)	(1,115)	(188,730)	(54,611)	(45)	(2,066,027)
	<u>\$ 1,516,732</u>	<u>\$ 3,705,603</u>	<u>\$ 694,394</u>	<u>\$ 4,399,997</u>	<u>\$ 215,725</u>	<u>\$ 39,469</u>	<u>\$ 255,194</u>	<u>\$ 112,716</u>	<u>\$ 89,817</u>	<u>\$ 23,454</u>	<u>\$ 407,435</u>	<u>\$ 1,226</u>	<u>\$ 408,661</u>	<u>\$ 28,887</u>	<u>\$ 2,764,419</u>	<u>\$ 9,599,877</u>

Note 1: The significant components of buildings include office buildings and warehouse with main buildings and improvements, which are depreciated over 20~55 and 10~35 years, respectively.

Note 2: The Group's property in Nangang District, Taipei City has been under construction since February 2020 and was shown under construction in progress. Thus, for the years ended December 31, 2021 and 2020, the interest of property, plant and equipment has been capitalized. Amount of borrowing costs for property, plant and equipment capitalised and interest rate range are as follows:

	Years ended December 31,	
	2021	2020
Amount capitalised	\$ 20,754	\$ 19,845
Range of the interest rates for capitalisation	0.80%~0.83%	0.84%~0.99%

Note 3: The Group had no property, plant and equipment pledged to others as collateral as of December 31, 2021 and 2020.

(11) Leasing arrangements - lessee

A. The Group leases various assets including land use rights and buildings. Rental contracts are typically made for periods of 1 to 5 years for buildings and 43 to 50 years for land use rights. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

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

	Land use rights	Buildings	Total
January 1, 2021	\$ 741,742	\$ 523,154	\$ 1,264,896
Additions	-	162,023	162,023
Depreciation charge	(18,412)	(242,879)	(261,291)
Lease modifications	-	(6,876)	(6,876)
Effect of decrease in consolidated entities	(40,614)	-	(40,614)
Effect of exchange rate changes	(4,400)	(8,084)	(12,484)
December 31, 2021	\$ 678,316	\$ 427,338	\$ 1,105,654
	Land use rights	Buildings	Total
January 1, 2020	\$ 747,609	\$ 777,331	\$ 1,524,940
Additions	-	18,186	18,186
Depreciation charge	(18,972)	(264,215)	(283,187)
Effect of exchange rate changes	13,105	(8,148)	4,957
December 31, 2020	\$ 741,742	\$ 523,154	\$ 1,264,896

C. Information on profit or loss relating to lease contracts is as follows:

	Years ended December 31,	
	2021	2020
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 9,584	\$ 14,481
Expense on short-term lease contracts	64,697	62,917
Expense on leases of low-value assets	9,384	2,825
Gain on lease modification	(164)	-

D. Apart from the cash outflow relating to the lease expense mentioned above in (11)C, the Group's cash outflow arising from the payment of lease liabilities amounted to \$244,900 and \$255,165

for the years ended December 31, 2021 and 2020, respectively.

(12) Leasing arrangements - lessor

- A. The Group leases various assets including office buildings. Rental contracts are typically made for periods of 1 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. To protect the lessor's ownership rights on the leased assets, leased assets may not be used as security for borrowing purposes, or a residual value guarantee was required.
- B. The Group leases computers and computer peripherals assets to others under a finance lease. Based on the terms of the lease contract, the ownership of the assets will be transferred to lessees provided that the lessees exercise the purchase option when the leases expire. Information on profit or loss in relation to lease contracts is as follows:

	Years ended December 31,	
	2021	2020
Sales profit	\$ 47,537	\$ 70,354
Finance income from the net investment in the finance lease	15,212	13,086
	<u>\$ 62,749</u>	<u>\$ 83,440</u>

- C. The maturity analysis of the undiscounted lease payments in the finance lease is as follows:

	December 31, 2021	December 31, 2020
Within 1 year	\$ 180,497	\$ 170,998
1-5 year(s)	147,059	199,864
	<u>\$ 327,556</u>	<u>\$ 370,862</u>

- D. Reconciliation of the undiscounted lease payments and the net investment in the finance lease is provided as follows:

	December 31, 2021		
	Current	Non-current	Total
Undiscounted lease payments	\$ 180,497	\$ 147,059	\$ 327,556
Unearned finance income	(27,683)	(20,720)	(48,403)
Net investment in the lease	<u>\$ 152,814</u>	<u>\$ 126,339</u>	<u>\$ 279,153</u>
	December 31, 2020		
	Current	Non-current	Total
Undiscounted lease payments	\$ 170,998	\$ 199,864	\$ 370,862
Unearned finance income	(27,172)	(25,819)	(52,991)
Net investment in the lease	<u>\$ 143,826</u>	<u>\$ 174,045</u>	<u>\$ 317,871</u>

E. Gain arising from operating lease agreements for the years ended December 31, 2021 and 2020 are as follows:

	Years ended December 31,	
	2021	2020
Rental income (including operating revenue and other income)	\$ 599,289	\$ 565,962

F. The maturity analysis of the lease payments under the operating leases is as follows:

	December 31, 2021	December 31, 2020
Within 1 year	\$ 409,625	\$ 479,620
1-5 year(s)	1,034,805	634,437
Over 5 years	229,094	295,380
	<u>\$ 1,673,524</u>	<u>\$ 1,409,437</u>

(13) Investment property

	2021		
	Buildings and structures	Utilities equipment	Total
<u>At January 1</u>			
Cost	\$ 1,524,561	\$ 148,160	\$ 1,672,721
Accumulated depreciation	(330,228)	(119,870)	(450,098)
	<u>\$ 1,194,333</u>	<u>\$ 28,290</u>	<u>\$ 1,222,623</u>
Opening net book amount	\$ 1,194,333	\$ 28,290	\$ 1,222,623
Additions	204	150	354
Depreciation charge	(32,051)	(12,485)	(44,536)
Effect of decrease in consolidated entities	(159,462)	(8,229)	(167,691)
Net exchange differences	(6,550)	(129)	(6,679)
Closing net book amount	<u>\$ 996,474</u>	<u>\$ 7,597</u>	<u>\$ 1,004,071</u>
<u>At December 31</u>			
Cost	\$ 1,333,076	\$ 34,973	1,368,049
Accumulated depreciation	(336,602)	(27,376)	(363,978)
	<u>\$ 996,474</u>	<u>\$ 7,597</u>	<u>\$ 1,004,071</u>

	2020		
	Buildings and structures	Utilities equipment	Total
<u>At January 1</u>			
Cost	\$ 1,647,723	\$ 158,129	\$ 1,805,852
Accumulated depreciation	(319,626)	(115,362)	(434,988)
	<u>\$ 1,328,097</u>	<u>\$ 42,767</u>	<u>\$ 1,370,864</u>
Opening net book amount	\$ 1,328,097	\$ 42,767	\$ 1,370,864
Additions	1,408	787	2,195
Reclassifications	(108,268)	(1,249)	(109,517)
Depreciation charge	(47,675)	(14,477)	(62,152)
Net exchange differences	20,771	462	21,233
Closing net book amount	<u>\$ 1,194,333</u>	<u>\$ 28,290</u>	<u>\$ 1,222,623</u>
<u>At December 31</u>			
Cost	\$ 1,524,561	\$ 148,160	\$ 1,672,721
Accumulated depreciation	(330,228)	(119,870)	(450,098)
	<u>\$ 1,194,333</u>	<u>\$ 28,290</u>	<u>\$ 1,222,623</u>

A. Rental income from investment property and direct operating expenses arising from investment property are shown below:

	Years ended December 31,	
	2021	2020
Rental income from investment property	<u>\$ 409,236</u>	<u>\$ 433,169</u>
Direct operating expenses arising from the investment property that generated rental income during the period	<u>\$ 90,488</u>	<u>\$ 92,043</u>

B. The fair value of the investment property held by the Group as of December 31, 2021 and 2020 was \$2,846,936 and \$2,953,606, respectively, which is calculated based on the present value of rental revenue for the next 10 years and disposal value. The valuation approach is categorized within level 3 in the fair value hierarchy. The growth rates used are consistent with the forecasts included in market quotation reports and historical experiences. The discount rates used are pre-tax and reflect specific risks relating to the relevant operating segments.

(14) Intangible assets

	2021		
	Computer software cost	Goodwill	Total
<u>At January 1</u>			
Cost	\$ 416,663	\$ 532,548	\$ 949,211
Accumulated amortisation	(311,506)	-	(311,506)
	<u>\$ 105,157</u>	<u>\$ 532,548</u>	<u>\$ 637,705</u>
Opening net book amount	\$ 105,157	\$ 532,548	\$ 637,705
Additions - acquired separately	16,001	-	16,001
Reclassifications	36,364	-	36,364
Amortisation charge	(39,396)	-	(39,396)
Net exchange differences	(2,404)	(8,351)	(10,755)
Closing net book amount	<u>\$ 115,722</u>	<u>\$ 524,197</u>	<u>\$ 639,919</u>
<u>At December 31</u>			
Cost	\$ 185,001	\$ 524,197	\$ 709,198
Accumulated amortisation	(69,279)	-	(69,279)
	<u>\$ 115,722</u>	<u>\$ 524,197</u>	<u>\$ 639,919</u>
	2020		
	Computer software cost	Goodwill	Total
<u>At January 1</u>			
Cost	\$ 367,893	\$ 548,101	\$ 915,994
Accumulated amortisation	(270,113)	-	(270,113)
	<u>\$ 97,780</u>	<u>\$ 548,101</u>	<u>\$ 645,881</u>
Opening net book amount	\$ 97,780	\$ 548,101	\$ 645,881
Additions - acquired separately	35,986	-	35,986
Reclassifications	9,774	-	9,774
Amortisation charge	(39,436)	-	(39,436)
Net exchange differences	1,053	(15,553)	(14,500)
Closing net book amount	<u>\$ 105,157</u>	<u>\$ 532,548</u>	<u>\$ 637,705</u>
<u>At December 31</u>			
Cost	\$ 416,663	\$ 532,548	\$ 949,211
Accumulated amortisation	(311,506)	-	(311,506)
	<u>\$ 105,157</u>	<u>\$ 532,548</u>	<u>\$ 637,705</u>

- A. Amortization charges on intangible assets were recognised as administrative expenses amounting to \$39,396 and \$39,436 for the years ended December 31, 2021 and 2020, respectively.
- B. Goodwill is allocated as follows to the Group's cash-generating units identified according to operating segment:

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Taiwan	\$ 239,479	\$ 239,479
Hong Kong	275,383	283,328
Indonesia	9,335	9,741
	<u>\$ 524,197</u>	<u>\$ 532,548</u>

C. Impairment of non-financial assets

Goodwill is allocated to the Group's cash-generating units identified according to operation segment. The recoverable amount of all cash-generating units has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by the management covering a five-year period.

The recoverable amount of all cash-generating units calculated using the value-in-use exceeded their carrying amount, so goodwill was not impaired. The key assumptions used for value-in-use calculations are consideration of gross margin, growth rate, and discount rate.

Management determined budgeted gross margin based on past performance and its expectations of market development. The growth rates used are consistent with the forecasts included in market quotation reports and historical experiences. The discount rates used are pre-tax and reflect specific risks relating to the relevant operating segments.

(15) Other non-current assets

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Refundable deposits	\$ 113,584	\$ 666,146
Long-term notes and overdue receivables	1,348,722	803,849
Long-term lease receivables	126,339	174,045
Others	40,161	27,638
	<u>\$ 1,628,806</u>	<u>\$ 1,671,678</u>

For details of long-term lease receivables, please refer to Notes 6(5) and (12).

(16) Short-term borrowings

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Bank borrowings		
Unsecured borrowings	<u>\$ 53,326,707</u>	<u>\$ 42,967,204</u>
Interest rate range	<u>0.68%~2.28%</u>	<u>0.65%~2.38%</u>
Collateral	None	None

(17) Short-term notes and bills payable

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Commercial paper payable	<u>\$ 12,490,000</u>	<u>\$ 13,730,000</u>
Interest rate range	<u>0.82%~1.00%</u>	<u>0.75%~1.06%</u>

The above-mentioned short-term notes and bills payables are issued and accepted by financial institutions.

(18) Other payables

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Temporary receipt of suppliers' payment	<u>\$ 4,349,911</u>	<u>\$ 3,040,591</u>
Salary and bonus payable	940,458	846,928
Accrued expenses - others	956,055	587,893
Other payables - others (including related parties)	<u>957,848</u>	<u>819,388</u>
	<u>\$ 7,204,272</u>	<u>\$ 5,294,800</u>

(19) Other current liabilities

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Refund liability - dealers' rebates payable	<u>\$ 4,686,476</u>	<u>\$ 3,501,628</u>
Other current liabilities - others	<u>95,486</u>	<u>61,407</u>
	<u>\$ 4,781,962</u>	<u>\$ 3,563,035</u>

(20) Long-term borrowings

<u>Type of borrowings</u>	<u>Borrowing period and repayment term</u>	<u>Interest rate range</u>	<u>Collateral</u>	<u>December 31, 2021</u>
Unsecured borrowings	Borrowing period is from December 30, 2021 to December 30, 2024; principal is repayable in full at maturity; interest is repayable monthly.	1.06%	None	<u>\$ 1,500,000</u>
Less: Current portion				<u>-</u>
				<u>\$ 1,500,000</u>

December 31, 2020: None.

(21) Pensions

A. Defined benefit plans

(a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance

with the Labor Standards Law. The pension benefits are paid based on the service years and the average monthly salaries of the last 1 month prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions to cover the deficit by next March. The subsidiary, PT. Synnex Metrodata Indonesia, also adopted a defined benefit plan.

(b) The amounts recognised in the balance sheet are as follows:

	December 31, 2021	December 31, 2020
Present value of defined benefit obligations	(\$ 465,746)	(\$ 518,460)
Fair value of plan assets	62,008	107,037
Net defined benefit liabilities (recorded as other non-current liabilities)	(\$ 403,738)	(\$ 411,423)

(c) Movements in net defined benefit liabilities are as follows:

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liabilities
<u>2021</u>			
At January 1	(\$ 518,460)	\$ 107,037	(\$ 411,423)
Current service cost	2,195	-	2,195
Interest (expense) income	(5,308)	344	(4,964)
	(521,573)	107,381	(414,192)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	1,844	1,844
Change in demographic assumptions	(3,184)	-	(3,184)
Exchange differences	2,905	-	2,905
Change in financial assumptions	14,588	-	14,588
Experience adjustments	(9,403)	-	(9,403)
	4,906	1,844	6,750
Pension fund contribution	-	3,054	3,054
Paid pension	50,921	(50,271)	650
At December 31	(\$ 465,746)	\$ 62,008	(\$ 403,738)

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liabilities
<u>2020</u>			
At January 1	(\$ 536,799)	\$ 137,432	(\$ 399,367)
Current service cost	(11,278)	-	(11,278)
Interest (expense) income	(7,934)	1,020	(6,914)
	(556,011)	138,452	(417,559)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	7,265	7,265
Change in demographic assumptions	4,069	-	4,069
Exchange differences	(434)	-	(434)
Change in financial assumptions	(23,905)	-	(23,905)
Experience adjustments	10,627	-	10,627
	(9,643)	7,265	(2,378)
Pension fund contribution	-	4,475	4,475
Paid pension	47,194	(43,155)	4,039
At December 31	(\$ 518,460)	\$ 107,037	(\$ 411,423)

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's and domestic subsidiaries' defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings are less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan asset fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2021 and 2020 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(e) The principal actuarial assumptions used for the Group were as follows:

- i. The principal actuarial assumptions used for the Company and its subsidiaries in Taiwan were as follows:

	Years ended December 31,	
	2021	2020
Discount rate	0.60%~0.75%	0.30%~0.35%
Future salary increases	3.00%~4.00%	3.00%~4.00%

Future mortality rate was estimated based on the 5th Taiwan Standard Ordinary Experience Mortality Table.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
<u>December 31, 2021</u>				
Effect on present value of defined benefit obligation	\$ 7,857	(\$ 8,105)	(\$ 7,014)	\$ 6,846
	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
<u>December 31, 2020</u>				
Effect on present value of defined benefit obligation	\$ 9,207	(\$ 9,515)	(\$ 8,278)	\$ 8,067

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liabilities in the balance sheet are the same.

The method and assumptions used for the preparation of sensitivity analysis during 2021 and 2020 are the same, except the actuarial assumption of discount rate and future salary increases.

ii. The principal actuarial assumptions used for foreign subsidiaries were as follows:

	Years ended December 31,	
	2021	2020
Discount rate	7.50%	7.00%
Future salary increases	9.00%	9.00%

Future mortality rate was estimated based on TMI3 issued by Insurance Council of Indonesia.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis were as follows:

	Discount rate		Future salary increases	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
<u>December 31, 2021</u>				
Effect on present value of defined benefit obligation	\$ 8,011	(\$ 7,627)	(\$ 7,810)	\$ 8,076
	Discount rate		Future salary increases	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
<u>December 31, 2020</u>				
Effect on present value of defined benefit obligation	\$ 10,503	(\$ 8,845)	(\$ 9,015)	\$ 10,511

(f) As of December 31, 2021, the weighted average duration of the retirement plan is 8~17.92 years.

(g) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2022 amount to \$26,276.

B. Defined contribution plans

- (a) No pension plan is established for certain overseas investment holding companies since these companies are not required to have an employee pension plan in accordance with the local legislation. Except for the above, other companies have established a funded defined contribution pension plan and therefore contribute monthly a certain percentage of the employees' monthly salaries and wages to the retirement fund. Except for monthly contributions to the retirement fund, these companies have no further obligations.
- (b) The pension costs under defined contribution pension plans of the Group for the years ended December 31, 2021 and 2020 were \$319,362 and \$181,885, respectively.

(22) Share capital

- A. As of December 31, 2021, the Company's authorised capital was \$24,000,000 (including \$500,000 reserved for the conversion of employees' stock options which have not been issued). The total number of shares of common stock, at \$10 (in dollars) par value per share, issued and outstanding, was 1,667,946,968 shares. Shares yet to be issued can be issued several times by the Board of Directors depending on the demand, and some of them can be distributed in the form of preferred shares. All proceeds from shares issued have been collected.

Movements in the number of the Group's ordinary shares outstanding are as follows:

	2021	2020
At January 1 (At December 31)	1,667,946,968	1,667,946,968

- B. In 1997 and 1999, the Company issued new shares and Mitac Incorporated and other major shareholders offered part of their shares to jointly participate in the issuance of global depository shares (GDSs). These GDSs were issued in Europe, Asia and the USA. Each GDS represents 4 shares of ordinary share. After several issuances of GDSs by issuing new shares, the total number

of GDSs outstanding as of December 31, 2021 was 23,174 units, representing 92,708 shares of ordinary share. The main terms and conditions of the GDSs are as follows:

(a) Voting rights

The holders of GDSs have no right to directly attend any shareholders' meeting of the Company, vote, or speak. However, when the Depositary receives the same instruction from more than 51% of the holders of GDSs on a proposal, the Depositary shall vote on the proposal as instructed by the holders of GDSs.

(b) Conversion of GDSs

Commencing three months after the initial issuance of GDSs, subject to the terms of the Deposit Agreement and applicable laws of the R.O.C., a holder of GDSs may request the Depositary to redeem and deliver or sell the Company's ordinary share represented by the GDRs.

(c) Dividends

The holders of GDSs are entitled to receive dividends to the same extent as the holders of ordinary shares.

(23) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

2021						
	Changes in equity					
	Share premium	Treasury share transactions	of associates and joint ventures	Stock options	Others	Total
At January 1	\$ 13,626,940	\$ 340,678	\$ 509,915	\$ 228,445	\$ 3,417	\$ 14,709,395
Changes in equity of associates and joint ventures	-	-	29,158	-	-	29,158
Difference between consideration and carrying amount of subsidiaries acquired	-	-	1,472	-	-	1,472
Disposal of investments accounted for using equity method	-	-	(540,545)	-	-	(540,545)
Unclaimed dividends	-	-	-	-	480	480
At December 31	<u>\$ 13,626,940</u>	<u>\$ 340,678</u>	<u>\$ -</u>	<u>\$ 228,445</u>	<u>\$ 3,897</u>	<u>\$ 14,199,960</u>

2020						
	Changes in equity					
	Share premium	Treasury share transactions	of associates and joint ventures	Stock options	Others	Total
At January 1	\$ 13,626,940	\$ 340,678	\$ 544,112	\$ 228,445	\$ 3,121	\$ 14,743,296
Changes in equity of associates and joint ventures	-	-	(34,323)	-	-	(34,323)
Difference between consideration and carrying amount of subsidiaries acquired	-	-	126	-	-	126
Unclaimed dividends	-	-	-	-	296	296
At December 31	<u>\$ 13,626,940</u>	<u>\$ 340,678</u>	<u>\$ 509,915</u>	<u>\$ 228,445</u>	<u>\$ 3,417</u>	<u>\$ 14,709,395</u>

(24) Retained earnings

A. The earnings distribution in accordance with the Articles of Incorporation of the Company is as follows:

- (a) The Company's annual earnings at the end of the accounting year shall be first subject to taxation, reimbursement of previous losses, followed by a 10% provision for legal reserve and provision for or reversal of special reserve by law. If there is profit remaining, the Board of Directors shall propose to distribute the balance amount, together with any accumulated non-distributed profit. Where dividends are distributed in the form of stocks, the distribution

shall be subject to the approval of the shareholders at the shareholders' meeting. Where dividends are distributed in the form of cash, the Board of Directors is authorized to make such distribution by approval of more than half of directors present at a meeting where more than two-thirds of the directors are in attendance, and the distribution shall also be reported at the shareholders' meeting.

The Board of Directors shall determine the shareholders' cash dividend ratio with the consideration of the financial structure of the Company, future earnings situation, and business development; however, the cash dividend ratio may not be less than 15% of the total current dividend distributed to shareholders.

- (b) Where the Company incurs no loss, the Board of Directors may draft distribution proposals to distribute part or all of the legal reserve and capital surplus specified in Article 241 of the Company Act to shareholders. Where dividends are distributed in the form of stocks, the distribution shall be subject to the approval of the shareholders at the shareholders' meeting. Where dividends are distributed in the form of cash, the Board of Directors is authorized to make such distribution by approval of more than half of the directors present at the meeting where more than two-thirds of the directors are in attendance, and the distribution shall also be reported at the shareholders' meeting.

- B. (a) The appropriation of 2020 and 2019 earnings had been resolved at the shareholders' meeting on July 20, 2021 and June 12, 2020, respectively. Details are summarized below:

	Years ended December 31,			
	2020		2019	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Provision for legal reserve	\$ 818,064		\$ 680,113	
(Reversal of) provision for special reserve	(958,465)		1,118,003	
Cash dividends	5,504,225	\$ 3.30	4,336,662	\$ 2.60

Note: For the years ended December 31, 2020 and 2019, the amount of cash dividends in the retained earnings appropriation has been approved by the Board of Directors on March 12, 2021 and March 13, 2020 and was reported to the shareholders.

- (b) The appropriation of 2021 earnings had been proposed at the Board of Directors' meeting on March 8, 2022. Details are summarized below:

	<u>Year ended December 31, 2021</u>	
	<u>Amount</u>	<u>Dividends per share (in dollars)</u>
Provision for legal reserve	\$ 1,695,196	
Provision for special reserve	1,910,568	
Cash dividends	8,339,735	\$ 5.00

C. For information relating to employees' remuneration (bonus) and directors' remuneration, please refer to Note 6(32).

(25) Other equity items

	<u>Currency translation</u>	<u>Unrealised gains (losses) on valuation</u>	<u>Total</u>
At January 1, 2021	(\$ 8,690,313)	\$ 2,353,767	(\$ 6,336,546)
Revaluation:			
–Group	-	11,910	11,910
–Associates	-	28,689	28,689
Currency translation differences:			
–Group	(2,172,410)	-	(2,172,410)
–Associates	221,245	-	221,245
At December 31, 2021	<u>(\$ 10,641,478)</u>	<u>\$ 2,394,366</u>	<u>(\$ 8,247,112)</u>

	<u>Currency translation</u>	<u>Unrealised gains (losses) on valuation</u>	<u>Total</u>
At January 1, 2020	(\$ 8,626,394)	\$ 1,331,383	(\$ 7,295,011)
Revaluation:			
–Group	-	1,015,974	1,015,974
–Associates	-	7,039	7,039
Revaluation transferred to retained earnings:			
–Group	-	(629)	(629)
Currency translation differences:			
–Group	(81,322)	-	(81,322)
–Associates	17,403	-	17,403
At December 31, 2020	<u>(\$ 8,690,313)</u>	<u>\$ 2,353,767</u>	<u>(\$ 6,336,546)</u>

(26) Operating revenue

Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines:

	Timing of revenue	Years ended December 31,	
		2021	2020
Revenue from 3C and electronic component products	At a point in time	\$ 407,269,345	\$ 332,695,342
Others	Over time	1,542,267	1,505,634
		<u>\$ 408,811,612</u>	<u>\$ 334,200,976</u>

(27) Interest income

	Years ended December 31,	
	2021	2020
Interest income from bank deposits	\$ 76,253	\$ 112,261
Other interest income	223,499	182,984
	<u>\$ 299,752</u>	<u>\$ 295,245</u>

(28) Other income

	Years ended December 31,	
	2021	2020
Rental income	\$ 598,002	\$ 564,342
Dividend income	201,799	113,011
Others	207,370	465,460
	<u>\$ 1,007,171</u>	<u>\$ 1,142,813</u>

(29) Other gains and losses

	Years ended December 31,	
	2021	2020
Net gains (losses) on financial assets at fair value through profit or loss		
Financial products	\$ 258,810	\$ 389,460
Other financial assets	101,283	(1,646)
Net currency exchange gains (losses)	14,821	(23,534)
Gain on disposal of property, plant and equipment and investment property	8,446	12,110
Related expense charges on investment property	(90,488)	(92,043)
Gains on disposal of investments	820,319	-
Gains on disposal of investments - gains on remeasurement of investments at fair value that were previously accounted for using equity method	9,020,026	-
Others	(309,168)	(140,365)
	<u>\$ 9,824,049</u>	<u>\$ 143,982</u>

(30) Finance costs

	Years ended December 31,	
	2021	2020
Interest expense on bank borrowings	\$ 381,749	\$ 442,285
Interest expense on short-term notes and bills payable	119,549	74,790
Interest expense on lease liabilities	9,584	14,481
Less: Capitalisation of qualifying assets	(20,754)	(19,845)
	<u>\$ 490,128</u>	<u>\$ 511,711</u>

(31) Expenses by nature

	Years ended December 31,	
	2021	2020
Employee benefit expense	\$ 5,159,438	\$ 4,861,759
Depreciation charges on property, plant and equipment	\$ 309,985	\$ 289,216
Depreciation charges on right-of-use assets	\$ 261,291	\$ 283,187
Depreciation charges on investment property	\$ 44,536	\$ 62,152
Amortisation charges on intangible assets	\$ 39,396	\$ 39,436

(32) Employee benefit expense

	Years ended December 31,	
	2021	2020
Wages and salaries	\$ 4,462,633	\$ 4,346,413
Employee social security expense	234,564	210,184
Pension costs	344,468	200,077
Directors' remuneration	7,500	7,000
Other personnel expenses	110,273	98,085
	<u>\$ 5,159,438</u>	<u>\$ 4,861,759</u>

A. In accordance with the Articles of Incorporation of the Company, the Company's net income before tax before deducting remuneration to employees and Directors and after covering for losses in the current fiscal year, should be applied to pay remuneration to employees in an amount not exceeding 10% and not less than 0.01% of the balance, and to Directors for an amount not more than 1% of the balance. Employee remuneration may be distributed in stock or cash and directors' remuneration may be distributed in cash subject to a resolution adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors. Employee remuneration may be distributed in stock; remuneration may also be distributed for employees of controlled or affiliated companies that meet the criteria. The Chairman of the Board is authorized to set such criteria.

B. For the years ended December 31, 2021 and 2020, employees' compensation (bonus) was accrued at \$2,100 and \$900, respectively; directors' remuneration was accrued at \$7,500 and \$7,000, respectively. The aforementioned amounts were recognised in salary expenses.

The employees' compensation and directors' remuneration were estimated and accrued based on 0.01% and 0.09% of distributable profit of current year for the year ended December 31, 2021. The employees' compensation and directors' remuneration resolved by the Board of Directors were \$2,200 and \$7,900, and will be distributed in the form of cash.

For 2020, the employees' compensation and directors' remuneration resolved by the Board of Directors amounted to \$900 and \$7,500, respectively. The differences between the amounts resolved by the Board of Directors and the amounts of \$900 and \$7,000 recognised in the 2020 financial statements had been adjusted in the profit or loss of 2021. As of December 31, 2021, the employees' compensation and directors' remuneration amounting to \$900 and \$7,500 were distributed in the form of cash.

Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors and by shareholders in the meetings is posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(33) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Years ended December 31,	
	2021	2020
Current tax:		
Current tax on profits for the period	\$ 997,870	\$ 738,549
Prior year income tax (overestimation) underestimation	(828,206)	58,049
Prepaid income tax	1,521,197	899,541
Tax on undistributed earnings	(140,841)	(33,318)
Total current tax	<u>1,550,020</u>	<u>1,662,821</u>
Deferred tax:		
Origination and reversal of temporary differences	<u>3,763,357</u>	<u>266,367</u>
Total deferred tax	<u>3,763,357</u>	<u>266,367</u>
Other:		
Tax on undistributed earnings	<u>140,841</u>	<u>33,318</u>
Income tax expense	<u>\$ 5,454,218</u>	<u>\$ 1,962,506</u>

(b) The income tax relating to components of other comprehensive income is as follows:

	Years ended December 31,	
	2021	2020
Remeasurements of defined benefit obligations	\$ 1,069	(\$ 4,769)

(c) For the years ended December 31, 2021 and 2020, the Group had no income tax charged/(credited) to equity during the period.

B. Reconciliation between income tax expense and accounting profit

	Years ended December 31,	
	2021	2020
Tax calculated based on profit before tax and statutory tax rate (Note)	\$ 6,592,019	\$ 3,705,903
Effects from items disallowed by tax regulation	(204,693)	(220,171)
Tax exempt income by tax regulation	(127,265)	(116,231)
Temporary differences not recognised as deferred tax liabilities	(3,920,500)	(1,440,309)
Change in assessment of realisation of deferred tax assets from taxable loss	(131,073)	(58,053)
Tax on undistributed earnings	140,841	33,318
Tax on investment income	3,835,227	-
Prior year income tax underestimation (overestimation)	(828,206)	58,049
Separate taxation	97,868	-
Income tax expense	<u>\$ 5,454,218</u>	<u>\$ 1,962,506</u>

Note: The basis for computing the applicable tax rate are the rates applicable in the respective countries where the Group entities operate.

C. Amounts of deferred tax assets or liabilities as a result of temporary differences and loss carryforward are as follows:

	2021				
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Effects on exchange rate changes and others	December 31
Temporary differences:					
-Deferred tax assets:					
Unrealised bad debts	\$ 481,282	105,801	\$ -	(\$ 6,398)	\$ 580,685
Unrealised loss on inventory value decline	60,035	(5,450)	-	(595)	53,990
Depreciation	94,153	(3,450)	-	(988)	89,715
Unrealised exchange loss	13,375	(13,375)	-	-	-
Unused compensated absences	8,257	1,886	-	(110)	10,033
Accrued pensions	82,367	271	(1,069)	(889)	80,680
Unrealised accrued expenses	11,849	87,057	-	(1,077)	97,829
Loss carryforward	58,165	(20,806)	-	322	37,681
Others	16,042	3,603	-	(215)	19,430
Subtotal	<u>\$ 825,525</u>	<u>\$ 155,537</u>	<u>(\$ 1,069)</u>	<u>(\$ 9,950)</u>	<u>\$ 970,043</u>
-Deferred tax liabilities:					
Unrealised purchase discount	(\$ 147,351)	(\$ 32,956)	\$ -	\$ 1,965	(\$ 178,342)
Unrealised exchange gain	-	(22,461)	-	244	(22,217)
Unrealised expenses	(30,515)	(17,468)	-	523	(47,460)
Investment income	-	(3,835,227)	-	-	(3,835,227)
Others	(16,330)	(10,782)	-	296	(26,816)
Subtotal	<u>(\$ 194,196)</u>	<u>(\$ 3,918,894)</u>	<u>\$ -</u>	<u>\$ 3,028</u>	<u>(\$ 4,110,062)</u>
Total	<u>\$ 631,329</u>	<u>(\$ 3,763,357)</u>	<u>(\$ 1,069)</u>	<u>(\$ 6,922)</u>	<u>(\$ 3,140,019)</u>

	2020				
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Effects on exchange rate changes and others	December 31
Temporary differences:					
-Deferred tax assets:					
Unrealised bad debts	\$ 508,359	(\$ 17,353)	\$ -	(\$ 9,724)	\$ 481,282
Unrealised loss on inventory value decline	47,714	13,534	-	(1,213)	60,035
Depreciation	45,751	50,304	-	(1,902)	94,153
Unrealised exchange loss	8,398	5,247	-	(270)	13,375
Unused compensated absences	5,318	3,105	-	(166)	8,257
Accrued pensions	83,104	(3,841)	4,769	(1,665)	82,367
Unrealised accrued expenses	48,475	(36,387)	-	(239)	11,849
Loss carryforward	329,020	(263,518)	-	(7,337)	58,165
Others	10,969	5,238	-	(165)	16,042
Subtotal	<u>\$ 1,087,108</u>	<u>(\$ 243,671)</u>	<u>\$ 4,769</u>	<u>(\$ 22,681)</u>	<u>\$ 825,525</u>
-Deferred tax liabilities:					
Unrealised purchase discount	(\$ 141,986)	(\$ 7,098)	\$ -	\$ 1,733	(\$ 147,351)
Unrealised exchange gain	(3,482)	3,482	-	-	-
Unrealised expenses	-	(30,874)	-	359	(30,515)
Others	(28,316)	11,794	-	192	(16,330)
Subtotal	<u>(\$ 173,784)</u>	<u>(\$ 22,696)</u>	<u>\$ -</u>	<u>\$ 2,284</u>	<u>(\$ 194,196)</u>
Total	<u>\$ 913,324</u>	<u>(\$ 266,367)</u>	<u>\$ 4,769</u>	<u>(\$ 20,397)</u>	<u>\$ 631,329</u>

D. Expiration dates of unused tax losses and amounts of unrecognised deferred tax assets are as follows:

December 31, 2021				
Year incurred	Amount filed/ assessed	Unused amount	Unrecognised deferred tax assets	Expiry year
2012~2021	<u>\$ 1,242,278</u>	<u>\$ 1,242,278</u>	<u>\$ 1,091,547</u>	2021~2031
December 31, 2020				
Year incurred	Amount filed/ assessed	Unused amount	Unrecognised deferred tax assets	Expiry year
2012~2020	<u>\$ 1,848,703</u>	<u>\$ 1,848,703</u>	<u>\$ 1,616,042</u>	2020~2030

E. The amounts of deductible temporary difference that are not recognised as deferred tax assets are as follows: None.

F. The subsidiaries' losses are allowed to be carried forward from 2021 to 2031.

G. The Company has not recognised taxable temporary differences associated with investment in

subsidiaries as deferred tax liabilities. As of December 31, 2021 and 2020, the amounts of temporary difference that are not recognised as deferred tax liabilities were \$11,653,719 and \$12,395,920, respectively.

H. The Company's income tax returns through 2018 have been assessed and approved by the Tax Authority.

(34) Earnings per share

Year ended December 31, 2021			
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 17,271,560	1,667,947	\$ 10.35
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 17,271,560	1,667,947	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	35	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	\$ 17,271,560	1,667,982	\$ 10.35
Year ended December 31, 2020			
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 8,158,539	1,667,947	\$ 4.89
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 8,158,539	1,667,947	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	43	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	\$ 8,158,539	1,667,990	\$ 4.89

(35) Transactions with non-controlling interests

Acquisition of additional equity interest in a subsidiary

The Group acquired an additional 3.10% and 0.87% shares of Bestcom Infotech Corp. for a cash consideration of \$53,792 and \$15,759 for the year ended December 31, 2021 and on March 30, 2020, respectively.

The effect of changes in interests in Bestcom Infotech Corp. on the equity attributable to owners of the parent for the years ended December 31, 2021 and 2020 is shown below:

	Years ended December 31,	
	2021	2020
Consideration paid to non-controlling interest	(\$ 53,792)	(\$ 15,759)
Decrease in carrying amount of non-controlling interest	55,264	15,885
Capital surplus - difference between consideration and carrying amount of subsidiary acquired	<u>\$ 1,472</u>	<u>\$ 126</u>

(36) Changes in liabilities from financing activities

	Short-term borrowings	Short-term notes and bills payable	Long-term borrowings	Cash dividends payable	Current/ Non-current lease liabilities	Guarantee deposits received
At January 1, 2021	\$ 42,967,204	\$ 13,730,000	\$ -	\$ -	\$ 544,541	\$ 152,626
Cash dividends declared	-	-	-	5,504,225	-	-
Cash dividends paid	-	-	-	(5,504,225)	-	-
Increase in short-term borrowings	10,359,503	-	-	-	-	-
Decrease in short-term notes and bills payable	-	(1,240,000)	-	-	-	-
Increase in long-term borrowings	-	-	1,500,000	-	-	-
Payments of lease liabilities	-	-	-	-	(244,900)	-
Increase in lease liabilities	-	-	-	-	162,023	-
Changes in other non-cash items	-	-	-	-	(7,040)	-
Increase in guarantee deposits received	-	-	-	-	-	93,211
Decrease in guarantee deposits received	-	-	-	-	-	(41,823)
Impact of changes in foreign exchange rate	-	-	-	-	(8,603)	(13,646)
At December 31, 2021	<u>\$ 53,326,707</u>	<u>\$ 12,490,000</u>	<u>\$ 1,500,000</u>	<u>\$ -</u>	<u>\$ 446,021</u>	<u>\$ 190,368</u>

	Short-term borrowings	Short-term notes and bills payable	Cash dividends payable	Current/ Non-current lease liabilities	Guarantee deposits received
At January 1, 2020	\$ 41,839,694	\$ 6,280,000	\$ -	\$ 790,314	\$ 136,979
Cash dividends declared	-	-	4,336,662	-	-
Cash dividends paid	-	-	(4,336,662)	-	-
Increase in short-term borrowings	1,432,837	-	-	-	-
Increase in short-term notes and bills payable	-	7,450,000	-	-	-
Payments of lease liabilities	-	-	-	(255,165)	-
Increase in lease liabilities	-	-	-	18,186	-
Increase in guarantee deposits received	-	-	-	-	155,757
Decrease in guarantee deposits received	-	-	-	-	(140,110)
Impact of changes in foreign exchange rate	(305,327)	-	-	(8,794)	-
At December 31, 2020	<u>\$ 42,967,204</u>	<u>\$ 13,730,000</u>	<u>\$ -</u>	<u>\$ 544,541</u>	<u>\$ 152,626</u>

(37) Supplemental cash flow information

The Group sold 100% of shares in the Mainland China subsidiary - Synnex (Ningbo) Ltd. to Ningbo Jiuyuan Electronic Co., Ltd. on February 28, 2021 and therefore lost control over the subsidiary. The details of the consideration received from the transaction (including cash and cash equivalents) and assets and liabilities relating to the subsidiary are as follows:

	February 28, 2021
Consideration received	
Cash	<u>\$ 189,878</u>
Carrying amount of the assets and liabilities of Synnex (Ningbo) Ltd.	
Cash	\$ 221
Prepayments	25
Other receivables	569
Investment property	167,691
Right-of-use assets	40,614
Deferred tax assets	6,828
Other payables	(1,159)
Other payables - related parties	(150,593)
Other current liabilities	(101)
Other non-current liabilities	(437)
Total net assets	<u>\$ 63,658</u>
Gains on disposal of investments	<u>\$ 126,220</u>
Net cash flow on loss of control of subsidiary for the period	<u>\$ 189,657</u>

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Group</u>
<u>Associates:</u>	
Synnex (Thailand) Public Company Ltd. and its Subsidiaries (Synnex Thailand)	King's Eye's investee accounted for using equity method
Synnex FPT Joint Stock Company and its Subsidiaries (Synnex FPT)	King's Eye's investee accounted for using equity method
Asgard System, Inc.	Indirect investee of Bestcom Infotech Corp.
Din Yen Technology Inc.	Associate of Bestcom Infotech Corp.
Udar Digital Inc.	Associate of Bestcom Infotech Corp.
<u>Other related parties:</u>	
Mitac Incorporated	The Company's chairperson is the related party's chairperson
Mitac Information Technology Corporation	The Company's chairperson is the related party's director
Mitac International Corporation	The Company's chairperson is the related party's chairperson
Mitac Digital Technology Corporation	The Company's chairperson is the related party's director
Mitac Computing Technology Corporation	The Company's chairperson is the related party's director
Getac Holdings Corporation (Original name: Getac Technology Corporation)	The Company's chairperson is the related party's director
Getac Technology Corporation (Original name: Getac Corporation)	Wholly-owned subsidiary of Getac Holdings Corporation
Atemitech Corporation	Wholly-owned subsidiary of Getac Holdings Corporation
Lien Hwa Industrial Holdings Corporation	The Company's chairperson is the related party's chairperson
UPC Technology Corporation	The Company's chairperson is the related party's chairperson

<u>Names of related parties</u>	<u>Relationship with the Group</u>
Mitac Communication Co., Ltd.	The related party's director is the second-degree relative of the Company's chairperson
Shunda Computer Factory Co., Ltd.	Indirect wholly-owned subsidiary of Mitac International Corporation
Tong Da Investment Corporation	The Company's director is the related party's chairperson
Lien Yuan Investment Corp.	The Company's director is the related party's chairperson
Harbinger III Venture Capital Corporation	The Company's chairperson is the related party's director
Jetwell Computer Co., Ltd.	The Company's subsidiary, Bestcom Infotech Corp., is the related party's director
Inforcom Technology Inc.	2021: Bestcom Infotech Corp. lost its significant influence in the fourth quarter of 2021 and is now the director of the related party. 2020: Indirect investee of Bestcom Infotech Corp.
Digitimes Inc.	The Company is the related party's director
Lien Hwa Milling Corporation	The Company's chairperson is the related party's director
Lien Hwa Property Development Corporation	Wholly-owned subsidiary of Lien Hwa Industrial Holdings Corporation
PT. Mitra Integrasi Informatika (MII)	Subsidiary's other related party
PT. Metrodata Electronics, Tbk (MTDL)	SMI's director
PT. Soltius Indonesia (SI)	Subsidiary's other related party
Packet System Indonesia (PSI)	Subsidiary's other related party
PT. Sinergi Transformasi Digital (STD)	Subsidiary's other related party

(2) Significant related party transactions and balances

A. Operating revenue

	Years ended December 31,	
	2021	2020
Sales of goods:		
— Associates	\$ 716,669	\$ 181,985
— Other related parties	2,166,178	1,873,543
	<u>\$ 2,882,847</u>	<u>\$ 2,055,528</u>

Goods are sold based on the price lists in force and terms that would be available to third parties. The collection term for related parties is within 30~120 days of the date of billing statement. The collection term for third parties is within 7~60 days after receipt of goods or 20~150 days of the date of billing statement.

B. Receivables from related parties

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Accounts receivable:		
— Associates	\$ 311,604	\$ 29,381
— Other related parties	389,869	302,607
	<u>\$ 701,473</u>	<u>\$ 331,988</u>

The receivables from related parties arise mainly from sales of goods. The receivables are unsecured in nature and bear no interest. There are no provisions held against receivables from related parties.

C. Purchases of goods

	Years ended December 31,	
	2021	2020
Purchases of goods:		
— Other related parties	<u>\$ 161,605</u>	<u>\$ 325,920</u>

Goods are purchased from associates on normal commercial terms and conditions. The payment term for related parties is within 30~90 days of the date of billing statement. The payment term for third parties is within 1~120 days after receipt of goods or 7~90 days of the date of billing statement.

D. Payables to related parties

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Accounts payable:		
— Other related parties	<u>\$ 20,927</u>	<u>\$ 10,629</u>

The payables to related parties arise mainly from purchase transactions. The payables bear no interest.

E. Other transactions

The details of other receivables, other payables, dividend receivables, and dividend income that the Group provides to related parties are as follows:

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Other receivables:		
Associates	\$ <u>40,813</u>	\$ <u>108,301</u>
	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Other payables:		
Associates	\$ -	\$ 851
Other related parties	<u>3,987</u>	<u>3,921</u>
	\$ <u>3,987</u>	\$ <u>4,772</u>
	<u>Years ended December 31,</u>	
	<u>2021</u>	<u>2020</u>
Other income:		
Other related parties	\$ <u>174,900</u>	\$ <u>105,523</u>

(3) Key management compensation

	<u>Years ended December 31,</u>	
	<u>2021</u>	<u>2020</u>
Short-term employee benefits	\$ 120,414	\$ 127,121
Post-employment benefits (Note)	<u>5,088</u>	<u>5,292</u>
Total	\$ <u>125,502</u>	\$ <u>132,413</u>

Note: Benefits are provisions that are not actually distributed.

8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

<u>Pledged asset</u>	<u>Book value</u>		<u>Purpose</u>
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	
Non-current financial assets at amortised cost:			
Pledged time deposits	\$ 1,439,507	\$ 1,255,138	Guarantees for purchases
Accounts receivable	1,256,244	1,707,769	Pledged for short-term borrowings (Note)
Inventories	1,281,830	893,854	"
	\$ <u>3,977,581</u>	\$ <u>3,856,761</u>	

Note: As of December 31, 2021 and 2020, there was no actual drawdown.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

- A. As of December 31, 2021 and 2020, the Group issued promissory notes to guarantee the suppliers' credit limit amounting to \$2,180,466 and \$2,016,070, respectively, for inventory purchases.
- B. On November 24, 2015, Kunshan Kunhao Electromechanical Co. Ltd. (Kunhao) filed a lawsuit against Syntech Asia Ltd. (SAL), the Group's indirect wholly-owned subsidiary, in the Hong Kong High Court for breach of oral contract of sales and requested SAL to compensate Kunhao for its losses amounting to USD 2,964 thousand. SAL disagreed with the request and raised an objection in the Hong Kong High Court on February 1, 2016 and requested the Hong Kong High Court to deny the claim of Kunhao. The case was settled for USD 850 thousand on May 31, 2021 and the settlement was paid on June 7, 2021. The case was closed.
- C. On December 22, 2014, Fairchild Semiconductor International, Inc. and Fairchild Semiconductor Corporation filed a third party lawsuit against the Company and Synnex Electronic Hong Kong Ltd. (SEL), in the United States District Court for the District of Massachusetts for breach of agency contract since the Company and SEL did not state the limit of warranty liability. This caused Fairchild to bear a significant amount of warranty liability so that Fairchild requested the Company and SEL to compensate for its losses amounting to USD 30,000 thousand. For this lawsuit, the Company and SEL advocated that Fairchild breached the personal jurisdiction and had insufficient reason to prosecute. The United States District Court agreed with the Company and SEL and dismissed the lawsuit on June 18, 2015, a day before the trial. In the first quarter of 2016, Fairchild Semiconductor Hong Kong Limited filed another lawsuit against the Company in Hong Kong International Arbitration Centre, and the Company lost the lawsuit in the third quarter of 2018. The Company signed a settlement agreement with Semiconductor Components Industries, LLC (representing Fairchild) and Acbel Polytech, Inc. on July 31, 2020 and paid a settlement of USD 6 million on August 5, 2020 to close the case.
- D. On November 13, 2017, Unisplendour Digital (Suzhou) Group Co. Ltd. (Unisplendour Digital) filed a sales dispute against Synnex Distributions (China) Ltd. in Suzhou Xiangcheng People's Court in China. In the complaint, Unisplendour Digital claimed the goods it received were not the subject matter of the contract and requested for a refund of the payment. On January 22, 2018, the Court dismissed the complaint on the ground that the law enforcement has initiated an investigation. In August 2020, Unisplendour Digital continuously refiled complaints to request for compensation of RMB 28,926 thousand, RMB 17,401 thousand, RMB 5,593 thousand and its penalty for breach of contract on the ground that the law enforcement has cancelled the investigation. In July 2021 and August 2021, the Suzhou Xiangcheng People's Court in China ruled against the Company on the above cases. The Company has appealed those rulings, and has estimated and recognised the potential losses in the financial statements.

(2) Commitments

Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Property, plant and equipment	<u>\$ 2,599,276</u>	<u>\$ 2,939,734</u>

It refers to the contract commitments of the Group to acquire the property located in Nangang Dist., Taipei City and to build the second stage of the logistics center in Sydney.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

On March 8, 2022, the Board of Directors resolved the distribution of earnings for the year of 2021. Please refer to Note 6(24).

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders 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 amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt. The Group monitors capital on the basis of the net borrowing ratio. This ratio is calculated as net borrowings divided by shareholders' equity. Net borrowings are calculated as all amounts of short-term borrowings, short-term notes and bills payable and long-term borrowings less all amounts of cash and cash equivalents, financial products at fair value through profit or loss, and time deposits maturing over three months as shown in the consolidated balance sheet. Shareholders' equity is calculated as total equity as shown in the consolidated balance sheet. The net borrowing ratios as of December 31, 2021 and 2020 were 88% and 73%, respectively.

(2) Financial instruments

A. Financial instruments by category

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
<u>Financial assets</u>		
Financial assets measured at fair value through profit or loss		
Financial assets mandatorily measured at fair value through profit or loss	\$ 2,323,570	\$ 120,604
Current financial assets at fair value through other comprehensive income		
Designation of equity instruments	12,240,488	-
Non-current financial assets at fair value through other comprehensive income		
Designation of equity instruments	6,613,070	5,185,936
Financial assets at amortised cost		
Cash and cash equivalents	7,052,958	15,229,773
Time deposits maturing over three months	-	9,390
Notes receivable, net	6,380,332	7,622,345
Accounts receivable, net	78,379,888	56,451,172
Accounts receivable due from related parties, net	701,473	331,988
Other receivables	6,283,010	6,363,831
Pledged time deposits - non-current	1,439,507	1,255,138
Other non-current assets		
-Refundable deposits	113,584	666,146
-Long-term notes and overdue receivables	1,348,722	803,849
-Long-term lease receivables	126,339	174,045
	<u>\$ 123,002,941</u>	<u>\$ 94,214,217</u>
	<u>December 31, 2021</u>	<u>December 31, 2020</u>
<u>Financial liabilities</u>		
Financial liabilities at fair value through profit or loss		
Financial liabilities held for trading	\$ 700	\$ 751
Financial liabilities at amortised cost		
Short-term borrowings	53,326,707	42,967,204
Short-term notes and bills payable	12,490,000	13,730,000
Notes payable	1,046,556	1,027,413
Accounts payable	49,046,067	32,561,833
Other payables	7,204,272	5,294,800
Long-term borrowings	1,500,000	-
Other non-current liabilities - guarantee deposits received	190,368	152,626
	<u>\$ 124,804,670</u>	<u>\$ 95,734,627</u>
Current lease liabilities	\$ 222,101	\$ 233,715
Non-current lease liabilities	223,920	310,826
	<u>\$ 446,021</u>	<u>\$ 544,541</u>

B. Financial risk management policies

- (a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. To minimize potential adverse effects on the financial performance of the Group, foreign exchange forward contracts are used to hedge certain exchange rate risk.

- (b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates, and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments, and investment of excess liquidity.
- C. Significant financial risks and degrees of financial risks
- (a) Market risk
- Foreign exchange risk
- i. The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD and RMB. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.
 - ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury.
 - iii. The Group hedges foreign exchange risk by using foreign exchange forward contracts. However, these contracts are not accounted for under hedge accounting. The contracts are recorded as financial assets or liabilities at fair value through profit or loss. Please refer to Note 6(2).
 - iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: RMB, USD and AUD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

December 31, 2021			
	Foreign currency amount (in thousands) (Note 2)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 78,872	27.73	\$ 2,187,121
USD:HKD (Note 1)	211,743	7.80	5,871,633
USD:AUD (Note 1)	21,396	1.38	593,311
AUD:NTD (Note 1)	5,789	20.16	116,705
NZD:USD (Note 1)	40,500	0.68	763,684
RMB:HKD (Note 1)	3,340,650	1.22	14,499,700
USD:IDR (Note 1)	28,456	14,285.71	789,085
HKD:RMB (Note 1)	276,700	0.82	984,181
RMB:IDR (Note 1)	29,361	2,235.99	127,435
<u>Non-monetary items</u>			
INR:USD (Note 1)	\$ 12,873,154	0.013412	\$ 4,787,716
THB:USD (Note 1)	1,553,198	0.029895	1,287,583
VND:USD (Note 1)	1,304,607,511	0.000044	1,591,778
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 63,616	27.73	\$ 1,764,072
USD:HKD (Note 1)	868,272	7.80	24,077,183
USD:AUD (Note 1)	20,911	1.38	579,862
AUD:USD (Note 1)	2,362	0.73	47,814
USD:IDR (Note 1)	22,882	14,285.71	634,518
RMB:HKD (Note 1)	606,230	1.22	2,631,270
NTD:RMB (Note 1)	177,437	0.23	177,437

December 31, 2020				
	Foreign currency		Book value	
	amount		(NTD)	
	(in thousands)	Exchange rate		
	(Note 2)			
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	\$ 126,876	28.53	\$	3,619,772
USD:HKD (Note 1)	175,942	7.75		5,019,625
USD:AUD (Note 1)	15,078	1.30		430,175
AUD:NTD (Note 1)	9,747	21.97		214,123
NZD:USD (Note 1)	24,000	0.72		492,998
RMB:HKD (Note 1)	484,068	1.19		2,114,244
USD:IDR (Note 1)	29,602	14,084.51		844,545
HKD:RMB (Note 1)	304,641	0.84		1,121,103
RMB:IDR (Note 1)	27,065	2,156.13		118,207
<u>Non-monetary items</u>				
INR:USD (Note 1)	\$ 11,088,082	0.013663	\$	4,322,194
THB:USD (Note 1)	1,373,399	0.033434		1,310,047
VND:USD (Note 1)	1,145,663,571	0.000043		1,405,489
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	\$ 59,859	28.53	\$	1,707,777
USD:HKD (Note 1)	222,662	7.75		6,352,547
USD:AUD (Note 1)	15,833	1.30		451,715
USD:RMB (Note 1)	57,601	6.53		1,643,357
AUD:USD (Note 1)	2,392	0.77		52,548
USD:IDR (Note 1)	15,781	14,084.51		450,232
RMB:HKD (Note 1)	439,991	1.19		1,921,731
NTD:RMB (Note 1)	81,290	0.23		81,290

Note 1: The functional currencies of certain consolidated entities are not NTD; thus, this information has to be considered when reporting. For example, when a subsidiary's functional currency is RMB, the subsidiary's segments that are involved with USD have to be taken into consideration.

Note 2: Including transactions within the Group which are eliminated for preparation of the consolidated financial statements.

- v. Total exchange gain (loss), including realized and unrealized, arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2021 and 2020, amounted to \$14,821 and (\$23,534), respectively.

vi. Analysis of foreign currency market risk arising from significant foreign exchange variation:

Year ended December 31, 2021				
Sensitivity analysis				
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income	
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	1%	\$ 21,871	\$	-
USD:HKD (Note)	1%	58,716		-
USD:AUD (Note)	1%	5,933		-
AUD:NTD (Note)	1%	1,167		-
NZD:USD (Note)	1%	7,637		-
RMB:HKD (Note)	1%	144,997		-
USD:IDR (Note)	1%	7,891		-
HKD:RMB (Note)	1%	9,842		-
RMB:IDR (Note)	1%	1,274		-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	1%	(\$ 17,641)	\$	-
USD:HKD (Note)	1%	(240,772)		-
USD:AUD (Note)	1%	(5,799)		-
AUD:USD (Note)	1%	(478)		-
USD:IDR (Note)	1%	(6,345)		-
RMB:HKD (Note)	1%	(26,313)		-
NTD:RMB (Note)	1%	(1,774)		-

Year ended December 31, 2020				
Sensitivity analysis				
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income	
(Foreign currency: functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	1%	\$ 36,198	\$	-
USD:HKD (Note)	1%	50,196		-
USD:AUD (Note)	1%	4,302		-
AUD:NTD (Note)	1%	2,141		-
NZD:USD (Note)	1%	4,930		-
RMB:HKD (Note)	1%	21,142		-
USD:IDR (Note)	1%	8,445		-
HKD:RMB (Note)	1%	11,211		-
RMB:IDR (Note)	1%	1,182		-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	1%	(\$ 17,078)	\$	-
USD:HKD (Note)	1%	(63,525)		-
USD:AUD (Note)	1%	(4,517)		-
USD:RMB (Note)	1%	(16,434)		-
AUD:USD (Note)	1%	(525)		-
USD:IDR (Note)	1%	(4,502)		-
RMB:HKD (Note)	1%	(19,217)		-
NTD:RMB (Note)	1%	(813)		-

Note: The functional currencies of certain consolidated entities are not NTD; thus, this information has to be considered when reporting. For example, when a subsidiary's functional currency is RMB, the subsidiary's segments that are involved with USD have to be taken into consideration.

Price risk

- i. The Group's equity instruments, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage the price risk arising from investments in equity instruments, the Group diversifies its portfolio in accordance with the limits set by the Group.
- ii. The Group primarily invests in equity instruments issued by domestic and foreign companies. The prices of equity instruments would be affected by the uncertainty of the future value of underlying investments. If the prices of these equity instruments had

increased/decreased by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2021 and 2020 would have increased/decreased by \$23,236 and \$1,206, respectively, as a result of gains/losses on equity instruments at fair value through profit or loss. Other components of equity would have increased/decreased by \$188,536 and \$51,859, respectively, as a result of gains/losses from equity instruments at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- i. The Group's interest rate risk arises mainly from short-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. During the years ended December 31, 2021 and 2020, the Group's borrowings at variable rate were mainly denominated in NTD, USD and AUD.
- ii. The Group's borrowings are measured at amortised cost. The borrowings are periodically contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.
- iii. If the borrowing interest rates had increased/decreased by 0.25% with all other variables held constant, pre-tax profit for the years ended December 31, 2021 and 2020 would have decreased/increased by \$164,542 and \$141,743, respectively. The main factor is the changes in interest expense resulting from floating-rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.
- ii. The Group manages their credit risk taking into consideration the entire group's concern. According to the Group's credit policy, the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings. The utilisation of credit limits is regularly monitored.
- iii. If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition after taking into consideration the historical experiences.
- iv. In accordance with historical collections and customers' credit rating levels, the default occurs when the contract payments are past due over certain periods classified based on the credit rating of customers.
- v. The Group classifies customer's accounts receivable and lease receivables in accordance with credit rating of customer. The Group applies the modified approach using loss rate

method to estimate expected credit loss.

- vi. The Group will continue executing the recourse procedures to secure their rights on those defaulted financial assets. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights.
- vii. The Group used the forecastability to adjust historical and timely information to assess the default possibility of notes receivable (including related parties), accounts receivable (including related parties), overdue receivables, and lease receivables. As of December 31, 2021 and 2020, the assessment is as follows:

	Group provision	Individual provision				Total
		Group A	Group B	Group C	Group D	
<u>At December 31, 2021</u>						
Expected loss rate	0.03%-0.3%	15%	50%	75%	100%	
Total book value	\$ 85,664,796	\$ 1,415,099	\$ 204,769	\$ 174,012	\$ 1,756,883	\$ 89,215,559
Loss allowance	\$ 203,103	\$ 212,265	\$ 102,384	\$ 130,509	\$ 1,756,883	\$ 2,405,144

	Group provision	Individual provision				Total
		Group A	Group B	Group C	Group D	
<u>At December 31, 2020</u>						
Expected loss rate	0.001%-0.4%	15%	50%	75%	100%	
Total book value	\$ 64,561,592	\$ 700,438	\$ 359,180	\$ 115,468	\$ 1,761,899	\$ 67,498,577
Loss allowance	\$ 156,087	\$ 105,066	\$ 179,590	\$ 86,581	\$ 1,761,899	\$ 2,289,223

- viii. Movements in relation to the Group applying the modified approach to provide loss allowance for notes receivable (including related parties), accounts receivable (including related parties), overdue receivables, and lease receivables are as follows:

	2021				
	Notes receivable	Accounts receivable	Overdue receivables	Other receivables	Total
At January 1	\$ 20,516	\$ 135,571	\$ 2,126,571	\$ 6,565	\$ 2,289,223
Provision for (reversal of) impairment loss	(4,381)	57,380	194,431	-	247,430
Write-offs	-	(2,135)	(103,549)	(6,525)	(112,209)
Effect of exchange rate change	(138)	(3,710)	(15,412)	(40)	(19,300)
At December 31	<u>\$ 15,997</u>	<u>\$ 187,106</u>	<u>\$ 2,202,041</u>	<u>\$ -</u>	<u>\$ 2,405,144</u>
	2020				
	Notes receivable	Accounts receivable	Overdue receivables	Other receivables	Total
At January 1	\$ 19,791	\$ 59,517	\$ 2,035,766	\$ 6,449	\$ 2,121,523
Provision for (reversal of) impairment loss	360	76,300	158,183	-	234,843
Write-offs	-	-	(97,347)	-	(97,347)
Effect of exchange rate change	365	(246)	29,969	116	30,204
At December 31	<u>\$ 20,516</u>	<u>\$ 135,571</u>	<u>\$ 2,126,571</u>	<u>\$ 6,565</u>	<u>\$ 2,289,223</u>

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.
- ii. Surplus cash held by the operating entities over and above balance required for working capital management is transferred to the Group treasury. Group treasury invests surplus cash in interest-bearing demand deposits, time deposits, money market deposits, and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts.
- iii. The Group's derivative and non-derivative financial liabilities are classified into relevant maturity groups based on the remaining period from the balance sheet date to the contractual maturity date. Except for those maturing within a year whose contractual undiscounted cash flows approximate the amounts presented in the balance sheet, the remaining contractual undiscounted cash flows of non-derivative financial liabilities are disclosed in the table below:

Non-derivative financial liabilities:

December 31, 2021	Less than 1 year	Over 1 year	Total
Lease liabilities (current/non-current)	\$ 228,693	\$ 227,497	\$ 456,190
Guarantee deposits received	-	190,368	190,368

Non-derivative financial liabilities:

December 31, 2020	Less than 1 year	Over 1 year	Total
Lease liabilities (current/non-current)	\$ 242,758	\$ 316,073	\$ 558,831
Guarantee deposits received	-	152,626	152,626

Derivative financial liabilities:

December 31, 2021	Less than 1 year	Over 1 year	Total
Forward exchange contracts	\$ 700	\$ -	\$ 700

Derivative financial liabilities:

December 31, 2020	Less than 1 year	Over 1 year	Total
Forward exchange contracts	\$ 751	\$ -	\$ 751

- iv. The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) Fair value information

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where

transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in unlisted stocks and derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity instruments without active market is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6(13).

C. Financial instruments not measured at fair value

The carrying amounts of the Group's financial instruments not measured at fair value (including cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables, other non-current assets – refundable deposits, other non-current assets – long-term notes and overdue receivables, financial assets at amortised cost – pledged time deposits, other non-current assets – long-term lease receivables, short-term borrowings, short-term notes and bills payable, notes payable, accounts payable, other payables, long-term borrowings, and other non-current liabilities – guarantee deposits received) are approximate to their fair values.

D. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:

(a) The related information of natures of the assets and liabilities is as follows:

December 31, 2021	Level 1	Level 2	Level 3	Total
Assets:				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 221,254	\$ -	\$ -	\$ 221,254
Financial products	-	2,102,316	-	2,102,316
Current financial assets at fair value through other comprehensive income				
Equity securities	12,240,488	-	-	12,240,488
Non-current financial assets at fair value through other comprehensive income				
Equity securities	<u>1,654,581</u>	<u>167,600</u>	<u>4,790,889</u>	<u>6,613,070</u>
	<u>\$14,116,323</u>	<u>\$ 2,269,916</u>	<u>\$ 4,790,889</u>	<u>\$21,177,128</u>
Liabilities:				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Forward exchange contracts	<u>\$ -</u>	<u>\$ 700</u>	<u>\$ -</u>	<u>\$ 700</u>
December 31, 2020	Level 1	Level 2	Level 3	Total
Assets:				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 120,604	\$ -	\$ -	\$ 120,604
Non-current financial assets at fair value through other comprehensive income				
Equity securities	<u>1,412,585</u>	<u>111,022</u>	<u>3,662,329</u>	<u>5,185,936</u>
	<u>\$ 1,533,189</u>	<u>\$ 111,022</u>	<u>\$ 3,662,329</u>	<u>\$ 5,306,540</u>
Liabilities:				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Forward exchange contracts	<u>\$ -</u>	<u>\$ 751</u>	<u>\$ -</u>	<u>\$ 751</u>

- (b) The methods and assumptions the Group used to measure fair value are as follows:
- i. For the instruments the Group used market quoted prices as their fair values (that is, Level 1), listed shares are measured at closing price at the balance sheet date.
 - ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method, or other valuation methods, including calculation by applying model using market information available at the consolidated balance sheet date.
 - iii. When assessing non-standard and low-complexity financial instruments, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
 - iv. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, such as model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments in the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.
 - v. Forward exchange contracts are usually valued based on the current forward exchange rate.
 - vi. The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.
- E. For the years ended December 31, 2021 and 2020, there was no transfer between Level 1 and Level 2.
- F. The following chart is the movement of Level 3 for the years ended December 31, 2021 and 2020:

	2021	2020
	Non-derivative equity instrument	Non-derivative equity instrument
At January 1	\$ 3,662,329	\$ 3,202,607
Gains and losses recognised in other comprehensive income		
Recorded as unrealised gains (losses) on valuation of investments in equity instruments measured at fair value through other comprehensive income	1,129,140	468,680
Liquidated in the period	-	(7,773)
Effect of exchange rate changes	(580)	(1,185)
At December 31	<u>\$ 4,790,889</u>	<u>\$ 3,662,329</u>

G. For the years ended December 31, 2021 and 2020, there was no transfer into or out from Level 3.

H. Financial quality management segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable, in line with other resources, and represented as the exercisable price, frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model, and making any other necessary adjustments to the fair value.

I. The following is the quantitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2021	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 105,457	Market comparable companies	Discount for lack of marketability	0.7	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	<u>4,685,432</u>	Net asset value	Not applicable	-	Not applicable
Total	<u>\$ 4,790,889</u>				
	Fair value at December 31, 2020	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 199,838	Market comparable companies	Discount for lack of marketability	0.7	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	<u>3,462,491</u>	Net asset value	Not applicable	-	Not applicable
Total	<u>\$ 3,662,329</u>				

J. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, using different valuation models or assumptions may result in different measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets and liabilities categorized within Level 3 if the inputs to valuation models have changed:

			December 31, 2021			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Discount for lack of marketability	± 10%	\$ -	\$ -	\$ 10,546	(\$ 10,546)
Equity instrument	Net asset value	± 1%	\$ -	\$ -	\$ 46,854	(\$ 46,854)
			December 31, 2020			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Discount for lack of marketability	± 10%	\$ -	\$ -	\$ 19,984	(\$ 19,984)
Equity instrument	Net asset value	± 1%	\$ -	\$ -	\$ 34,625	(\$ 34,625)

(4) Other matter

Due to the COVID-19 pandemic and various preventive measures imposed by the government, the Group has adopted various countermeasures, such as split operation, work from home, and use of digital tools, in line with the government's policies. The pandemic has no significant impact on the Group's financial position and operating performance for the year ended December 31, 2021.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

- Loans to others: Please refer to table 1.
- Provision of endorsements and guarantees to others: Please refer to table 2.
- Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.
- Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital: Please refer to table 4.
- Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in

- capital or more: Please refer to table 5.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 6.
- I. Trading in derivative instruments undertaken during the reporting periods: Please refer to Note 6(2).
- J. Significant inter-company transactions during the reporting periods: Please refer to table 7.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 8.

(3) Information on investments in Mainland China

- A. Basic information: Please refer to table 9.
- B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: None.

(4) Major shareholders information

Major shareholders information: Please refer to table 10.

14. SEGMENT INFORMATION

(1) General information

The Group operates in the distribution industry and is primarily engaged in the sale of 3C and electronic component products. Given the characteristics of the industry the Group operates in, the Board of Directors and management team set up operating strategies and allocate resources based on the operating performance of IT/Telecom business and Component business.

(2) Measurement of segment information

The accounting policies of operating segments are the same as those in Note 4. The chief operating decision-maker assesses the performance of operating segments based on operating income (loss).

(3) Segment information

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

Year ended December 31, 2021

	IT/Telecom business	Component business	Reconciliation	Total
Revenue from external customers	\$ 290,006,170	\$ 118,805,442	\$ -	\$ 408,811,612
Inter-segment revenue	44,240,521	10,131,742	(54,372,263)	-
Segment revenue	<u>\$ 334,246,691</u>	<u>\$ 128,937,184</u>	<u>(\$ 54,372,263)</u>	<u>\$ 408,811,612</u>
Segment profit	<u>\$ 7,285,899</u>	<u>\$ 2,047,063</u>	<u>\$ -</u>	<u>\$ 9,332,962</u>
Segment assets	<u>\$ 170,050,244</u>	<u>\$ 31,633,462</u>	<u>\$ -</u>	<u>\$ 201,683,706</u>

Year ended December 31, 2020

	IT/Telecom business	Component business	Reconciliation	Total
Revenue from external customers	\$ 246,336,087	\$ 87,864,889	\$ -	\$ 334,200,976
Inter-segment revenue	24,997,052	10,095,617	(35,092,669)	-
Segment revenue	<u>\$ 271,333,139</u>	<u>\$ 97,960,506</u>	<u>(\$ 35,092,669)</u>	<u>\$ 334,200,976</u>
Segment profit	<u>\$ 5,646,422</u>	<u>\$ 1,587,335</u>	<u>\$ -</u>	<u>\$ 7,233,757</u>
Segment assets	<u>\$ 136,928,686</u>	<u>\$ 22,747,027</u>	<u>\$ -</u>	<u>\$ 159,675,713</u>

Note: Consolidated liabilities are not disclosed because it is not provided to the chief operating decision-maker.

(4) Reconciliation for segment income (loss)

A. The operating income (loss) of each area reported to the chief operating decision-maker is measured in a manner consistent with revenues and expenses in the statement of comprehensive income.

A reconciliation of reportable segment profit to the income before tax for the years ended December 31, 2021 and 2020 is provided as follows:

	Years ended December 31,	
	2021	2020
Reportable segment profit	\$ 9,332,962	\$ 7,233,757
Total non-operating income and expenses	13,898,980	3,267,135
Income before tax	<u>\$ 23,231,942</u>	<u>\$ 10,500,892</u>

B. The amounts provided to the chief operating decision-maker with respect to total assets are measured in a manner consistent with those in the financial statements.

(5) Information on products and services

	Years ended December 31,	
	2021	2020
Sales revenue	\$ 407,269,345	\$ 332,695,342
Service revenue	1,542,267	1,505,634
	<u>\$ 408,811,612</u>	<u>\$ 334,200,976</u>

(6) Geographical information

The external revenue is grouped according to the locations of the customers, and the non-current assets are grouped according to the locations of the non-current assets. Breakdown of revenue and non-current assets by geographic area is as follows:

	Years ended December 31,			
	2021		2020	
	Revenue	Non-current assets (Note)	Revenue	Non-current assets (Note)
Taiwan	\$ 65,864,259	\$ 4,223,194	\$ 55,819,382	\$ 4,116,151
China and Hong Kong	250,436,277	5,097,429	195,929,329	5,974,612
Australia, New Zealand and Indonesia	92,511,076	3,037,369	82,452,265	2,661,976
	<u>\$ 408,811,612</u>	<u>\$ 12,357,992</u>	<u>\$ 334,200,976</u>	<u>\$ 12,752,739</u>

Note: Non-current assets do not include financial assets and deferred income assets.

(7) Major customer information

The Group has no customer accounting for more than 10% of operating revenue for the years ended December 31, 2021 and 2020.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Loans to others
Year ended December 31, 2021

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

No.	Creditor	Borrower (Note 6)	General ledger account	Is a related party	Maximum outstanding balance during the year ended	Balance at	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					December 31, 2021 (Note 8)	December 31, 2021 (Note 8)							Item	Value			
0	Synnex Technology International Corporation	Seper Technology Corporation	Other receivables	Y	\$ 1,000,000	\$ 1,000,000	\$ 46,101	1.08%	(Note 1)	\$ -	Operating turnover	\$ -	-	\$ -	\$ 25,444,226	\$ 25,444,226	(Note 2)
0	Synnex Technology International Corporation	Synnex Global Ltd.	Other receivables	Y	2,858,500	2,773,000	-	0.00%~0.79%	(Note 1)	-	Operating turnover	-	-	-	25,444,226	25,444,226	(Note 2)
1	Synnex Global Ltd.	Synnex Technology International Corporation	Other receivables	Y	1,426,500	1,386,500	535,189	-	(Note 1)	-	Operating turnover	-	-	-	9,505,211	9,505,211	(Note 3)
1	Synnex Global Ltd.	Synnex Technology International (HK) Ltd.	Other receivables	Y	13,865,000	13,865,000	7,818,917	-	(Note 1)	-	Operating turnover	-	-	-	66,536,477	95,052,110	(Note 3)
1	Synnex Global Ltd.	Synnex (Chengdu) Ltd.	Other receivables	Y	214,388	-	-	-	(Note 1)	-	Operating turnover	-	-	-	66,536,477	95,052,110	(Note 3)
1	Synnex Global Ltd.	Synnex (Nanjing) Ltd.	Other receivables	Y	214,388	-	-	-	(Note 1)	-	Operating turnover	-	-	-	66,536,477	95,052,110	(Note 3)
1	Synnex Global Ltd.	Synnex (Shenyang) Ltd.	Other receivables	Y	85,755	-	-	-	(Note 1)	-	Operating turnover	-	-	-	66,536,477	95,052,110	(Note 3)
1	Synnex Global Ltd.	Synnex (Beijing) Ltd.	Other receivables	Y	85,755	-	-	-	(Note 1)	-	Operating turnover	-	-	-	66,536,477	95,052,110	(Note 3)
1	Synnex Global Ltd.	Synnex (Xi'an) Ltd.	Other receivables	Y	114,340	-	-	-	(Note 1)	-	Operating turnover	-	-	-	66,536,477	95,052,110	(Note 3)
1	Synnex Global Ltd.	Synnex (Hangzhou) Ltd.	Other receivables	Y	14,293	-	-	-	(Note 1)	-	Operating turnover	-	-	-	66,536,477	95,052,110	(Note 3)
1	Synnex Global Ltd.	Synnex (Tianjin) Ltd.	Other receivables	Y	22,868	-	-	-	(Note 1)	-	Operating turnover	-	-	-	66,536,477	95,052,110	(Note 3)
1	Synnex Global Ltd.	Synnex (Qingdao) Ltd.	Other receivables	Y	142,925	-	-	-	(Note 1)	-	Operating turnover	-	-	-	66,536,477	95,052,110	(Note 3)
1	Synnex Global Ltd.	Synnex (Jinan) Ltd.	Other receivables	Y	214,388	-	-	-	(Note 1)	-	Operating turnover	-	-	-	66,536,477	95,052,110	(Note 3)
1	Synnex Global Ltd.	Synnex (ZhenZhou) Ltd.	Other receivables	Y	214,388	-	-	-	(Note 1)	-	Operating turnover	-	-	-	66,536,477	95,052,110	(Note 3)
1	Synnex Global Ltd.	Synnex (Wuhan) Ltd.	Other receivables	Y	142,925	-	-	-	(Note 1)	-	Operating turnover	-	-	-	66,536,477	95,052,110	(Note 3)
1	Synnex Global Ltd.	Synnex(Hefei) Ltd.	Other receivables	Y	174,369	-	-	-	(Note 1)	-	Operating turnover	-	-	-	66,536,477	95,052,110	(Note 3)
1	Synnex Global Ltd.	Synnex (Harbing) Ltd.	Other receivables	Y	214,388	-	-	-	(Note 1)	-	Operating turnover	-	-	-	66,536,477	95,052,110	(Note 3)
1	Synnex Global Ltd.	Synnex (Nanchang) Ltd.	Other receivables	Y	114,340	-	-	-	(Note 1)	-	Operating turnover	-	-	-	66,536,477	95,052,110	(Note 3)
1	Synnex Global Ltd.	Synnex(Ningbo) Ltd.	Other receivables	Y	114,340	-	-	-	(Note 1)	-	Operating turnover	-	-	-	66,536,477	95,052,110	(Note 3)

No.	Creditor	Borrower (Note 6)	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2021 (Note 8)	Balance at December 31, 2021 (Note 8)	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
1	Synnex Global Ltd.	Synnex(Xiamen) Ltd.	Other receivables	Y	\$ 257,265	\$ -	\$ -	-	(Note 1)	\$ -	Operating turnover	\$ -	-	\$ -	\$ 66,536,477	\$ 95,052,110	(Note 3)
1	Synnex Global Ltd.	Synnex(Changsha) Ltd.	Other receivables	Y	114,340	-	-	-	(Note 1)	-	Operating turnover	-	-	-	66,536,477	95,052,110	(Note 3)
1	Synnex Global Ltd.	Synnex Australia Pty. Ltd.	Other receivables	Y	1,107,000	1,008,000	-	-	(Note 1)	-	Operating turnover	-	-	-	66,536,477	95,052,110	(Note 3)
1	Synnex Global Ltd.	Synnex New Zealand Ltd.	Other receivables	Y	933,840	853,515	768,164	-	(Note 1)	-	Operating turnover	-	-	-	66,536,477	95,052,110	(Note 3)
1	Synnex Global Ltd.	Synnex China Holdings Ltd.	Other receivables	Y	2,858,500	2,800,730	2,776,005	-	(Note 1)	-	Operating turnover	-	-	-	66,536,477	95,052,110	(Note 3)
1	Synnex Global Ltd.	Syntech Asia Ltd.	Other receivables	Y	8,319,000	8,319,000	2,249,291	-	(Note 1)	-	Operating turnover	-	-	-	66,536,477	95,052,110	(Note 3)
1	Synnex Global Ltd.	Leveltech Ltd.	Other receivables	Y	1,400,500	1,386,500	333,010	-	(Note 1)	-	Operating turnover	-	-	-	66,536,477	95,052,110	(Note 3)
2	Synnex Investments (China) Ltd.	Synnex (Beijing) Ltd.	Other receivables	Y	579,840	577,260	495,662	1.65%	(Note 1)	-	Operating turnover	-	-	-	13,032,433	13,032,433	(Note 4)
2	Synnex Investments (China) Ltd.	Synnex (Jinan) Ltd.	Other receivables	Y	235,424	234,376	202,692	1.65%	(Note 1)	-	Operating turnover	-	-	-	13,032,433	13,032,433	(Note 4)
2	Synnex Investments (China) Ltd.	Synnex (Harbing) Ltd.	Other receivables	Y	296,460	295,140	285,809	1.65%	(Note 1)	-	Operating turnover	-	-	-	13,032,433	13,032,433	(Note 4)
2	Synnex Investments (China) Ltd.	Synnex (Nanchang) Ltd.	Other receivables	Y	226,704	225,696	220,965	1.65%~ 3.26%	(Note 1)	-	Operating turnover	-	-	-	13,032,433	13,032,433	(Note 4)
2	Synnex Investments (China) Ltd.	Synnex (Ningbo) Ltd.	Other receivables	Y	177,840	-	-	-	(Note 1)	-	Operating turnover	-	-	-	13,032,433	13,032,433	(Note 4)
2	Synnex Investments (China) Ltd.	Synnex (Changsha) Ltd.	Other receivables	Y	226,704	225,696	210,071	1.65%	(Note 1)	-	Operating turnover	-	-	-	13,032,433	13,032,433	(Note 4)
2	Synnex Investments (China) Ltd.	Synnex Distributions (China) Ltd.	Other receivables	Y	7,903,980	7,812,540	3,906,270	1.65%	(Note 1)	-	Operating turnover	-	-	-	13,032,433	13,032,433	(Note 4)
2	Synnex Investments (China) Ltd.	Yude (Shanghai) Warehouse Co., Ltd.	Other receivables	Y	8,782	8,681	3,255	4.35%	(Note 1)	-	Operating turnover	-	-	-	5,212,973	5,212,973	(Note 4)
2	Synnex Investments (China) Ltd.	Synnex (Hefei) Ltd.	Other receivables	Y	150,410	149,740	148,872	1.65%	(Note 1)	-	Operating turnover	-	-	-	13,032,433	13,032,433	(Note 4)
2	Synnex Investments (China) Ltd.	Synnex (ZhenZhou) Ltd.	Other receivables	Y	34,878	34,722	33,420	1.65%	(Note 1)	-	Operating turnover	-	-	-	13,032,433	13,032,433	(Note 4)
2	Synnex Investments (China) Ltd.	Synnex (Tianjin) Ltd.	Other receivables	Y	23,978	23,872	23,438	1.65%	(Note 1)	-	Operating turnover	-	-	-	13,032,433	13,032,433	(Note 4)
2	Synnex Investments (China) Ltd.	Synnex (Xiamen) Ltd.	Other receivables	Y	41,417	41,233	39,063	1.65%	(Note 1)	-	Operating turnover	-	-	-	13,032,433	13,032,433	(Note 4)
2	Synnex Investments (China) Ltd.	Synnex (Shenyang) Ltd.	Other receivables	Y	21,702	21,702	13,021	1.65%	(Note 1)	-	Operating turnover	-	-	-	13,032,433	13,032,433	(Note 4)

No.	Creditor	Borrower (Note 6)	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2021 (Note 8)	Balance at December 31, 2021 (Note 8)	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
3	Trade Vanguard Global Ltd.	Synnex Distributions (China) Ltd.	Other receivables	Y	\$ 11,335,220	\$ 11,284,780	\$ 7,899,346	-	(Note 1)	\$ -	Operating turnover	\$ -	-	\$ -	\$ 29,620,525	\$ 29,620,525	(Note 5)
3	Trade Vanguard Global Ltd.	Synnex Investments (China) Ltd.	Other receivables	Y	3,512,880	3,472,240	2,951,404	-	(Note 1)	-	Operating turnover	-	-	-	29,620,525	29,620,525	(Note 5)
3	Trade Vanguard Global Ltd.	Synnex Technology International (HK) Ltd.	Other receivables	Y	4,391,100	4,340,300	2,611,305	-	(Note 1)	-	Operating turnover	-	-	-	29,620,525	29,620,525	(Note 5)

Note 1: Short-term financing.

Note 2: Limit on loans granted to a single party by Synnex Technology International Corporation and ceiling on total loans granted:

- Limit on loans granted to a single party is 40% of the net assets value per the latest audited or reviewed financial statements of Synnex Technology International Corporation.
- Ceiling on total loans granted to all parties is 40% of the net assets value per the latest audited or reviewed financial statements of Synnex Technology International Corporation.

Note 3: Limit on loans granted to a single party by Synnex Global Ltd. and ceiling on total loans granted:

- Ceiling on loans granted to parties whose shares held by the Company over 80% is 40% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 40% of the aforementioned net assets value. The audited net assets value of Synnex Global Ltd. amounted to \$95,052,110 for the year ended December 31, 2021.
- Ceiling on loans granted to parties whose shares held by the Company under 80% is 20% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 5% of the aforementioned net assets value. The audited net assets value of Synnex Global Ltd. amounted to \$95,052,110 for the year ended December 31, 2021.
- Ceiling on loans granted to parties whose voting rights are directly or indirectly held by the Company and which are located outside Taiwan is 100% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 70% of the aforementioned net assets value. The audited net assets value of Synnex Global Ltd. amounted to \$95,052,110 for the year ended December 31, 2021.
- Ceiling on loans granted to the Company's parent company and its wholly-owned subsidiaries which are located in Taiwan is 10% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 10% of the aforementioned net assets value. The audited net assets value of Synnex Global Ltd. amounted to \$95,052,110 for the year ended December 31, 2021.

Note 4: Limit on loans granted to a single party by Synnex Investments (China) Ltd. and ceiling on total loans granted:

- Ceiling on loans granted to parties whose shares held by the Company over 80% is 40% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 40% of the aforementioned net assets value. The audited net assets value of Synnex Investments (China) Ltd. amounted to \$13,032,433 for the year ended December 31, 2021.
- Ceiling on loans granted to parties whose shares held by the Company under 80% is 20% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 5% of the aforementioned net assets value. The audited net assets value of Synnex Investments (China) Ltd. amounted to \$13,032,433 for the year ended December 31, 2021.
- Ceiling on loans granted to parties whose voting rights are directly or indirectly held by the Company and which are located outside Taiwan is 100% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 100% of the aforementioned net assets value. The audited net assets value of Synnex Investments (China) Ltd. amounted to \$13,032,433 for the year ended December 31, 2021.

Note 5: Limit on loans granted to a single party by Trade Vanguard Global Ltd. and ceiling on total loans granted:

- Ceiling on loans granted to parties whose shares held by the Company over 80% is 40% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 40% of the aforementioned net assets value. The audited net assets value of Trade Vanguard Global Ltd. amounted to \$13,463,875 for the year ended December 31, 2021.
- Ceiling on loans granted to parties whose shares held by the Company under 80% is 20% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 5% of the aforementioned net assets value. The audited net assets value of Trade Vanguard Global Ltd. amounted to \$13,463,875 for the year ended December 31, 2021.
- Ceiling on loans granted to parties whose voting rights are directly or indirectly held by the Company and which are located outside Taiwan is 220% of the net assets value per the latest audited or reviewed financial statements of the Company. Limit on loans granted to a single party is 220% of the aforementioned net assets value. The audited net assets value of Trade Vanguard Global Ltd. amounted to \$13,463,875 for the year ended December 31, 2021.

Note 6: All the borrowers and lenders are the Company's direct or indirect wholly-owned subsidiaries, except for the subsidiary - Yude (Shanghai) Warehouse Co., Ltd., whose 80% share was indirectly held by the Company.

Note 7: Translated into New Taiwan Dollars using the exchange rate of US: NT=1:27.73.

Note 8: The limit on loans balance are resolved by the Board of Directors.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Provision of endorsements and guarantees to others

Year ended December 31, 2021

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number	Endorser/ guarantor	Company name	Party being endorsed/guaranteed	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of December 31, 2021	Outstanding endorsement/ guarantee amount at December 31, 2021	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 1)	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
			Relationship with the endorser/ guarantor											
0	Synnex Technology International Corporation	Synnex Global Ltd.	B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary.	\$ 63,610,564	\$ 25,511,600	\$ 25,511,600	\$ 4,715,875	\$ -	40%	\$ 127,221,128	Y	N	N	(Note 1)
0	Synnex Technology International Corporation	Synnex Australia Pty. Ltd.	B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary.	63,610,564	7,751,996	7,496,781	5,437,933	-	12%	127,221,128	Y	N	N	(Note 1)
0	Synnex Technology International Corporation	Synnex Technology International (HK) Ltd.	B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary.	63,610,564	8,725,584	8,635,560	7,431,053	-	14%	127,221,128	Y	N	N	(Note 1)
0	Synnex Technology International Corporation	Synnex New Zealand Ltd.	B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary.	63,610,564	1,767,336	1,682,852	312,714	-	3%	127,221,128	Y	N	N	(Note 1)
0	Synnex Technology International Corporation	Seper Technology Corporation	B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary.	63,610,564	2,000,000	2,000,000	570,301	-	3%	127,221,128	Y	N	N	(Note 1)
0	Synnex Technology International Corporation	Syntech Asia Ltd.	B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary.	63,610,564	10,060,444	10,060,444	7,998,912	-	16%	127,221,128	Y	N	N	(Note 1)
0	Synnex Technology International Corporation	Synnex Distributions (China) Ltd.	B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary.	63,610,564	2,201,045	2,135,210	1,640,633	-	3%	127,221,128	Y	N	Y	(Note 1)
0	Synnex Technology International Corporation	Leveltech Ltd.	B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary.	63,610,564	499,140	499,140	71,734	-	1%	127,221,128	Y	N	N	(Note 1)
1	Bestcom Infotech Corp.	Bizwave Tech Co., Ltd.	B. The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed /guaranteed subsidiary.	982,309	100,000	-	-	-	-	982,309	Y	N	N	(Note 2)

Note 1: Endorser/ guarantor: Synnex Technology International Corporation

(1) Limit on endorsements and guarantees provided for a single party is 100% of the net assets value per the latest audited or reviewed financial statements of the Company.

(2) Ceiling on total endorsements and guarantees provided for all parties is 200% of the net assets value per the latest audited or reviewed financial statements of the Company.

Note 2: Endorser/ guarantor: Bestcom Infotech Corp. For the year ended December 31, 2021, Bestcom Infotech Corp.’s audited net assets value amounted to \$1,964,618.

(1) Ceiling on total endorsements and guarantees provided for all parties is 50% of the net assets value per the latest audited or reviewed financial statements of the Company; limit on endorsements and guarantees provided for a single entity (directly or indirectly controlled over 50% ownership by the Group is not limited to the 50% limit).

(2) In addition to the aforementioned rules, limit on endorsements and guarantees provided for a single party is limited to the transaction amount in the most recent year (transaction amount represents the higher amount of purchase or sales).

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

December 31, 2021

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2021				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
Synnex Technology International Corporation	Lien Hwa Industrial Holdings Corporation	The issuer's chairperson is the same as the Company's chairperson	Current financial assets at fair value through profit or loss	2,066,962	\$ 127,945	0.15%	\$ 127,945	
Synnex Technology International Corporation	UPC Technology Corporation	The issuer's chairperson is the same as the Company's chairperson	Non-current financial assets at fair value through other comprehensive income	68,992,033	\$ 1,490,228	5.12%	\$ 1,490,228	
"	Mitac Information Technology Corporation	The issuer's director is the same as the Company's chairperson	"	8,262,486	105,457	5.51%	105,457	
"	Tong Da Investment Corporation	The issuer's chairperson is the same as the Company's director	"	4,848,125	167,599	19.99%	167,599	
"	Mitac Incorporated	The issuer's chairperson is the same as the Company's chairperson	"	69,547,771	4,467,237	18.37%	4,467,237	
"	Harbinger Venture Capital Corporation	The issuer's chairperson is the same as the Company's chairperson	"	25,848	-	13.05%	-	
"	Harbinger III Venture Capital Corporation	The issuer's director is the same as the Company's director	"	19,000	395	19.00%	395	
"	Lien Yuan Investment Corp.	The issuer's chairperson is the same as the Company's chairperson	"	9,217,196	148,765	19.99%	148,765	
"	Taiwan Paging Network Inc.	-	"	1,450,000	-	3.58%	-	
"	Digitimes Inc.	The Company is the issuer's director	"	504,000	7,201	2.68%	7,201	
"	Harbinger Capital Management Co., Ltd.	The issuer's chairperson is the same as the Company's chairperson	"	862,922	15,779	19.99%	15,779	
Synnex Technology International Corporation			Total non-current financial assets at fair value through other comprehensive income		\$ 6,402,661		\$ 6,402,661	

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2021				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
Bestcom Infotech Corp.	Jetwell Computer Co., Ltd.	Bestcom Infotech Corp. is the issuer's director	Non-current financial assets at fair value through other comprehensive income	3,254,524	\$ 164,353	8.34%	\$ 164,353	
"	Inforcom Technology Inc.	-	"	1,604,931	23,400	10.01%	23,400	
Bestcom Infotech Corp.			Total non-current financial assets at fair value through other comprehensive income		<u>\$ 187,753</u>		<u>\$ 187,753</u>	
Synnex Global Ltd.	Budworth Investment Ltd.	-	Non-current financial assets at fair value through other comprehensive income	125,807	\$ -	13.83%	\$ -	
"	Pilot View Ltd.	-	"	84,457	-	1.21%	-	
Synnex Global Ltd.			Total non-current financial assets at fair value through other comprehensive income		<u>\$ -</u>		<u>\$ -</u>	
King's Eye Investments Ltd.	Hi Food Co., Ltd	-	Non-current financial assets at fair value through other comprehensive income	2,150,000	<u>\$ 22,656</u>	10.00%	<u>\$ 22,656</u>	
"	Listed common stock	-	Current financial assets at fair value through profit or loss	12,552,403	<u>\$ 93,309</u>	0.51%	<u>\$ 93,309</u>	
Peer Developments Ltd.	TD Synnex Corporation	-	Current financial assets at fair value through other comprehensive income	3,859,888	<u>\$ 12,240,488</u>	4.04%	<u>\$ 12,240,488</u>	
Synnex Investments (China) Ltd.	Tianli Express Net Worth	-	Current financial assets at fair value through profit or loss	-	<u>\$ 197,721</u>	-	<u>\$ 197,721</u>	
Jifu Intelligent Logistics Corporation	Win-win Stable Day-day Profit	-	Current financial assets at fair value through profit or loss	-	<u>\$ 230,027</u>	-	<u>\$ 230,027</u>	
Laser International Trading (Shanghai) Company Ltd.	Tianli Express Net Worth and Chao Zhao Jin No.7007	-	Current financial assets at fair value through profit or loss	-	<u>\$ 466,812</u>	-	<u>\$ 466,812</u>	
Synnex (Shanghai) Ltd.	Chao Zhao Jin No.7007	-	Current financial assets at fair value through profit or loss	-	<u>\$ 846,863</u>	-	<u>\$ 846,863</u>	
Synnex (Beijing) Ltd.	Chao Zhao Jin No.7007	-	Current financial assets at fair value through profit or loss	-	<u>\$ 3,472</u>	-	<u>\$ 3,472</u>	
Synnex (Chengdu) Ltd.	Chao Zhao Jin No.7007	-	Current financial assets at fair value through profit or loss	-	<u>\$ 3,906</u>	-	<u>\$ 3,906</u>	
Synnex (Changsha) Ltd.	Chao Zhao Jin No.7007	-	Current financial assets at fair value through profit or loss	-	<u>\$ 868</u>	-	<u>\$ 868</u>	
Synnex (Guangzhou) Ltd.	Chao Zhao Jin No.7007	-	Current financial assets at fair value through profit or loss	-	<u>\$ 165,798</u>	-	<u>\$ 165,798</u>	

Table 3, Page 2

				As of December 31, 2021				
Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares	Book value	Ownership (%)	Fair value	Footnote
Synnex (Harbing) Ltd.	Chao Zhao Jin No.7007	-	Current financial assets at fair value through profit or loss	-	<u>\$ 1,736</u>	-	<u>\$ 1,736</u>	
Synnex (Hefei) Ltd.	Chao Zhao Jin No.7007	-	Current financial assets at fair value through profit or loss	-	<u>\$ 3,472</u>	-	<u>\$ 3,472</u>	
Synnex (Hangzhou) Ltd.	Chao Zhao Jin No.7007	-	Current financial assets at fair value through profit or loss	-	<u>\$ 63,802</u>	-	<u>\$ 63,802</u>	
Synnex (Jinan) Ltd.	Chao Zhao Jin No.7007	-	Current financial assets at fair value through profit or loss	-	<u>\$ 2,604</u>	-	<u>\$ 2,604</u>	
Synnex (Nanjing) Ltd.	Chao Zhao Jin No.7007	-	Current financial assets at fair value through profit or loss	-	<u>\$ 8,681</u>	-	<u>\$ 8,681</u>	
Synnex (Qingdao) Ltd.	Chao Zhao Jin No.7007	-	Current financial assets at fair value through profit or loss	-	<u>\$ 26,910</u>	-	<u>\$ 26,910</u>	
Synnex (Suzhou) Ltd.	Chao Zhao Jin No.7007	-	Current financial assets at fair value through profit or loss	-	<u>\$ 33,420</u>	-	<u>\$ 33,420</u>	
Synnex (Wuhan) Ltd.	Chao Zhao Jin No.7007	-	Current financial assets at fair value through profit or loss	-	<u>\$ 26,693</u>	-	<u>\$ 26,693</u>	
Synnex (Xi'an) Ltd.	Chao Zhao Jin No.7007	-	Current financial assets at fair value through profit or loss	-	<u>\$ 16,059</u>	-	<u>\$ 16,059</u>	
Synnex(Xiamen) Ltd.	Chao Zhao Jin No.7007	-	Current financial assets at fair value through profit or loss	-	<u>\$ 3,472</u>	-	<u>\$ 3,472</u>	

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES
Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital
Year ended December 31, 2021

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Marketable securities	General ledger account	Counterparty (Note 1)	Relationship with the investor (Note 1)	Transaction currency	Balance as at January 1, 2021		Addition		Disposal			Gain (loss) on disposal	Other Amount	Balance as at December 31, 2021	
						Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Book value			Number of shares	Amount
Synnex Investments (China) Ltd.	Tianli Express Net Worth, Anxin Express Day-day Profit, Win-win Stable Day-day Profit and Yue Xiang Ying	Current financial assets at fair value through profit or loss	-	-	RMB	-	\$ -	-	\$ 33,655,076	-	\$ 33,587,908	\$ 33,587,908	\$ - (Note 2)	\$ 130,553 (Note 3)	-	\$ 197,721
Laser International Trading (Shanghai) Company Ltd.	Tianli Express Net Worth	"	-	-	RMB	-	-	-	2,478,041	-	2,045,290	2,045,290	- (Note 2)	34,061 (Note 3)	-	466,812
Synnex Distributions (China) Ltd.	Tianli Express Net Worth, Anxin Express Day-day Profit, Win-win Stable Day-day Profit and Yue Xiang Ying	"	-	-	RMB	-	-	-	123,421,403	-	123,497,299	123,497,299	- (Note 2)	78,896 (Note 3)	-	-
Synnex (Shanghai) Ltd.	Chao Zhao Jin No.7007	"	-	-	RMB	-	-	-	4,013,753	-	3,187,889	3,187,889	- (Note 2)	20,999 (Note 3)	-	846,863
Jifu Intelligent Logistics Corporation	Win-win Stable Day-day Profit	"	-	-	RMB	-	-	-	935,198	-	706,172	706,172	- (Note 2)	1,001 (Note 3)	-	230,027
Peer Developments Ltd.	Concentrix Corporation	Investments accounted for using equity method	Public trading market	None	USD	3,859,888	4,871,435	-	-	262,003	1,068,734	338,605	728,986	363,445 (Note 4)	3,597,885	4,896,275

Note 1: Fill in the columns the counterparty and relationship if securities are accounted for under the equity method; otherwise leave the columns blank.

Note 2: The general ledger account is 'financial assets at fair value through profit or loss'. Due to adoption of IFRS, valuation gains and losses were recognised, and therefore there was no gain (loss) on disposal.

Note 3: It refers to the effect of exchange rate and gains or losses on valuation.

Note 4: It includes profit or loss on investments accounted for using equity method and equity adjustments.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more

Year ended December 31, 2021

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

			Differences in transaction terms compared to third party transactions								
			Transaction						Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Synnex Technology International Corporation	Syntech Asia Ltd.	Indirect wholly-owned subsidiary	(Sales)	(\$ 5,834,979)	(11%)	60 days	Standard selling price and collection terms	Insignificant difference	\$ 27,433	-	
Synnex Technology International Corporation	Syntech Asia Ltd.	Indirect wholly-owned subsidiary	Purchases	3,480,858	7%	60 days	Standard purchasing price and payment terms	Insignificant difference	(41,177)	(1%)	
Synnex Technology International Corporation	Seper Technology Corporation	Direct wholly-owned subsidiary	Purchases	1,753,563	3%	30 days	Standard purchasing price and payment terms	Insignificant difference	(18,569)	-	
Synnex Technology International Corporation	Synergy Intelligent Logistics Corporation	Direct wholly-owned subsidiary	Purchases	618,870	1%	30 days	Standard purchasing price and payment terms	Insignificant difference	(48,925)	(1%)	
Synnex Technology International Corporation	Synnex Technology International (HK) Ltd. and its subsidiaries	Indirect wholly-owned subsidiary	(Sales)	(333,266)	(1%)	30 days	Standard selling price and collection terms	Insignificant difference	38,588	1%	
Synnex Technology International Corporation	Bestcom Infotech Corp.	Direct 98.93% owned subsidiary	(Sales)	(141,955)	-	60 days	Standard selling price and collection terms	Insignificant difference	56,298	1%	
Synnex Technology International Corporation	Bestcom Infotech Corp.	Direct 98.93% owned subsidiary	Purchases	111,135	-	60 days	Standard purchasing price and payment terms	Insignificant difference	(39,797)	(1%)	
Synnex Technology International Corporation	Mitac Information Technology Corporation	Other related party	(Sales)	(122,726)	-	75 days	Standard selling price and collection terms	Insignificant difference	28,534	-	
Synnex Technology International Corporation	Mitac Computing Technology Corporation	Other related party	(Sales)	(147,635)	-	90 days	Standard selling price and collection terms	Insignificant difference	89,136	2%	
Synnex Technology International Corporation	Getac Holdings Corporation	Other related party	(Sales)	(178,964)	-	50 days	Standard selling price and collection terms	Insignificant difference	-	-	
Synnex Technology International Corporation	Jetwell Computer Co., Ltd.	Other related party	(Sales)	(184,829)	-	60 days	Standard selling price and collection terms	Insignificant difference	59,542	1%	
Seper Technology Corporation	Synnex Technology International Corporation	The Company	(Sales)	(1,753,563)	(28%)	30 days	Standard selling price and collection terms	Insignificant difference	18,569	3%	
Synergy Intelligent Logistics Corporation	Synnex Technology International Corporation	The Company	(Sales)	(618,870)	(66%)	30 days	Standard selling price and collection terms	Insignificant difference	48,925	58%	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote	
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)		
Bestcom Infotech Corp.	Synnex Technology International Corporation	The Company	Purchases	\$	141,955	1%	60 days	Standard purchasing price and payment terms	Insignificant difference	\$ (56,298)	(5%)	
Bestcom Infotech Corp.	Synnex Technology International Corporation	The Company	(Sales)	(	111,135)	(1%)	60 days	Standard selling price and collection terms	Insignificant difference	39,797	1%	
Bestcom Infotech Corp.	Din Yen Technology Inc.	An associate	(Sales)	(	546,828)	(4%)	60 days	Standard selling price and collection terms	Insignificant difference	278,157	8%	
Bestcom Infotech Corp.	Mitac Information Technology Corporation	Other related party	(Sales)	(	213,460)	(2%)	75 days	Standard selling price and collection terms	Insignificant difference	98,043	3%	
Bestcom Infotech Corp.	Jetwell Computer Co., Ltd.	Other related party	(Sales)	(	288,244)	(2%)	60 days	Standard selling price and collection terms	Insignificant difference	33,631	1%	
Synnex Technology International (HK) Ltd. and its subsidiaries	Synnex Technology International Corporation	The Company	Purchases		333,266	-	30 days	Standard purchasing price and payment terms	Insignificant difference	(38,588)	-	
Synnex Technology International (HK) Ltd. and its subsidiaries	Synnex Distributions (China) Ltd.	An affiliate	(Sales)	(	28,902,502)	(36%)	90 days after receipt of goods	Standard selling price and collection terms	Insignificant difference	13,320,071	62%	
Synnex Technology International (HK) Ltd. and its subsidiaries	Syntech Asia Ltd.	An affiliate	(Sales)	(	611,317)	(1%)	60 days	Standard selling price and collection terms	Insignificant difference	232,508	1%	
Syntech Asia Ltd.	Synnex Technology International Corporation	The Company	(Sales)	(	3,480,858)	(3%)	60 days	Standard selling price and collection terms	Insignificant difference	41,177	-	
Syntech Asia Ltd.	LianXiang Technology (Shenzhen) Ltd.	An affiliate	(Sales)	(	115,351)	-	60 days	Standard selling price and collection terms	Insignificant difference	13,184	-	
Syntech Asia Ltd.	Synnex Technology International Corporation	The Company	Purchases		5,834,979	5%	60 days	Standard purchasing price and payment terms	Insignificant difference	(27,433)	-	
Syntech Asia Ltd.	Synnex Technology International (HK) Ltd. and its subsidiaries	An affiliate	Purchases		611,317	1%	60 days	Standard purchasing price and payment terms	Insignificant difference	(232,508)	(2%)	
Syntech Asia Ltd.	Mitac Computing Technology Corporation	Other related party	(Sales)	(	115,043)	-	120 days	Standard selling price and collection terms	Insignificant difference	59,784	-	
Synnex Distributions (China) Ltd.	Synnex Technology International (HK) Ltd. and its subsidiaries	An affiliate	Purchases		28,902,502	29%	90 days after receipt of goods	Standard purchasing price and payment terms	Insignificant difference	(13,320,071)	85%	
Synnex Distributions (China) Ltd.	Synnex Technology Development (Beijing) Ltd.	Direct wholly-owned subsidiary	(Sales)	(	111,293)	-	30 days	Standard selling price and collection terms	Insignificant difference	-	-	
Synnex Technology Development (Beijing) Ltd.	Synnex Distributions (China) Ltd.	Parent company	Purchases		111,293	99%	30 days	Standard purchasing price and payment terms	Insignificant difference	-	-	

Table 5, Page 2

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Synnex Australia Pty. Ltd	Synnex New Zealand Ltd.	An affiliate	(Sales)	\$ (133,672)	-	30 days	Standard selling price and collection terms	Insignificant difference	\$ 10,763	-	
Synnex New Zealand Ltd.	Synnex Australia Pty. Ltd	An affiliate	Purchases	133,672	3%	30 days	Standard purchasing price and payment terms	Insignificant difference	(10,763)	(2%)	
PT. Synnex Metrodata Indonesia	PT. Mitra Integrasi Informatika	Other related party	(Sales)	(812,963)	(3%)	30 days	Standard selling price and collection terms	Insignificant difference	983	-	
Synnex (Shanghai) Ltd.	LianXiang Technology (Shenzhen) Ltd.	An affiliate	(Sales)	(637,631)	(97%)	60 days	Standard selling price and collection terms	Insignificant difference	3,654	100%	
LianXiang Technology (Shenzhen) Ltd.	Synnex (Shanghai) Ltd.	An affiliate	Purchases	637,631	52%	60 days	Standard purchasing price and payment terms	Insignificant difference	(3,654)	(2%)	
LianXiang Technology (Shenzhen) Ltd.	Syntech Asia Ltd.	An affiliate	Purchases	115,351	9%	60 days	Standard purchasing price and payment terms	Insignificant difference	(13,184)	(9%)	

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES
Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more
December 31, 2021

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2021	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Synnex Technology International Corporation	Syntech Asia Ltd.	Indirect wholly-owned subsidiary	\$ 188,947	9.58	\$ -	-	\$ 188,947	\$ -
Synnex Technology International Corporation	Synnex Australia Pty. Ltd.	Indirect wholly-owned subsidiary	119,328	-	-	-	-	-
Synnex Technology International Corporation	Synnex Technology International (HK) Ltd. and its subsidiaries	Indirect wholly-owned subsidiary	138,293	5.45	-	-	115,514	-
Synnex Technology International Corporation	Synnex Distributions (China) Ltd.	Indirect wholly-owned subsidiary	161,400	-	-	-	-	-
Bestcom Infotech Corp.	Din Yen Technology Inc.	An associate	278,157	3.94	-	-	717	-
Synnex Australia Pty. Ltd.	Golden Thinking Ltd.	An affiliate	201,433	-	-	-	-	-
Synnex Technology International (HK) Ltd. and its subsidiaries	Sytech Asia Ltd.	An affiliate	242,158	5.45	-	-	-	-
Synnex Technology International (HK) Ltd. and its subsidiaries	Synnex Distributions (China) Ltd.	An affiliate	14,295,773	5.45	-	-	10,458,356	-
Synnex Investments (China) Ltd.	Synnex Distributions (China) Ltd.	Direct wholly-owned subsidiary	712,239	-	-	-	712,239	-
Synnex Distributions (China) Ltd.	Synnex Technology International (HK) Ltd. and its subsidiaries	An affiliate	983,447	-	-	-	46,860	-
Synnex Technology Development (Beijing) Ltd.	Synnex Distributions (China) Ltd.	Wholly-owning parent company	251,691	-	-	-	47,783	-
LianXiang Technology (Shenzhen) Ltd.	Synnex (Shanghai) Ltd.	An affiliate	121,569	-	-	-	96,276	-

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Significant inter-company transactions during the reporting periods

Year ended December 31, 2021

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenue or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
0	Synnex Technology International Corporation	Syntech Asia Ltd.	Parent company to indirectly wholly-owned subsidiary	Sales	\$ 5,834,979	The same with third parties	1%
0	Synnex Technology International Corporation	Bestcom Infotech Corp.	Parent company to directly wholly-owned subsidiary	Sales	141,955	The same with third parties	-
0	Synnex Technology International Corporation	Syntech Asia Ltd.	Parent company to indirectly wholly-owned subsidiary	Other receivables	161,514	Note 5	-
0	Synnex Technology International Corporation	Synnex Australia Pty. Ltd.	Parent company to indirectly wholly-owned subsidiary	Other receivables	119,328	Notes 5 and 6	-
0	Synnex Technology International Corporation	Synnex Distributions (China) Ltd.	Parent company to indirectly wholly-owned subsidiary	Other receivables	161,400	Note 5	-
0	Synnex Technology International Corporation	Synnex Distributions (China) Ltd.	Parent company to indirectly wholly-owned subsidiary	Other income	161,400	Notes 9 and 10	-
0	Synnex Technology International Corporation	Synergy Intelligent Logistics Corporation	Parent company to directly wholly-owned subsidiary	Other income	112,523	Notes 10 and 11	-
0	Synnex Technology International Corporation	Synnex Australia Pty. Ltd.	Parent company to indirectly wholly-owned subsidiary	Other income	223,141	Notes 9 and 10	-
0	Synnex Technology International Corporation	Syntech Asia Ltd.	Parent company to indirectly wholly-owned subsidiary	Other income	183,715	Notes 9 and 10	-
0	Synnex Technology International Corporation	Synnex Technology International (HK) Ltd. and its subsidiaries	Parent company to indirectly wholly-owned subsidiary	Sales	333,266	The same with third parties	-
1	Seper Technology Corporation	Synnex Technology International Corporation	Subsidiary to parent company	Sales	1,753,563	The same with third parties	-
2	Synergy Intelligent Logistics Corporation	Synnex Technology International Corporation	Subsidiary to parent company	Sales	618,870	The same with third parties	-
3	Bestcom Infotech Corp.	Synnex Technology International Corporation	Subsidiary to parent company	Sales	111,135	The same with third parties	-
4	Syntech Asia Ltd.	Synnex Technology International Corporation	Indirectly wholly-owned subsidiary to parent company	Sales	3,480,858	The same with third parties	1%
4	Syntech Asia Ltd.	LianXiang Technology (Shenzhen) Ltd.	Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary	Sales	115,351	The same with third parties	-
5	Synnex Australia Pty. Ltd.	Synnex New Zealand Ltd.	Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary	Sales	133,672	The same with third parties	-
5	Synnex Australia Pty. Ltd.	Golden Thinking Ltd.	Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary	Other receivables	201,433	Note 6	-

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
6	Synnex Technology International (HK) Ltd. and its subsidiaries	Synnex Distributions (China) Ltd.	Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary	Sales	\$ 28,902,502	The same with third parties	7%
6	Synnex Technology International (HK) Ltd. and its subsidiaries	Synnex Distributions (China) Ltd.	Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary	Accounts receivable	13,320,071	The same with third parties	7%
6	Synnex Technology International (HK) Ltd. and its subsidiaries	Synnex Distributions (China) Ltd.	Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary	Other receivables	975,702	Note 6	-
6	Synnex Technology International (HK) Ltd. and its subsidiaries	Syntech Asia Ltd.	Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary	Sales	611,317	The same with third parties	-
6	Synnex Technology International (HK) Ltd. and its subsidiaries	Syntech Asia Ltd.	Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary	Accounts receivable	232,508	The same with third parties	-
7	Synnex Investments (China) Ltd.	Synnex Distributions (China) Ltd.	Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary	Other receivables	712,239	Note 6	-
8	Synnex (Shanghai) Ltd.	LianXiang Technology (Shenzhen) Ltd.	Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary	Sales	637,631	The same with third parties	-
9	Synnex Distributions (China) Ltd.	Synnex Technology Development (Beijing) Ltd.	Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary	Sales	111,293	The same with third parties	-
9	Synnex Distributions (China) Ltd.	Synnex Technology International (HK) Ltd. and its subsidiaries	Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary	Other receivables	983,447	Note 6	-
10	Synnex Technology Development (Beijing) Ltd.	Synnex Distributions (China) Ltd.	Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary	Other receivables	251,691	Note 6	-
11	LianXiang Technology (Shenzhen) Ltd.	Synnex (Shanghai) Ltd.	Indirectly wholly-owned subsidiary to indirectly wholly-owned subsidiary	Other receivables	121,569	Note 6	-

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1)Parent company is '0'.

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

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):

(1)Parent company to subsidiary.

(2)Subsidiary to parent company.

(3)Subsidiary to subsidiary.

Note 3: Percentage of total consolidated revenues or total assets is calculated using the total consolidated assets at the end of the period when the subject of transaction is an asset/liability, and is calculated using total consolidated revenues during the period when the subject of transaction is a revenue/expense.

Note 4: It is not disclosed for individual transaction below \$100 million.

Note 5: Represents technical service receivable and interest receivable.

Note 6: Inter-company transactions between subsidiaries.

Note 7: For information relating to receivables from related parties arising on financing, please refer to table 1 Loans to others.

Note 8: For information relating to endorsements and guarantees between the Company and subsidiaries, please refer to table 2 Provision of endorsements and guarantees to others.

Note 9: Represents technical service revenue from the Company's provision of technical service to related parties.

Note 10: Represents technical service revenue from the Company's provision of technical service to related parties.

Note 11: Rental income from the related parties.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Information on investees
Year ended December 31, 2021

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2021			Net profit (loss) of the investee for the year ended December 31, 2021	Investment income(loss) recognised by the Company for the year ended December 31, 2021	Footnote
				Balance as at December 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value			
Synnex Technology International Corporation	Synnex Global Ltd.	British Virgin Islands	Investment holding	\$ 17,607,381	\$ 17,607,381	548,250,000	100.00	\$ 95,052,110	\$ 19,602,501	\$ 19,602,501	
Synnex Technology International Corporation	Bestcom Infotech Corp.	Taiwan	Sales of 3C products	1,656,818	1,603,026	102,103,296	98.93	2,168,921	362,503	353,259	
Synnex Technology International Corporation	E-Fan Investments CO., LTD.	Taiwan	Investment holding	1,145,384	1,145,384	22,500,000	100.00	281,798	548	548	
Synnex Technology International Corporation	Synergy Intelligent Logistics Corporation	Taiwan	Warehouse and logistics services	50,000	50,000	5,000,000	100.00	279,819	206,058	206,058	
Synnex Technology International Corporation	Seper Technology Corporation	Taiwan	Sales of 3C products	1,426	1,426	100,000	100.00	79,891	76,460	76,460	
Synnex Technology International Corporation	Synergy Technology Services Corporation	Taiwan	Maintenance and technical services	1,000	1,000	100,000	100.00	989	-	-	
Synnex Global Ltd.	King's Eye Investments Ltd.	British Virgin Islands	Investment holding	1,732,487	1,732,487	62,477,000	100.00	19,953,101	5,472,137	-	Note 1
Synnex Global Ltd.	Synnex China Holdings Ltd.	British Virgin Islands	Investment holding	2,778,546	2,778,546	100,200,000	100.00	10,066,327	1,948,472	-	Note 1
Synnex Global Ltd.	Synnex Mauritius Ltd.	Mauritius	Investment holding	665,520	665,520	24,000,000	100.00	4,790,743	1,118,559	-	Note 1
Synnex Global Ltd.	Peer Developments Ltd.	British Virgin Islands	Investment holding	867,949	867,949	30,200,001	100.00	17,389,749	11,091,399	-	Note 1
Synnex Global Ltd.	Trade Vanguard Global Ltd.	British Virgin Islands	Investment holding	12,201,200	11,092,000	440,000,000	100.00	13,463,875	23,282	-	Note 1
King's Eye Investments Ltd.	Laser Computer Holdings Ltd.	British Virgin Islands	Investment holding	1,021,767	1,021,767	36,850,001	100.00	2,339,404	1,206,776	-	Note 1
King's Eye Investments Ltd.	Synnex Australia Pty. Ltd.	Australia	Sales of 3C products	823,165	823,165	33,250,000	100.00	5,034,737	946,089	-	Note 1
Synnex Global Ltd.	Synnex Australia Pty. Ltd.	Australia	Sales of 3C products	5,039,928	5,338,025	-	-	5,039,928	-	-	Note 2

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2021			Net profit (loss) of the investee for the year ended December 31, 2021	Investment income(loss) recognised by the Company for the year ended December 31, 2021	Footnote
				Balance as at December 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value			
King’s Eye Investments Ltd.	Synnex New Zealand Ltd.	New Zealand	Sales of 3C products	\$ 28,340	\$ 28,340	1,500,000	100	\$ 156,580	\$ 52,241	\$ -	Note 1
Synnex Global Ltd.	Synnex New Zealand Ltd.	New Zealand	Sales of 3C products	189,673	200,072	-	-	189,673	-	-	Note 2
King’s Eye Investments Ltd.	Synnex Electronics Hong Kong Ltd.	Hong Kong	Sales of electronic components	8,319	8,319	299,999	100.00	7,784	282,504	-	Note 1
King’s Eye Investments Ltd.	Syntech Asia Ltd.	Hong Kong	Sales of electronic components	8,319	8,319	300,000	100.00	7,292,863	1,479,047	-	Note 1
King’s Eye Investments Ltd.	Synnex (Thailand) Public Company Ltd.	Thailand	Sales of 3C products	254,049	254,049	338,939,513	40.00	1,287,583	756,708	-	Note 1
King’s Eye Investments Ltd.	Synnex FPT Joint Stock Company	Vietnam	Sales of 3C products	856,700	856,700	55,854,748	47.46	1,591,778	998,501	-	Note 1
King’s Eye Investments Ltd.	PT. Synnex Metrodata Indonesia	Indonesia	Sales of 3C products	291,165	291,165	150,000	50.00	2,245,581	993,772	-	Note 1
King’s Eye Investments Ltd.	Fortune Ideal Ltd.	Hong Kong	Real estate	51,574	51,574	14,500,000	100.00	190,783	20,006	-	Note 1
King’s Eye Investments Ltd.	Golden Thinking Ltd.	Hong Kong	Real estate	99,591	99,591	28,000,000	100.00	119,528	28,998	-	Note 1
Synnex China Holdings Ltd.	Leveltech Ltd.	Hong Kong	Sales of electronic components	8,319	-	300,000	100.00	22,897	14,753	-	Note 1
Synnex Global Ltd.	Golden Thinking Ltd.	Hong Kong	Real estate	1,024,113	1,084,687	-	-	1,024,113	-	-	Note 2
Synnex Global Ltd.	Synnex Investments (China) Ltd.	China	Investment holding	8,931,833	11,629,962	-	-	8,931,833	-	-	Note 2
Synnex Global Ltd.	Synnex Distributions (China) Ltd.	China	Sales of 3C products	4,256,555	4,256,555	-	-	4,256,555	-	-	Note 2
Synnex Global Ltd.	Synnex (Shanghai) Ltd.	China	Sales of 3C products and warehouse and logistics services	915,090	915,090	-	-	915,090	-	-	Note 2
Peer Developments Ltd.	Concentrix Corporation	USA	Business process outsourcing services	4,413,451	4,734,842	3,597,885	6.88	4,966,657	10,975,516	-	Note 1
Peer Developments Ltd.	Synergy Intelligent Logistics (HK) Corporation	Hong Kong	Warehouse and logistics services	360	360	100,000	100.00	1,178	506	-	Note 1
Synnex Mauritius Ltd.	Redington (India) Ltd.	India	Sales of 3C products	569,519	569,519	188,591,880	24.14	4,787,716	4,681,577	-	Note 1

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2021			Net profit (loss) of the investee for the year ended December 31, 2021	Investment income(loss) recognised by the Company for the year ended December 31, 2021	Footnote
				Balance as at December 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value			
Laser Computer Holdings Ltd.	Synnex Technology International (HK) Ltd. and its subsidiaries	Hong Kong	Sales of 3C products	\$ 213,409	\$ 213,409	60,000,000	100.00	\$ 2,063,912	\$ 1,206,776	\$ -	Note 1
Bestcom Infotech Corp.	Bizwave Tech Co., Ltd.	Taiwan	Wholesale and retailing of computer software and hardware. Accreditaion and consulting services.	19,940	19,940	2,000,000	100.00	30,501	7,702	-	Note 1
Bestcom Infotech Corp.	Asgard System, Inc.	Taiwan	Wholesale of computer software and hardware. Computer information system planning, analysis and design.	19,956	19,956	2,400,000	20.00	29,094	7,090	-	Note 1
Bestcom Infotech Corp.	I-Direction Co., Ltd.	Taiwan	Wholesale and retailing of computers. Information system provider.	8,000	8,000	800,000	40.00	-	-	-	Note 1

Note 1: Investment income (loss) for this period had been recognized by the Company's subsidiary.

Note 2: The investment amount is an amount for long-term investment.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Information on investments in Mainland China
Year ended December 31, 2021

Expressed in thousands of NTD (Except as otherwise indicated)														
													Accumulated amount of investment income remitted back to Taiwan as of December 31, 2021	Footnote
Investee in Mainland China	Main business activities	Paid-in capital (Note 11)	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2021	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2021 (Note 11)		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2021	Net income of investee for the year ended December 31, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2021 (Note 3)	Book value of investments in Mainland China as of December 31, 2021			
Laser International Trading (Shanghai) Company Ltd.	International trade	\$ 27,730	2	\$ 27,730	\$ -	\$ -	\$ 27,730	\$ 54,151	100.00	\$ 54,151	\$ 532,839	\$ -	(Note 2)	
Hi Food (Shanghai) Co., Ltd.	Manufacture and sales of food	554,600	2	49,914	-	-	49,914	-	10.00	-	49,914	-	(Note 4) (Note 2)	
Synnex Investments (China) Ltd.	Investment holding	5,546,000	2	5,546,000	-	-	5,546,000	2,195,549	100.00	2,195,549	13,032,433	-	(Note 5) (Note 2)	
Synnex Distributions (China) Ltd.	Sales of 3C products	9,150,900	2	9,150,900	-	-	9,150,900	1,369,986	100.00	1,369,986	14,316,305	-	(Note 6) (Note 2)	
Synnex (Shanghai) Ltd.	Sales of electronic components and warehouse and logistics services	610,060	2	610,060	-	-	610,060	232,472	100.00	232,472	1,173,918	-	(Note 6) (Note 2)	
Synnex (Beijing) Ltd.	Warehouse and logistics services	249,570	2	249,570	-	-	249,570	(22,770)	100.00	(22,770)	236,029	-	(Note 2) (Note 6)	
Synnex (Nanjing) Ltd.	Warehouse and logistics services	138,650	2	138,650	-	-	138,650	10,442	100.00	10,442	169,097	-	(Note 2) (Note 6)	
Synnex (Chengdu) Ltd.	Warehouse and logistics services	138,650	2	138,650	-	-	138,650	7,882	100.00	7,882	166,978	-	(Note 6) (Note 2)	
Synnex (Shenyang) Ltd.	Warehouse and logistics services	83,190	2	83,190	-	-	83,190	77	100.00	77	109,014	-	(Note 6) (Note 2)	
Synnex (Tianjin) Ltd.	Warehouse and logistics services	124,785	2	124,785	-	-	124,785	(5,305)	100.00	(5,305)	88,277	-	(Note 2) (Note 6)	
Synnex (Hangzhou) Ltd.	Warehouse and logistics services	138,650	2	138,650	-	-	138,650	6,762	100.00	6,762	159,349	-	(Note 2) (Note 6)	
Synnex (Qingdao) Ltd.	Warehouse and logistics services	138,650	2	138,650	-	-	138,650	3,934	100.00	3,934	133,827	-	(Note 2) (Note 6)	
Synnex (Guangzhou) Ltd.	Warehouse and logistics services	332,760	2	332,760	-	-	332,760	6,113	100.00	6,113	346,274	-	(Note 2) (Note 6)	
Synnex (Xi'an) Ltd.	Warehouse and logistics services	110,920	2	110,920	-	-	110,920	(1,376)	100.00	(1,376)	119,432	-	(Note 2) (Note 6)	
Synnex (Suzhou) Ltd.	Warehouse and logistics services	166,380	2	166,380	-	-	166,380	4,973	100.00	4,973	163,388	-	(Note 2) (Note 6)	
Synnex (Wuhan) Ltd.	Warehouse and logistics services	138,650	2	138,650	-	-	138,650	4,782	100.00	4,782	145,458	-	(Note 2) (Note 6)	
Synnex (Jinan) Ltd.	Warehouse and logistics services	138,650	2	138,650	-	-	138,650	12,775	100.00	12,775	178,282	-	(Note 2) (Note 6)	
Synnex (Zhengzhou) Ltd.	Warehouse and logistics services	138,650	2	138,650	-	-	138,650	3,660	100.00	3,660	134,390	-	(Note 2) (Note 6)	
Synnex (Changsha) Ltd.	Warehouse and logistics services	110,920	2	110,920	-	-	110,920	600	100.00	600	65,706	-	(Note 2) (Note 6)	
Synnex (Ningbo) Ltd.	Warehouse and logistics services	110,920	2	110,920	-	-	110,920	(167)	-	(167)	-	-	(Note 2) (Note 6) (Note 14)	

Investee in Mainland China	Main business activities	Paid-in capital (Note 11)	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2021	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2021 (Note 11)		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2021	Net income of investee for the year ended December 31, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2021 (Note 3)	Book value of investments in Mainland China as of December 31, 2021	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2021	Footnote
				Remitted to Mainland China	Remitted back to Taiwan								
Synnex (Hefei) Ltd.	Warehouse and logistics services	\$ 169,153	2	\$ 169,153	-	-	\$ 169,153	\$ 10,317	100.00	\$ 10,317	\$ 109,327	\$ -	(Note 2) (Note 6)
Synnex (Nanchang) Ltd.	Warehouse and logistics services	110,920	2	110,920	-	-	110,920	(14,860)	100.00	(14,860)	18,585	-	(Note 2) (Note 6)
Synnex (Harbing) Ltd.	Warehouse and logistics services	138,650	2	138,650	-	-	138,650	(2,831)	100.00	(2,831)	5,171	-	(Note 2) (Note 6)
Synnex (Chongqing) Ltd.	Warehouse and logistics services	16,638	2	16,638	-	-	16,638	-	100.00	-	-	-	(Note 2) (Note 6)
Synnex (Xiamen) Ltd.	Warehouse and logistics services	166,380	2	166,380	-	-	166,380	4,471	100.00	4,471	126,942	-	(Note 2) (Note 6)
Synnex Technology Development (Beijing) Ltd.	Sales of 3C products	221,354	2	-	-	-	-	37,884	100.00	37,884	264,382	-	(Note 2) (Note 7) (Note 13)
LianXiang Technology (Shenzhen) Ltd.	Sales of electronic components	5,546	2	5,546	-	-	5,546	39,173	100.00	39,173	166,424	-	(Note 2) (Note 8)
Yude (Shanghai) Warehouse Co., Ltd.	Warehouse and logistics services	10,417	2	-	-	-	-	1,677	97.96	1,643	(11,672)	-	(Note 2) (Note 6)
Jifu Intelligent Logistics Corporation	Warehouse and logistics services	217,014	2	217,014	-	-	217,014	10,000	100.00	10,000	228,055	-	(Note 6) (Note 12)
Bestcom Infotech Shanghai Ltd.	Sales of 3C products	74,871	2	74,871	-	(74,871)	-	-	-	-	-	-	(Note 2) (Note 9)
				\$ 18,543,771	\$ -	(\$ 74,871)	\$ 18,468,900						

Note 1: Investment methods are classified into the following three categories; fill in the number of category each case belongs to:

- (1) Directly invest in a company in Mainland China.
- (2) Through investing in an existing company in the third area, which then invested in the investee in Mainland China.
- (3) Others.

Note 2: Indirect investment in PRC through existing companies located in the third area. Partial capital of Synnex (Nanjing) Ltd. and Synnex (Shenyang) Ltd. were invested by indirect wholly-owned subsidiary, and total membership contributions are US\$1,500 and US\$3,000 thousand, respectively. Due to the Company's restructuring in November 2008, the entire capital of Synnex Distributions (China) Ltd., Synnex (Shanghai) Ltd., Synnex (Beijing) Ltd., Synnex (Nanjing) Ltd. and Synnex (Chengdu) Ltd., amounting to US\$13,000, US\$22,000, US\$9,000, US\$1,000 and US\$2,000 thousand, respectively, was changed to be owned by Synnex Investments (China) Ltd. Total membership contribution is USD\$47,000 thousand.

Note 3: Investment income (loss) were recongnized based on the financial statements audited by the independent auditors.

Note 4: Laser International Trading (Shanghai) Company Ltd. is a 100% owned subsidiary of Groupware Solutions Ltd., which is a wholly-owned subsidiary of Synnex Technology International (HK) Ltd. Synnex Technology International (HK) Ltd. is an indirect wholly-owned subsidiary of the Company. Total membership contribution is US\$1,000 thousand.

Note 5: Hi Food (Shanghai) Co., Ltd. is a 10% owned invested company of Hi Food Co., Ltd. Hi Food Co., Ltd. is 10% indirectly owned by the Company. Total membership contribution is US\$1,800 thousand.

Note 6: Synnex Investments (China) Ltd. is a 100% owned subsidiary of Synnex China Holdings Ltd. Synnex China Holdings Ltd. is an indirect wholly-owned subsidiary of the Company. Total membership contribution is US\$200,000 thousand. Additionally, Synnex Investments (China) Ltd. reinvested in other subsidiaries in Mainland China. Total membership contribution is translated into New Taiwan Dollars using the exchange rate of US\$1:NT\$27.73.

Note 7: Synnex Technology Development (Beijing) Ltd. is a 100% owned subsidiary of Synnex Distributions (China) Ltd. Synnex Distributions (China) Ltd. is an indirect wholly-owned subsidiary of the Company. Total membership contribution is RMB\$50,000 thousand.

Note 8: LianXiang Technology (Shenzhen) Ltd. is a 100% owned subsidiary of Peer Developments Ltd. Peer Developments Ltd. is an indirect wholly-owned subsidiary of the Company. Total membership contribution is US\$200 thousand.

Note 9: Bestcom Infotech Shanghai Ltd. is a 100% owned subsidiary of Bestcom International Ltd. Bestcom International Ltd. is an indirect wholly-owned subsidiary of the Company. Total membership contribution is USD\$2,700 thousand. The investee cancelled its registration on December 23, 2020.

Note 10: Synnex Distributions (China) Ltd. is a 100% owned subsidiary of Synnex Investments (China) Ltd. Synnex Investments (China) Ltd. is an indirect wholly-owned subsidiary of the Company. Total membership contribution is USD\$100,000 thousand.

Note 11: Translated into New Taiwan Dollars using the exchange rates of US\$1:NT27.73 and RMB\$1:NT\$4.3403.

Note 12: Jifu Intelligent Logistics Corporation is a 100% owned subsidiary of Synnex Investments (China) Ltd. Synnex Investments (China) Ltd. is an indirect wholly-owned subsidiary of the Company. Total membership contribution is RMB\$50,000 thousand.

Note 13: LianZhongHongYu Information Technology(Beijing) Co.,Ltd. is a 100% owned subsidiary of Synnex Investments (China) Ltd. Synnex Investments (China) Ltd. is an indirect wholly-owned subsidiary of the Company. Total membership contribution is RMB\$1,000 thousand.

Note 14: The Company sold 100% equity of the subsidiary - Synnex(Ningbo) Ltd. to Ningbo Jiuyuan Electronic Co., Ltd. on February 28, 2021. As of the date, the Company lost its control over the subsidiary and the subsidiary was no longer included in the Group's consolidated financial statements.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2021	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Synnex Technology International Corporation(Note)	\$ 18,468,900	\$ 18,479,272	\$ 39,534,645

Note: The ceiling is calculated based on the Tai-Tsai-Tseng (1) Letter No. 006130 issued by the Securities and Futures Commission, Ministry of Finance, Executive Yuan (90), effective November 16, 2001.

SYNNEX TECHNOLOGY INTERNATIONAL CORPORATION AND SUBSIDIARIES

Major shareholders information

December 31, 2021

Table 10

Name of major shareholders	Shares	
	Number of shares held	Shareholding ratio
Mitac Incorporated	260,521,054	15.61%

Note 1: The major shareholders information was derived from the data that the Company issued common shares (including treasury shares) and preference shares in dematerialised form which were registered and held by the shareholders above 5% on the last operating date of each quarter and was calculated by Taiwan Depository & Clearing Corporation.

The share capital which was recorded in the financial statements may differ from the actual number of shares issued in dematerialised form because of a different calculation basis.

Note 2: If the aforementioned data contains shares which were held in trust by the shareholders, the data disclosed is the settlor's separate account for the fund set by the trustee.

As for the shareholder who reports share equity as an insider whose shareholding ratio is greater than 10% in accordance with Securities and Exchange Act, the shares include the self-owned shares and shares held in trust, and at the same time, the shareholder has the power to decide how to allocate the trust assets.

The information on the reported share equity of insider is provided in the "Market Observation Post System".