KEE SONG BIO-TECHNOLOGY HOLDINGS LIMITED
AND ITS SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
WITH REPORT OF INDEPENDENT AUDITORS
FOR THE THREE-MONTH PERIODS ENDED
MARCH 31, 2022 AND 2021

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The reader is advised that these consolidated financial statements have been prepared originally in Chinese. In the event of a conflict between these consolidated financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language consolidated financial statements shall prevail.

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English Translation of a Report Originally Issued in Chinese

Review Report of Independent Auditors

To Kee Song Bio-Technology Holdings Limited

Introduction

We have reviewed the accompanying consolidated balance sheets of Kee Song Bio-Technology Holdings Limited (the "Company") and its subsidiaries as of March 31, 2022 and 2021, the related consolidated statements of comprehensive income for the three-month, consolidated statements of changes in equity and cash flows for the three-month periods ended March 31, 2022 and 2021, and notes to the consolidated financial statements, including the summary of significant accounting policies (together "the consolidated financial statements"). Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" as endorsed and became effective by Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

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

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Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of March 31, 2022 and 2021, consolidated financial performance for the three-month and its consolidated cash flows for the three-month periods ended March 31, 2022 and 2021, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

/s/Wang, Yahn-Jyun

/s/Liu, Jung-Chin

Ernst & Young, Taiwan
May 10, 2022

Notice to Readers

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

Accordingly, the accompanying consolidated financial statements and report of independent accountants 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, Ernst & Young 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.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

KEE SONG BIO-TECHNOLOGY HOLDINGS LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

March 31, 2022, December 31, 2021 and March 31, 2021 (March 31, 2022 and 2021 are unaudited)

(Expressed in Thousands of New Taiwan Dollars)

		As of		
Assets	**Notes**	**March 31, 2022**	**December 31, 2021**	**March 31, 2021**
Current assets				
Cash and cash equivalents	4 and 6	$261,894	$287,873	$401,776
Financial assets at amortised cost, current	4, 6 and 8	4,778	4,649	5,690
Trade receivables, net	4, 6 and 7	140,696	138,801	160,330
Other receivables	6 and 7	36,340	33,130	28,006
Current tax assets	4 and 6	5,510	5,291	16,806
Inventories, net	4, 5 and 6	47,517	44,581	39,244
Biological assets, current	4, 5 and 6	158,375	163,630	136,231
Prepayments		9,827	11,599	11,241
Non-current assets held for sale, net	4 and 6	-	-	68,606
Total current assets		664,937	689,554	867,930
Non-current assets				
Investments accounted for using the equity method	4 and 6	-	-	5,538
Property, plant and equipment	4, 5, 6, 7 and 8	1,240,990	1,226,932	1,340,095
Right-of-use asset	4, 6, 7 and 8	107,150	105,826	114,199
Investment properties	4, 6 and 8	114,484	112,187	118,722
Intangible assets	4 and 6	-	-	1,371
Deferred tax assets	4 and 6	564	-	-
Prepayment for equipment	8	10,145	7,069	9,923
Prepayment for investment	6	-	-	3,181
Total non-current assets		1,473,333	1,452,014	1,593,029
Total assets		$2,138,270	$2,141,568	$2,460,959

		As of		
Liabilities and Equity	**Notes**	**March 31, 2022**	**December 31, 2021**	**March 31, 2021**
Current liabilities				
Short-term borrowings	6 and 8	$114,558	$128,288	$196,977
Financial liabilities at fair value through profit or loss, current	4 and 6	-	-	4,408
Trade payables	7	218,922	204,095	209,370
Other payables	6 and 7	84,246	132,271	78,245
Current tax liabilities	4 and 6	5,314	1,601	7,821
Lease liabilities, current	4, 6 and 7	1,528	1,998	2,602
Current portion of bonds payable	6	-	681	288,470
Current portion of long-term borrowings	6	164,192	151,707	199,212
Total current liabilities		588,760	620,641	987,105
Non-current liabilities				
Long-term borrowings	6	910,507	925,776	861,315
Deferred tax liabilities	4, 5 and 6	37,496	28,973	32,454
Lease liabilities, non-current	4, 6 and 7	-	107	1,525
Guarantee deposits		1,119	1,087	1,290
Total non-current liabilities		949,122	955,943	896,584
Total liabilities		1,537,882	1,576,584	1,883,689
Equity attributable to the parent company	4 and 6			
Common stock		368,198	368,198	368,198
Additional paid-in capital		212,884	212,884	212,884
Retained earnings				
Special reserve		99,209	99,209	99,209
Unappropriated earnings		59,944	41,113	(222)
Total retained earnings		159,153	140,322	98,987
Other components of equity		(139,847)	(156,420)	(135,985)
Total equity attributable to the parent company		600,388	564,984	544,084
Non-controlling interests		-	-	33,186
Total equity		600,388	564,984	577,270
Total liabilities and equity		$2,138,270	$2,141,568	$2,460,959

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

KEE SONG BIO-TECHNOLOGY HOLDINGS LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the three-month periods ended March 31, 2022 and 2021

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

Item	Notes	For the three-month periods ended March 31, 2022	2021
Operating revenues	4, 6 and 7	$606,357	$577,339
Operating costs	6 and 7	(486,906)	(460,968)
Loss arising from changes in fair value less costs to sell biological assets	5 and 6	(3,058)	-
Gross profit		116,393	116,371
Operating expenses	4, 6 and 7		
Sales and marketing expenses		(49,000)	(49,066)
General and administrative expenses		(36,488)	(43,772)
Expected credit gains		1,643	1,066
Subtotal		(83,845)	(91,772)
Operating income		32,548	24,599
Non-operating income and expenses			
Interest income	6	585	322
Other income	6	1,396	2,171
Other gains and losses	6 and 7	1,531	9,966
Finance costs	6	(6,640)	(10,961)
Share of profit or loss of associates and joint ventures		-	(1,898)
Subtotal		(3,128)	(400)
Income from continuing operations before income tax		29,420	24,199
Income Tax expense	4, 5 and 6	(10,589)	(3,337)
Net income		18,831	20,862
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	4 and 6	16,573	3,527
Total other comprehensive income, net of tax		16,573	3,527
Total comprehensive income		$35,404	$24,389
Net income attributable to:			
Stockholders of the parent		$18,831	$16,420
Non-controlling interests		-	4,442
		$18,831	$20,862
Comprehensive income attributable to:			
Stockholders of the parent		$35,404	$11,147
Non-controlling interests		-	13,242
		$35,404	$24,389
Earnings per share (NTD)	4 and 6		
Earnings per share-basic		$0.51	$0.45
Earnings per share-diluted		$0.51	$0.40

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

KEE SONG BIO-TECHNOLOGY HOLDINGS LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CAHNGES IN EQUITY

For the three-month periods ended March 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

			Retained Earnings		Others Components of Equity			
Description	**Common Stock**	**Additional Paid-in Capital**	**Special Reserve**	**Unappropriated Earnings**	**Exchange Differences Resulting from Translating the Financial Statements of Foreign Operations**	**Total**	**Non-Controlling Interests**	**Total**
Balance as of January 1, 2021	$368,198	$213,352	$99,209	$(12,131)	$(130,712)	$537,916	$24,923	$562,839
Net income for the three-month ended March 31, 2021	-	-	-	16,420	-	16,420	4,442	20,862
Other comprehensive income, for the three-month ended March 31, 2021	-	-	-	-	(5,273)	(5,273)	8,800	3,527
Total comprehensive income	-	-	-	16,420	(5,273)	11,147	13,242	24,389
Changes in ownership interests in subsidiaries	-	(468)	-	(4,511)	-	(4,979)	(4,979)	(9,958)
Balance as of March 31, 2021	$368,198	$212,884	$99,209	$(222)	$(135,985)	$544,084	$33,186	$577,270
Balance as of January 1, 2022	$368,198	$212,884	$99,209	$41,113	$(156,420)	$564,984	$-	$564,984
Net income for the three-month ended March 31, 2022	-	-	-	18,831	-	18,831	-	18,831
Other comprehensive income, for the three-month ended March 31, 2022	-	-	-	-	16,573	16,573	-	16,573
Total comprehensive income	-	-	-	18,831	16,573	35,404	-	35,404
Balance as of March 31, 2022	$368,198	$212,884	$99,209	$59,944	$(139,847)	$600,388	$-	$600,388

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
KEE SONG BIO-TECHNOLOGY HOLDINGS LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the three-month periods ended March 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

Description	For the three-month periods ended March 31, 2022	2021
Cash flows from operating activities:		
Income before income tax	$29,420	$24,199
Adjustments for:		
Depreciation	30,413	32,745
Amortization	-	691
Expected credit gains	(1,643)	(1,066)
Gain on fair value change of financial liabilities designated as at fair value through profit or loss	-	(745)
Interest expense	6,640	10,961
Interest income	(585)	(322)
Share of loss of associates and joint ventures	-	1,898
Loss on disposal of property, plant and equipment	(5)	62
Property, plant and equipment transferred to expense	561	-
Gain on disposal of investments	-	(5,571)
Losses on redemption of bonds payable	18	-
Losses on changes in fair value less costs to sell of biological assets for current period	3,058	-
Changes in operating assets and liabilities:		
Trade receivables, net	(716)	3,564
Other receivables	(3,210)	2,204
Inventories, net	(2,936)	(2,287)
Biological assets	5,947	(4,588)
Prepayment	1,772	1,991
Trade payables	14,827	(15,474)
Other payables	(48,025)	(15,155)
Cash provided by operations	35,536	33,107
Interest received	585	322
Interest paid	(6,639)	(9,804)
Income tax received	864	1,558
Net cash provided by operating activities	30,346	25,183
Cash flows from investing activities:		
Acquisition of financial assets at amortized cost	(129)	-
Disposal of financial assets at amortized cost	-	90
Disposal of subsidiary	-	4,857
Proceeds from acquisition of property, plant and equipment	(9,522)	(7,516)
Proceeds from disposal of property, plant and equipment	12	14
Decrease in refundable deposits	-	269
Increase in prepayments for equipment	(2,810)	(645)
Net cash used in investing activities	(12,449)	(2,931)
Cash flows from financing activities:		
Increase from short-term borrowings	(9,822)	(14,181)
Repayment for bonds payable	(700)	-
Repayment for long-term borrowings	(2,784)	(31,470)
Increase in guarantee deposits	32	-
Decrease in guarantee deposits	-	(428)
Repayment of the principal portion of lease liabilities	(577)	(3,500)
Changes in non-controlling interests	-	(9,958)
Net cash used in financing activities	(13,851)	(59,537)
Effect of exchange rate changes on cash and cash equivalents	(26,117)	25,831
Net decrease in cash and cash equivalents	(22,071)	(11,454)
Cash and cash equivalents at beginning of year	283,965	413,230
Cash and cash equivalents at end of year	$261,894	$401,776
Adjustment of cash and cash equivalents at end of year:		
Cash and cash equivalents in the balance sheet	$261,894	$401,776
Bank overdraft	-	-
Cash and cash equivalents at end of year	$261,894	$401,776

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

English Translation of Financial Statements Originally Issued in Chinese

KEE SONG BIO-TECHNOLOGY HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Three-month Periods Ended March 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Stated)

1. History and organization

Kee Song Bio-Technology Holdings Limited ("the Company") was incorporated in Cayman Islands on 11 May 2010. The Company was established for the purpose of restructuring the organization in order to apply for Foreign Issuer Listing on the Taipei Exchange ("TPEx"). After restructuring, the Company became the ultimate parent company of Kee Song Holding Pte. Ltd. ("KSH").

KSH operates as an investment holding company.

The Company and its major operating subsidiaries (collectively "the Group") are Kee Song Food Corporation (S) Pte. Ltd. ("KSFC") operating as a poultry slaughterhouse and distributors; Meng Kee Poultry (M) Sdn. Bhd. ("MKP") operating as a poultry farmer; Kee Song Agriculture (M) Sdn. Bhd. ("KSA") operating as a poultry farmer and distributors.

The Company's shares were publicly listed on the TPEx on December 12, 2011. Its registered office is in 190 Elgin Avenue, George Town, Grand Cayman KY1-9007, Cayman Islands.

2. Date and procedures of authorization of financial statements for issue

The consolidated financial statements of the Group for the three-month periods ended March 31, 2022 and 2021 were authorized for issue by the board of directors on May 10, 2022.

3. Newly issued or revised standards and interpretations

(1) Changes in accounting policies resulting from applying for the first time certain standards and amendments

The Group applied for the first time International Financial Reporting Standards, International Accounting Standards, and Interpretations issued, revised or amended which are recognized by Financial Supervisory Commission ("FSC") and become effective for annual periods beginning on or after January 1, 2022. The adoption of these new standards and amendments had no material impact on the Group.

(2) Standards or interpretations issued, revised or amended, by IASB which are not endorsed by FSC, and not yet adopted by the Group as at the end of the reporting period are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" – Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
b	IFRS 17 "Insurance Contracts"	January 1, 2023
c	Classification of Liabilities as Current or Non-current – Amendments to IAS 1	January 1, 2023
d	Disclosure Initiative - Accounting Policies – Amendments to IAS 1	January 1, 2023
e	Definition of Accounting Estimates – Amendments to IAS 8	January 1, 2023
f	Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	January 1, 2023

(a) IFRS 10"Consolidated Financial Statements" and IAS 28"Investments in Associates and Joint Ventures" – Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures

The amendments address the inconsistency between the requirements in IFRS 10 *Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures*, in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture. IAS 28 restricts gains and losses arising from contributions of non-monetary assets to an associate or a joint venture to the extent of the interest attributable to the other equity holders in the associate or joint ventures. IFRS 10 requires full profit or loss recognition on the loss of control of the subsidiary. IAS 28 was amended so that the gain or loss resulting from the sale or contribution of assets that constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized in full.

IFRS 10 was also amended so that the gains or loss resulting from the sale or contribution of a subsidiary that does not constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized only to the extent of the unrelated investors' interests in the associate or joint venture.

(b) IFRS 17 "Insurance Contracts"

IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects (including recognition, measurement, presentation and disclosure requirements). The core of IFRS 17 is the General (building block) Model, under this model, on initial recognition, an entity shall measure a group of insurance contracts at the total of the fulfilment cash flows and the contractual service margin. The carrying amount of a group of insurance contracts at the end of each reporting period shall be the sum of the liability for remaining coverage and the liability for incurred claims.

Other than the General Model, the standard also provides a specific adaptation for contracts with direct participation features (the Variable Fee Approach) and a simplified approach (Premium Allocation Approach) mainly for short-duration contracts.

IFRS 17 was issued in May 2017 and it was amended in 2020 and 2021. The amendments include deferral of the date of initial application of IFRS 17 by two years to annual beginning on or after January 1, 2023 (from the original effective date of January 1, 2021); provide additional transition reliefs; simplify some requirements to reduce the costs of applying IFRS 17 and revise some requirements to make the results easier to explain. IFRS 17 replaces an interim Standard – IFRS 4 Insurance Contracts – from annual reporting periods beginning on or after January 1, 2023.

(c) Classification of Liabilities as Current or Non-current – Amendments to IAS 1

These are the amendments to paragraphs 69-76 of IAS 1 Presentation of Financial statements and the amended paragraphs related to the classification of liabilities as current or non-current.

(d) Disclosure Initiative - Accounting Policies – Amendments to IAS 1

The amendments improve accounting policy disclosures that to provide more useful information to investors and other primary users of the financial statements.

(e) Definition of Accounting Estimates – Amendments to IAS 8

The amendments introduce the definition of accounting estimates and included other amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to help companies distinguish changes in accounting estimates from changes in accounting policies.

(f) Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

The amendments narrow the scope of the recognition exemption in paragraphs 15 and 24 of IAS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

The abovementioned standards and interpretations issued by IASB have not yet been recognized by FSC at the date of issuance of the Group's financial statements, the local effective dates are to be determined by FSC. The Group determined the new or amended standards and interpretations have no material impact on the Group.

4. Summary of significant accounting policies

(1) Statement of compliance

The consolidated financial statements of the Group for the three-month periods ended March 31, 2022 and 2021 have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers ("the Regulations") and IAS 34 Interim Financial Reporting as endorsed and became effective by FSC.

(2) Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value. The consolidated financial statements are expressed in thousands of New Taiwan Dollars ("NT$") unless otherwise stated.

(3) Basis of consolidation

Preparation principle of consolidated financial statement

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

(a) power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
(b) exposure, or rights, to variable returns from its involvement with the investee, and
(c) the ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee
(b) rights arising from other contractual arrangements
(c) The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Subsidiaries are fully consolidated from the acquisition date, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using uniform accounting policies. All intra-group balances, income and expenses, unrealized gains and losses and dividends resulting from intra-group transactions are eliminated in full.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction.

Total comprehensive income of the subsidiaries is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

If the Group loses control of a subsidiary, it:

(a) derecognizes the assets (including goodwill) and liabilities of the subsidiary;
(b) derecognizes the carrying amount of any non-controlling interest;
(c) recognizes the fair value of the consideration received;
(d) recognizes the fair value of any investment retained;
(e) recognizes any surplus or deficit in profit or loss; and
(f) reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss.

The consolidated entities are listed as follows:

			Percentage of ownership (%)			
			As of			
Investor	Subsidiary	Main businesses	March 31, 2022	December 31, 2021	March 31, 2021	
The Company	Kee Song Holdings Pte. Ltd.(KSH)	Investment holding	100%	100%	100%	
KSH	Kee Song Food Corporation Pte. Ltd.(KSFC)	Importing, slaughtering, wholesaling and retailing poultry and consumable goods of all kinds	100%	100%	100%	
KSH	Meng Kee Poultry (M) Sdn. Bhd.(MKP)	Poultry farming	100%	100%	100%	
KSH	Yong Tai Hoe (Taiwan) Co., Ltd. (YTH)	Poultry farming, wholesaling and retailing poultry and consumable goods of all kinds	100%	100%	100%	
KSH	Kee Song Agriculture (M) Sdn. Bhd.(KSA)	Poultry farming, processing and marketing of poultry related products	100%	100%	70%	Note 1
KSH	YKH Holdings (M) Sdn. Bhd.(YKH)	Investment holding	100%	100%	100%	
KSH and YKH	Kee Song Realty (M) Sdn. Bhd.(KSR)	Property investment	100%	100%	70%	Note 1
KSH	Fortune I-Kitchen Pte. Ltd.(FIK)	Food caterers	-	-	-	Note 2
KSH	BBQ House Singapore Pte. Ltd.(BBQHS)	Food caterers	-	-	-	Note 2
MKP	Kee Song Food (M) Sdn. Bhd.(KSMY)	Processing and marketing of poultry related products	100%	100%	100%	
MKP	Meng Woon Holdings (M) Sdn. Bhd.(MW)	Property investment	100%	100%	100%	
MKP	Kee Song Jaya Feedmills (M) Sdn. Bhd.(KSJ)	Manufacturing of poultry feed products	100%	100%	100%	
KSR	Jendela Eramaju Sdn. Bhd.(JESB)	Property investment	100%	100%	-	Note 3

Note 1: The Group acquired 30% of KSA and KSR companies in the third quarter of 2021.

Note 2: The Group acquired 100% of BBQ from FIK, and sold 100% of FIK and BBQ companies in the first quarter of 2021, and hold 51% of the shares on behalf of the company. Since the Group has no control over the financial, operational and personnel policies of FIK and BBQ, these two entities were not include in consolidation starting from January 1, 2021.

Note 3: The Group acquired JESB company in the fourth quarter of 2021 to manage land ownership.

(4) Foreign currency transactions

The Group's consolidated financial statements are presented in NT$, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency closing rate of exchange ruling at the reporting date. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

All exchange differences arising on the settlement of monetary items or on translating monetary items are taken to profit or loss in the period in which they arise except for the following:

(a) Exchange differences arising from foreign currency borrowings for an acquisition of a qualifying asset to the extent that they are regarded as an adjustment to interest costs are included in the borrowing costs that are eligible for capitalization.
(b) Foreign currency items within the scope of IFRS 9 Financial Instruments are accounted for based on the accounting policy for financial instruments.
(c) Exchange differences arising on a monetary item that forms part of a reporting entity's net investment in a foreign operation is recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investment.

When a gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is recognized in other comprehensive income. When a gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss is recognized in profit or loss.

(5) Translation of financial statements in foreign currency

The assets and liabilities of foreign operations are translated into NT$ at the closing rate of exchange prevailing at the reporting date and their income and expenses are translated at an average rate for the period. The exchange differences arising on the translation are recognized in other comprehensive income. On the disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation, recognized in other comprehensive income and accumulated in the separate component of equity, is reclassified from equity to profit or loss when the gain or loss on disposal is recognized.

The following partial disposals are accounted for as disposals:

(a) when the partial disposal involves the loss of control of a subsidiary that includes a foreign operation; and
(b) when the retained interest after the partial disposal of an interest in a joint arrangement or a partial disposal of an interest in an associate that includes a foreign operation is a financial asset that includes a foreign operation.

On the partial disposal of a subsidiary that includes a foreign operation that does not result in a loss of control, the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is re-attributed to the non-controlling interests in that foreign operation. In partial disposal of an associate or jointly arrangement that includes a foreign operation that does not result in a loss of significant influence or joint control, only the proportionate share of the cumulative amount of the exchange differences recognized in other comprehensive income is reclassified to profit or loss.

Any goodwill and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and expressed in its functional currency.

(6) Current and non-current distinction

An asset is classified as current when:
(a) The Group expects to realize the asset, or intends to sell or consume it, in its normal operating cycle.
(b) The Group holds the asset primarily for the purpose of trading.
(c) The Group expects to realize the asset within twelve months after the reporting period.
(d) The asset is cash or cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:
(a) The Group expects to settle the liability in its normal operating cycle.
(b) The Group holds the liability primarily for the purpose of trading.
(c) The liability is due to be settled within twelve months after the reporting period.
(d) The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

(7) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term, highly liquid time deposits (including ones that have maturity within three months) or investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(8) Financial instruments

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

Financial assets and financial liabilities within the scope of IFRS 9 *Financial Instruments* are recognized initially at fair value plus or minus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

(a) Financial instruments: Recognition and Measurement

The Group accounts for regular way purchase or sales of financial assets on the trade date.

The Group classified financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss considering both factors below:

A. the Group's business model for managing the financial assets and
B. the contractual cash flow characteristics of the financial asset.

Financial assets measured at amortized cost

A financial asset is measured at amortized cost if both of the following conditions are met and presented as note receivables, trade receivables financial assets measured at amortized cost and other receivables etc., on balance sheet as at the reporting date:

A. the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
B. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such financial assets are subsequently measured at amortized cost (the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount and adjusted for any loss allowance) and is not part of a hedging relationship. A gain or loss is recognized in profit or loss when the financial asset is derecognized, through the amortization process or in order to recognize the impairment gains or losses.

Interest revenue is calculated by using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for:

A. purchased or originated credit-impaired financial assets. For those financial assets, the Group applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition.
B. financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. For those financial assets, the Group applies the effective interest rate to the amortized cost of the financial asset in subsequent reporting periods.

(b) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on debt instrument investments measured at fair value through other comprehensive income and financial asset measured at amortized cost. The loss allowance on debt instrument investments measured at fair value through other comprehensive income is recognized in other comprehensive income and not reduce the carrying amount in the balance sheet.

The Group measures expected credit losses of a financial instrument in a way that reflects:

A. an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
B. the time value of money; and
C. reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The loss allowance is measured as follows:

A. At an amount equal to 12-month expected credit losses: the credit risk on a financial asset has not increased significantly since initial recognition or the financial asset is determined to have low credit risk at the reporting date. In addition, the Group measures the loss allowance at an amount equal to lifetime expected credit losses in the previous reporting period, but determines at the current reporting date that the credit risk on a financial asset has increased significantly since initial recognition is no longer met.

B. At an amount equal to the lifetime expected credit losses: the credit risk on a financial asset has increased significantly since initial recognition or financial asset that is purchased or originated credit-impaired financial asset.
C. For trade receivables or contract assets arising from transactions within the scope of IFRS 15, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.
D. For lease receivables arising from transactions within the scope of IFRS 16, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.

At each reporting date, the Group needs to assess whether the credit risk on a financial asset has increased significantly since initial recognition by comparing the risk of a default occurring at the reporting date and the risk of default occurring at initial recognition. Please refer to Note 12 for further details on credit risk.

(c) Derecognition of financial assets

A financial asset is derecognized when:

A. The rights to receive cash flows from the asset have expired
B. The Group has transferred the asset and substantially all the risks and rewards of the asset have been transferred
C. The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the consideration received or receivable including any cumulative gain or loss that had been recognized in other comprehensive income, is recognized in profit or loss.

(d) Financial liabilities and equity

Classification between liabilities or equity

The Group classifies the instrument issued as a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The transaction costs of an equity transaction are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Financial liabilities

Financial liabilities within the scope of IFRS 9 *Financial Instruments* are classified as financial liabilities at fair value through profit or loss or financial liabilities measured at amortized cost upon initial recognition.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated as at fair value through profit or loss. A financial liability is classified as held for trading if:

A. it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
B. on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
C. it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

If a contract contains one or more embedded derivatives, the entire hybrid (combined) contract may be designated as a financial liability at fair value through profit or loss; or a financial liability may be designated as at fair value through profit or loss when doing so results in more relevant information, because either:

A. it eliminates or significantly reduces a measurement or recognition inconsistency; or
B. a group of financial liabilities or financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the Group is provided internally on that basis to the key management personnel.

Gains or losses on the subsequent measurement of liabilities at fair value through profit or loss including interest paid are recognized in profit or loss.

Financial liabilities at amortized cost

Financial liabilities measured at amortized cost include interest bearing loans and borrowings that are subsequently measured using the effective interest rate method after initial recognition. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest rate method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or transaction costs.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified (whether or not attributable to the financial difficulty of the debtor), such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

(e) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

(9) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(a) In the principal market for the asset or liability, or
(b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

(10) Inventories

Inventories are valued at lower of cost and net realizable value item by item.

Costs incurred in bringing each inventory to its present location and condition are accounted. Inventories are recorded at the first-in, first-out (FIFO) cost on the balance sheet date.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(11) Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered through a sale transaction that is highly probable within one year from the date of classification and the asset or disposal group is available for immediate sale in its present condition. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

In the consolidated statement of comprehensive income of the reporting period, and of the comparable period of the previous year, income and expenses from discontinued operations are reported separately from income and expenses from continuing operations, down to the level of profit after taxes, even when the Group retains a non-controlling interest in the subsidiary after the sale. The resulting profit or loss (after taxes) is reported separately in the statement of comprehensive income.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

(12) Biological assets

Biological assets of the Group are live poultry. Biological assets are measured at their fair value less costs to sell. The fair values are determined based on market prices. Costs to sell are incremental costs directly attributable to the disposal of an asset excluding finance costs and income tax. Gains or losses arising on biological assets at fair value less costs to sell are included in the profit or loss for the period in which they rise. For the biological assets can not be reliably measured at fair value, the biological assets are measured at its cost less any accumulated depreciation and any accumulated impairment losses. Once the fair value of such a biological asset becomes reliably measurable, an entity shall measure it at its fair value less costs to sell. Biological assets transfer to inventory are measured at fair value less costs to sell at the maturity day.

Agricultural produce harvested from biological assets is measured initially at fair value less costs to sell at the point of harvest, transferred subsequently to inventory and accounted for accordingly.

(13) Investments accounted for using the equity method

The Group's investment in its associate is accounted for using the equity method other than those that meet the criteria to be classified as held for sale. An associate is an entity over which the Group has significant influence. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture.

Under the equity method, the investment in the associate or an investment in a joint venture is carried in the balance sheet at cost and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the associate or joint venture. After the interest in the associate or joint venture is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. Unrealized gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the Group's related interest in the associate or joint venture.

When changes in the net assets of an associate occur and not those that are recognized in profit or loss or other comprehensive income and do not affects the Group's percentage of ownership interests in the associate, the Group recognizes such changes in equity based on its percentage of ownership interests. The resulting capital surplus recognized will be reclassified to profit or loss at the time of disposing the associate or joint venture on a prorate basis.

When the associate or joint venture issues new stock, and the Group's interest in an associate is reduced or increased as the Group fails to acquire shares newly issued in the associate proportionately to its original ownership interest, the increase or decrease in the interest in the associate is recognized in Additional Paid in Capital and Investment in associate. When the interest in the associate or joint venture is reduced, the cumulative amounts previously recognized in other comprehensive income are reclassified to profit or loss or other appropriate items. The aforementioned capital surplus recognized is reclassified to profit or loss on a prorate basis when the Group disposes the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate or an investment in a joint venture is impaired in accordance with IAS 28 *Investments in Associates and Joint Ventures*. If this is the case the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognizes the amount in the 'share of profit or loss of an associate' in the statement of comprehensive income in accordance with IAS 36 *Impairment of Assets*. In determining the value in use of the investment, the Group estimates:

(1) Its share of the present value of the estimated future cash flows expected to be generated by the associate or joint venture, including the cash flows from the operations of the associate and the proceeds on the ultimate disposal of the investment; or
(2) The present value of the estimated future cash flows expected to arise from dividends to be received from the investment and from its ultimate disposal.

Because goodwill that forms part of the carrying amount of an investment in an associate or an investment in a joint venture is not separately recognized, it is not tested for impairment separately by applying the requirements for impairment testing goodwill in IAS 36 *Impairment of Assets*.

Upon loss of significant influence over the associate or joint venture, the Group measures and recognizes any retaining investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence and the fair value of the retaining investment and proceeds from disposal is recognized in profit or loss. Furthermore, if an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the entity continues to apply the equity method and does not remeasure the retained interest.

(14) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of dismantling and removing the item and restoring the site on which it is located and borrowing costs for construction in progress if the recognition criteria are met. 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 is depreciated separately. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognized such parts as individual assets with specific useful lives and depreciation, respectively. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition provisions of IAS 16 *Property, plant and equipment*. When a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated economic lives of the following assets:

Buildings	10~30 years
Machinery and equipment	10 years
Other equipment	3~10 years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognized in profit or loss.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

(15) Investment property

The Group's owned investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, other than those that meet the criteria to be classified as held for sale (or are included in a disposal group that is classified as held for sale) in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*, investment properties are measured using the cost model in accordance with the requirements of IAS 16 *Property, plant and equipment* for that model. If investment properties are held by a lessee as right-of-use assets and is not held for sale in accordance with IFRS 5, investment properties are measured in accordance with the requirements of IFRS 16.

Depreciation is calculated on a straight-line basis over the estimated economic lives of the following assets:

Buildings	42 years

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

The Group transfers properties to or from investment properties according to the actual use of the properties.

The Group transfers to or from investment properties when there is a change in use for these assets. Properties are transferred to or from investment properties when the properties meet, or cease to meet, the definition of investment property and there is evidence of the change in use.

(16) Leases

The Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Group assesses whether, throughout the period of use, has both of the following:

(a) the right to obtain substantially all of the economic benefits from use of the identified asset; and
(b) the right to direct the use of the identified asset.

For a contract that is, or contains, a lease, the Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract. For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The relative stand-alone price of lease and non-lease components shall be determined on the basis of the price the lessor, or a similar supplier, would charge the Group for that component, or a similar component, separately. If an observable stand-alone price is not readily available, the Group estimates the stand-alone price, maximising the use of observable information.

Group as a lessee

Except for leases that meet and elect short-term leases or leases of low-value assets, the Group recognizes right-of-use asset and lease liability for all leases which the Group is the lessee of those lease contracts.

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate. At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

(a) fixed payments (including in-substance fixed payments), less any lease incentives receivable;
(b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
(c) amounts expected to be payable by the lessee under residual value guarantees;
(d) the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
(e) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, the Group measures the lease liability on an amortised cost basis, which increases the carrying amount to reflect interest on the lease liability by using an effective interest method; and reduces the carrying amount to reflect the lease payments made.

At the commencement date, the Group measures the right-of-use asset at cost. The cost of the right-of-use asset comprises:

(a) the amount of the initial measurement of the lease liability;
(b) any lease payments made at or before the commencement date, less any lease incentives received;
(c) any initial direct costs incurred by the lessee; and
(d) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

For subsequent measurement of the right-of-use asset, the Group measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses. That is, the Group measures the right-of-use applying a cost model.

If the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the Group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Group depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group applies IAS 36 “Impairment of Assets” to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Except for those leases that the Group accounted for as short-term leases or leases of low-value assets, the Group presents right-of-use assets and lease liabilities in the balance sheet and separately presents lease-related interest expense and depreciation charge in the statements comprehensive income.

For short-term leases or leases of low-value assets, the Group elects to recognize the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis.

Group as a lessor

At inception of a contract, the Group classifies each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. At the commencement date, the Group recognizes assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease.

For a contract that contains lease components and non-lease components, the Group allocates the consideration in the contract applying IFRS 15.

The Group recognizes lease payments from operating leases as rental income on either a straight-line basis or another systematic basis. Variable lease payments for operating leases that do not depend on an index or a rate are recognized as rental income when incurred.

(17) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in profit or loss for the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each financial year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized.

A summary of the policies applied to the Group's intangible assets is as follows:

	Customer List	Operating Licenses and Trademarks
Useful lives	Finite	Finite
Amortization method used	Amortized on a straight-line basis over the estimated useful life (5 years)	Amortized on a straight-line basis over the estimated useful life (3 years)
Internally generated or acquired	Acquired	Acquired

(18) Impairment of non-financial assets

The Group assesses at the end of each reporting period whether there is any indication that an asset in the scope of IAS 36 *Impairment of Assets* may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been an increase in the estimated service potential of an asset which in turn increases the recoverable amount. However, the reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

A cash generating unit, or groups of cash-generating units, to which goodwill has been allocated is tested for impairment annually at the same time, irrespective of whether there is any indication of impairment. If an impairment loss is to be recognized, it is first allocated to reduce the carrying amount of any goodwill allocated to the cash generating unit (group of units), then to the other assets of the unit (group of units) pro rata on the basis of the carrying amount of each asset in the unit (group of units). Impairment losses relating to goodwill cannot be reversed in future periods for any reason.

An impairment loss of continuing operations or a reversal of such impairment loss is recognized in profit or loss.

(19) Revenue recognition

Sale of goods

The Group manufactures and sells farm animal and meat. Sales are recognized when control of the goods is transferred to the customer and the goods are delivered to the customers. The main product of the Group is chicken related products and revenue is recognized based on the consideration stated in the contract. For certain sales of goods transactions, they are usually accompanied by volume discounts (based on the accumulated total sales amount for a specified period). Therefore, revenue from these sales is recognized based on the price specified in the contract, net of the estimated volume discounts to the Group estimates the discounts using the expected value method based on historical experiences. Revenue is only recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and when the uncertainty associated with the variable consideration is subsequently resolved. During the period specified in the contract, refund liability is recognized for the expected volume discounts.

The average credit period of the Group's sale of goods is 60 days. For most of the contracts, when the Group transfers the goods to customers and has a right to an amount of consideration that is unconditional, these contracts are recognized as trade receivables. The Group usually collects the payments shortly after transfer of goods to customers; therefore, there is no significant financing component to the contract.

(20) Borrowing Costs

Borrowing costs in line with the requirements which are directly attributable to the acquisition, construction or production of assets may be capitalized as part of the cost of the asset. All other borrowing costs are recognized as expenses incurred during the period. The borrowing costs include interest and other costs incurred in connection with the borrowing of funds.

(21) Post-employment benefits

Employees of the Company applied under Taiwan's Labor Standards Act adopt the defined contribution plan. The Company will make a monthly contribution of no less than 6% of the monthly wages of the employees subject to the plan. The Company recognizes expenses for the defined contribution plan in the period in which the contribution becomes due.

Other subsidiaries of the Group adopt defined contribution plan. In accordance with the provisions of Singapore and Malaysia's local provident funds (Central Provident Fund and Employees Provident Fund), the participant defers a portion of their gross salary, which is allocated to a dedicated government account for storage and expend.

(22) Income taxes

Income tax expense (income) is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Current income tax relating to items recognized in other comprehensive income or directly in equity is recognized in other comprehensive income or equity and not in profit or loss.

The income tax for undistributed earnings is recognized as income tax expense in the subsequent year when the distribution proposal is approved by the shareholders' meeting.

Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

(a) Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
(b) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

(a) Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
(b) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets are reassessed at each reporting date and are recognized accordingly.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Interim period income tax expense is accrued using the tax rate that would be applicable to expected total annual earnings, that is, the estimated average annual effective income tax rate applied to the pre-tax income of the interim period. The estimated average annual effective income tax rate only includes current income tax. The recognition and measurement of deferred tax follows annual financial reporting requirements in accordance with IAS 12. The Group recognizes the effect of change in tax rate for deferred taxes in full if the new tax rate is enacted by the end of the interim reporting period, by charging to profit or loss, other comprehensive income, or directly to equity.

5. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumption and estimate could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

(1) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of Property, Plant and Equipment

The impairment of property, plant and equipment was based on the recoverable amount of the equipment. Any changes in the future cash flows will affect the recoverable amount of the equipment and may lead to the recognition of additional impairment losses or the reversal of impairment losses.

Evaluation of inventories

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

Measurement of fair value of biological assets

Except when fair value cannot be reliably measured, biological assets should be measured at fair value less costs to sell on initial recognition and at the end of each reporting period. The Group has to identify whether the active market prices are available for each category of biological assets, to determine the relevance between the nature of biological assets and the chosen market, and to decide which major items should be accounted for as costs to sell. The Group then estimates the fair value less costs to sell based on the information mentioned above. Any fluctuations in market price and costs to sell could materially affect the carrying amount of biological assets.

6. Contents of significant accounts

(1) Cash and cash equivalents

	As of		
	March 31, 2022	December 31, 2021	March 31, 2021
Cash on hand	$808	$683	$1,537
Cash at bank	259,724	287,190	294,335
Time deposits	1,362	-	105,904
Total	$261,894	$287,873	$401,776

(2) Financial assets measured at amortized cost

	As of		
	March 31, 2022	December 31, 2021	March 31, 2021
Time deposits	$4,778	$4,649	$5,690
Current	$4,778	$4,649	$5,690

Please refer to Note 8 for more details on financial assets measured at amortized cost under pledge. Please refer to Note 12 for more details on credit risk.

(3) Trade receivables and Other receivables

	As of		
	March 31, 2022	December 31, 2021	March 31, 2021
Trade receivables	$158,462	$158,548	$187,319
Less: loss allowance	(18,152)	(20,419)	(27,674)
Subtotal	140,310	138,129	159,645
Trade receivables from related parties	386	672	685
Less: loss allowance	-	-	-
Subtotal	386	672	685
Total	$140,696	$138,801	$160,330

	As of		
	March 31, 2022	December 31, 2021	March 31, 2021
Other receivables	$36,276	$33,114	$27,828
Less: loss allowance	-	-	-
Subtotal	36,276	33,114	27,828
Other receivables from related parties	64	16	178
Less: loss allowance	-	-	-
Subtotal	64	16	178
Total	$36,340	$33,130	$28,006

Trade receivable and other receivables were not pledged.

Trade receivables are generally on 60 day terms. The total carrying amount as of March 31, 2022, December 31, 2021 and March 31, 2021 were NT$158,848 thousand, NT$159,220 thousand and NT$188,004 thousand, respectively. Please refer to Note 6 (17) for more details on loss allowance of trade receivables for the three-month periods ended March 31, 2022 and 2021. Please refer to Note 12 for more details on credit risk management.

(4) Inventories, net

	As of		
	March 31, 2022	December 31, 2021	March 31, 2021
Trading goods	$18,913	$10,358	$9,952
Finished goods	14,823	20,675	18,360
Raw materials	13,781	13,548	10,932
Total	$47,517	$44,581	$39,244

The cost of inventories recognized in expenses amounted to NT$486,906 thousand and NT$460,968 thousand for the three-month periods ended March 31, 2022 and 2021, respectively. The cost of goods sold for the three-month periods ended March 31, 2022 and 2021 included inventory write-downs of $0 thousand for both periods.

No inventories were pledged.

(5) Biological assets

	Broiler	Breeder	Total
Balance at January 1, 2022	$101,109	$62,521	$163,630
Purchase during the period	277,821	79,482	357,303
Depreciation during the period	-	(15,540)	(15,540)
Disposals during the period	(288,592)	(59,118)	(347,710)
Loss on changes in fair value less costs to sell of biological assets	(3,058)	-	(3,058)
Exchange difference	2,162	1,588	3,750
Balance at March 31, 2022	$89,442	$68,933	$158,375

	Broiler	Breeder	Total
Balance at January 1, 2021	$77,656	$56,637	$134,293
Purchase during the period	263,537	66,158	329,695
Depreciation during the period	-	(14,958)	(14,958)
Disposals during the period	(265,058)	(45,091)	(310,149)
Exchange difference	(1,503)	(1,147)	(2,650)
Balance at March 31, 2021	$74,632	$61,599	$136,231

Biological assets are comprised of broiler chicken, breeder chicken, etc. Biological assets, other than broiler chicken which are measured at fair value less costs to sell at each reporting date, are measured at cost less accumulated depreciation and impairment losses. The fair value of broiler chicken is measured using the price negotiated by both parties.

The market prices or fair values at the present condition of breeders are unavailable due to short production cycle; the market prices or fair values at present condition of breeders chickens are difficult to obtain. The valuation based on a discounted cash flow method is considered unreliable given the uncertainty with respect to external factors such as climate, weather, diseases etc. Therefore, breeders chicken are measured using the cost approach. Cost of biological assets includes all costs incurred during the growth cycle such as cost of new-born breeder chicken, feed costs, and other farm costs. Breeder biological assets are depreciated using the straight-line method through the productive period of each biological asset. The productive period of breeder is approximately 22~65 weeks; The total amount of the productive biological assets as of March 31, 2022, January 1, 2022, March 31, 2021 and January 1, 2021 were NT$79,696 thousand, NT$85,692 thousand, NT$60,497 thousand and NT$68,342 thousand, respectively. The total accumulated depreciation of the productive biological assets as of March 31, 2022, January 1, 2022, March 31, 2021 and January 1, 2021 were NT$29,707 thousand, NT$41,333 thousand, NT$14,018 thousand and NT$26,295 thousand, respectively.

The Group was exposed to financial risk arising from fluctuation in poultry prices. The Group anticipated that there would not be any material fluctuation in poultry prices, and thus the Group did not enter into any hedging and derivatives contract on the poultry. Management focused closely watches poultry prices on regular basis, and will take actions, if necessary.

(6) Investments accounted for using the equity method

The following table lists the investments accounted for using the equity method of the Group:

	As of					
	March 31, 2022		December 31, 2021		March 31, 2021	
Investees	Carrying amount	Percentage of ownership (%)	Carrying amount	Percentage of ownership (%)	Carrying amount	Percentage of ownership (%)
Investments in associates:						
Singapore Poultry Hub Pte. Ltd.	$-	25%	$-	25%	$5,536	25%
Subtotal	-		-		5,536	
Investments in jointly controlled entities:						
New Generation Ingredient Pte.Ltd.	-	0%	-	0%	2	50%
Subtotal	-		-		2	
Total	$-		$-		$5,538	

From the fourth quarter of 2021, the Group's share of loss of associates and joint ventures of Singapore Poultry Hub Pte. Ltd. has exceeded the investment in associates and joint ventures, so the Group ceased to recognize further share of loss of associates and joint ventures.

(a) Investments in associates

The Group invested additional NT$3,081 thousand (SGD150 thousand) in capital issuing of Singapore Poultry Hub Pte. Ltd. in August 2019. The change registration has not been completed as of March 31, 2022 and the amount was recorded under “prepayment of investment”. According to the Group's assessment, the prepayment for investment has signs of impairment, so the Group recognized an impairment loss of NT$3,118 thousand for the years ended December 31, 2021.

The book value of the investment in Singapore Poultry Hub Pte. Ltd. before considering the additional invested capital was NT$0 thousand, NT$0, and NT$5,536 thousand, as at March 31, 2022, December 31, 2021, and March 31, 2021, respectively. The total comprehensive (loss) income of the Group’s investments in Singapore Poultry Hub Pte. Ltd. was NT$0 thousand, NT$(7,338) thousand,and NT$(4,233) thousand, as at March 31, 2022, December 31, 2021, and March 31, 2021, respectively.

(b) Investments in joint venture

The Group invested NT$2 thousand in capital issuing of New Generation Ingredient Pte. Ltd., acquired 50% equity.

The Group's investment in New Generation Ingredient Pte. Ltd. is not material to the Group. The book value of the investment in New Generation Ingredient Pte. Ltd. was NT$0 thousand, NT$0 thousand, and NT$2 thousand, as at March 31, 2022, December 31, 2021, and March 31, 2021, respectively. The total comprehensive (loss) income of the Group’s investments in New Generation Ingredient Pte. Ltd. was all NT$0 thousand, as for the period ended March 31, 2022, December 31,2021, and March 31, 2021.

The Group disposed of investment in New Generation Ingredient Pte. Ltd. at December 2021, and the disposal amount was NT$2 thousand.

The associates and joint ventures had no contingent liabilities or capital commitments as at March 31, 2022, December 31, 2021, and March 31, 2021.

(7) Property, plant and equipment

	As of		
	March 31, 2022	December 31, 2021	March 31, 2021
Owner occupied property, plant and equipment	$1,240,990	$1,226,932	$1,340,095

(a) Owner occupied property, plant and equipment

	Land	Buildings	Machinery and Equipment	Other Equipment	Construction in progress and equipment awaiting examination	Total
Cost：						
As of January 1, 2022	$109,455	$1,078,042	$544,878	$235,442	$1,441	$1,969,258
Additions	-	-	4,238	4,935	349	9,522
Disposals	-	-	(12)	-	-	(12)
Reclassification	-	-	-	-	(561)	(561)
Exchange differences	2,564	29,112	14,826	6,510	30	53,042
As of March 31, 2022	$112,019	$1,107,154	$563,930	$246,887	$1,259	$2,031,249
As of January 1, 2021	$115,301	$1,122,061	$574,113	$243,612	$3,551	$2,058,638
Additions	-	42	1,121	6,341	12	7,516
Disposals	-	-	(138)	(140)	-	(278)
Exchange differences	(2,419)	(11,973)	(17,132)	(6,119)	(69)	(37,712)
As of March 31, 2021	$112,882	$1,110,130	$557,964	$243,694	$3,494	$2,028,164
Depreciation and impairment:						
As of January 1, 2022	$-	$284,111	$293,880	$164,335	$-	$742,326
Depreciation	-	10,748	10,573	6,426	-	27,747
Disposals	-	-	(5)	-	-	(5)
Exchange differences	-	7,468	8,183	4,540	-	20,191
As of March 31, 2022	$-	$302,327	$312,631	$175,301	$-	$790,259
As of January 1, 2021	$-	$252,702	$272,423	$156,719	$-	$681,844
Depreciation	-	11,019	11,196	7,247	-	29,462
Disposals	-	-	(138)	(64)	-	(202)
Exchange differences	-	(3,930)	(13,766)	(5,339)	-	(23,035)
As of March 31, 2021	$-	$259,791	$269,715	$158,563	$-	$688,069
Net carrying amount as of：						
March 31, 2022	$112,019	$804,827	$251,299	$71,586	$1,259	$1,240,990
December 31, 2021	$109,455	$793,931	$250,998	$71,107	$1,441	$1,226,932
March 31, 2021	$112,882	$850,339	$288,249	$85,131	$3,494	$1,340,095

In consideration for the Group’s operation planning, the subsidiary, KSFC, expects to dispose of its building in accordance with a resolution of the Board of Director’s meeting. Therefore, it was reclassified as non-current assets held for sale in the fourth quarter of 2020.

Please refer to Note 8 for more details on property, plant and equipment under pledge.

(8) Investment property

The Group's investment properties include owned investment properties.

The Group has entered into commercial property leases on its investment properties with terms between 2 and 3 years. These leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

	Buildings
Cost:	
As of January 1, 2022	$131,272
Exchange differences	3,895
As of March 31, 2022	$135,167
As of January 1, 2021	$135,675
Exchange differences	(384)
As of March 31, 2021	$135,291
Depreciation and impairment:	
As of January 1, 2022	$19,085
Depreciation	1,011
Exchange differences	587
As of March 31, 2022	$20,683
As of January 1, 2021	$15,579
Depreciation	1,029
Reclassification	(39)
As of March 31, 2021	$16,569
Net carrying amount as of:	
March 31, 2022	$114,484
December 31, 2021	$112,187
March 31, 2021	$118,722

	Three-month periods ended March 31,	
	2022	2021
Rental income from investment property	$1,396	$1,730

Please refer to Note 8 for more details on investment properties under pledge.

Investment properties held by the Group are not measured at fair value but for which the fair value is disclosed. The fair value measurements of the investment properties are categorized within Level 3. The fair value of investment properties is NT$135,381 and NT$134,402 as at December 31, 2021, and December 31, 2020, respectively.

(9) Intangible assets

	Customer List	Operating Licenses and Trademarks	Total
Cost:			
As of January 1, 2022	$13,299	$-	$13,299
Exchange differences	319	-	319
As of March 31, 2022	$13,618	$-	$13,618
As of January 1, 2021	$13,987	$10,106	$24,093
Other changes	-	(10,033)	(10,033)
Exchange differences	(272)	(73)	(345)
As of March 31, 2021	$13,715	$-	$13,715
Amortization and impairment:			
As of January 1, 2022	$13,299	$-	$13,299
Exchange differences	319	-	319
As of March 31, 2022	$13,618	$-	$13,618
As of January 1, 2021	$11,889	$10,106	$21,995
Amortization	691	-	691
Other changes	-	(10,081)	(10,081)
Exchange differences	(236)	(25)	(261)
As of March 31, 2021	$12,344	$-	$12,344
Net carrying amount as of:			
March 31, 2022	$-	$-	$-
December 31, 2021	$-	$-	$-
March 31, 2021	$1,371	$-	$1,371

Amortization expense of intangible assets under the statement of comprehensive income:

	Three-month periods ended March 31,	
	2022	2021
Sells and marketing expenses	$-	$691

(10) Short-term borrowings

	As of		
	March 31, 2022	December 31, 2021	March 31, 2021
Bank overdrafts	$-	$3,908	$-
Secured bank loans	114,558	124,380	196,977
Total	$114,558	$128,288	$196,977

The range of weighted average effective interest rate on bank loans was 4.60%~8.95%, 4.65%~8.95% and 1.25%~9.95% per annum as of March 31, 2022, December 31, 2021 and March 31, 2021, respectively.

The Group's unused bank loans of credits (including long-term and short-term) amounted to NT$537,878 thousand, NT523,783 thousand, and NT$460,240 thousand, as at March 31, 2022, December 31, 2021, and March 31, 2021, respectively.

Please refer to Note 8 for more details on assets pledged as security for borrowings.

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

	As of		
	March 31, 2022	December 31, 2021	March 31, 2021
Held for trading:			
Derivative not designated as hedging instruments			
Interest rate swap contracts	$-	$-	$1,559
Convertible options	-	-	2,849
Total	$-	$-	$4,408
Current	$-	$-	$4,408

As of the balance sheet date, outstanding interest rate swap contracts not under hedge accounting are as follows:

As of March 31, 2022

None.

As of December 31, 2021

None.

As of March 31, 2021

Amount in contract (in thousands)	Period to maturity	Range of interest rate paid	Range of interest rate received
SGD18,779	June 28, 2018 ~June 28, 2021	2.14% Fixed	0.06%~2.02% Floating

The economic substance of the interest rate swap contracts listed in the table above are to manage exposures due to the cash flow interest rate risk of long-term borrowings. However, those contracts did not meet the criteria of hedge effectiveness and, therefore, were not accounted for using hedge accounting.

(12) Other payables

	As of		
	March 31, 2022	December 31, 2021	March 31, 2021
Payables for salaries and bonus	$39,314	$57,275	$31,198
Payables for purchase or maintenance of equipment	28,006	45,477	24,297
Others	16,926	29,519	22,750
Total	$84,246	$132,271	$78,245

(13) Bonds payable

	As of		
	March 31, 2022	December 31, 2021	March 31, 2021
Liability component:			
Principal amount	$-	$700	$299,900
Discounts on bonds payable	-	(19)	(11,430)
Subtotal	-	681	288,470
Less: current portion	-	(681)	(288,470)
Net	$-	$-	$-
Embedded derivative	$-	$-	$4,408
Equity component	$-	$37	$15,783

On September 10, 2018, the Company issued zero coupon unsecured convertible bonds. The terms of the convertible bonds were evaluated to include a liability component, embedded derivatives (a call option and a put option) and an equity component (an option for conversion into issuer's ordinary shares). The terms of the bonds are as follows:

The second unsecured domestic convertible bonds payable

(a) Issue amount: NT$300,000 thousand, each with a face value of NT$100 thousand, issued based on 100% of par value.

(b) Coupon rate: 0% per annum.

(c) Issue period: From September 10, 2018 to September 10, 2023.

(d) Terms of Conversion:

1. Conversion securities: Ordinary shares of the Company.

2. Conversion period: The bonds are convertible at any time on or after January 11, 2019 and prior to September 10, 2023 into ordinary shares of the Company.

3. Conversion price and adjustment: The conversion price was originally NT$30 per share as issued. The conversion price will be subject to adjustments upon the occurrence of certain events set out in the indenture

(e) Important redemption clauses:

Under the following circumstances, effective from 4 month after the issuance until 40 days to maturity, the Company may recall the convertible bonds at par value per year:

1. The closing price of the Company's common stocks exceeds 30% of the last adjusted conversion price for a period of 30 consecutive business days.

2. The balance of the Company's total bonds currently in circulation falls lower than 10% of par value.

(f) Bondholder's put option

The bondholders will have the right, at such holder's option, to redeem the bonds held by such holder on the date that three years from the issuance date. (At par value with interest calculated at the rate of 1.5075%.)

The second unsecured domestic bonds payable conversions were as follows:

	Three-month periods ended March 31,			
	2022		2021	
	Par Value of Convertible Bonds	Numbers of Shares Converted	Par Value of Convertible Bonds	Numbers of Shares Converted
Converted amount at the beginning	$100	3	$100	3
Converted amount during the period	-	-	-	-
Converted amount at the end	$100	3	$100	3

In January 2022, the bondholders redeemed the bonds at par value NT$700 thousand. The Company recognized a loss on redemption of bonds payable of NT$18 thousand.

In September 2021, the bondholders redeemed the bonds at par value NT$299,200 thousand (with interest NT$4,510 thousand). The Company recognized a loss on redemption of bonds payable of NT$9,470 thousand.

(14) Long-term borrowings

Details of long-term borrowings as of March 31, 2022, December 31, 2021 and March 31, 2021 are as follows:

Lenders	As of March 31, 2022	Maturity date and terms of repayment
Secured bank loans	$1,016,922	Repayable monthly from June 1, 2013 to April 17, 2039 and interest is paid monthly.
Finance leases	57,777	Repayable monthly from August 17, 2015 to March 31, 2025 and interest is paid monthly.
Subtotal	1,074,699	
Less: current portion	(164,192)	
Total	$910,507	

Lenders	As of December 31, 2021	Maturity date and terms of repayment
Secured bank loans	$1,014,900	Repayable monthly from June 1, 2013 to April 17, 2039 and interest is paid monthly.
Finance leases	62,583	Repayable monthly from August 17, 2015 to March 31, 2025 and interest is paid monthly.
Subtotal	1,077,483	
Less: current portion	(151,707)	
Total	$925,776	

Lenders	As of March 31, 2021	Maturity date and terms of repayment
Secured bank loans	$972,772	Repayable monthly from June 1, 2013 to April 17, 2039 and interest is paid monthly.
Finance leases	87,755	Repayable monthly from August 17, 2015 to March 31, 2025 and interest is paid monthly.
Subtotal	1,060,527	
Less: current portion	(199,212)	
Total	$861,315	

The range of weighted average effective interest rate on long-term borrowings were both 1.38%-8.13% per annum as of March 31, 2021, December 31, 2020 and March 31, 2020.

KSFC acquired new bank borrowing facilities in the amount of NT$431,901 thousand secured by KSFC's new factory. The purpose of this bank borrowing was for an acquisition of new factory. According to the long-term loan arrangement, KSFC should maintain a net worth of not lower than SGD10,000 thousand and the borrowing amount should not exceed 80% of the market value of the new factory. As of March 31, 2022, the amount of bank borrowing facilities was NT$331,599 thousand.

In April 2019, KSFC acquired new bank borrowing facilities secured by KSFC's new factory. As of March 31, 2022, the amount of bank borrowing facilities was NT$71,198 thousand.

Details borrowings pledged as security are disclosed in Note 8.

(15) Equities

(a) Common stock

The Company's authorized capital and issued capital were NT$1,000,000 thousand and NT$368,198 thousand as of March 31, 2022, December 31, 2021 and March 31, 2021, respectively, each at a par value of NT$10. Each share has one voting right and a right to receive dividends.

As at March 31, 2022, the bond holders exercised their right to convert bonds into NT$33 thousand of NT$10 par value ordinary share of the Company. The newly issued shares had been approved and registered with relevant authorities.

(b) Capital surplus

	As of		
	March 31, 2022	December 31, 2021	March 31, 2021
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital			
Additional paid-in capital	$113,106	$113,106	$113,106
Arising from conversion of bonds	78,245	78,245	78,245
May be used to offset a deficit			
Arising from expired share options	21,533	21,496	5,750
May not be used for any purpose			
Arising from share options	-	37	15,783
Total	$212,884	$212,884	$212,884

According to the Company Act, the capital reserve shall not be used except for offset the deficit of the Company. When a company incurs no loss, it may distribute the capital surplus generated from the excess of the issuance price over the pay value of capital and donations. The distribution could be made in cash or in the form of dividend shares to its shareholders in proportion to the number of shares being held by each of them.

(c) Retained earnings and dividend policies

According to the Company's Articles of Association, the Company may distribute profits in accordance with a proposal for profit distribution approved by the Board and sanctioned by the Shareholders by an Ordinary Resolution in annual general meetings. The Board shall set aside out of profits for the relevant financial year: (i) a reserve for payment of tax for the relevant year; (ii) an amount to offset losses incurred in previous years; and (iii) a special surplus reserve as required by the applicable securities authority under the applicable public company regulations. The remaining amount shall be distributed in the following sequence and manner upon approval by the shareholders:

A. No more than 3% as employees' bonus;
B. No more than 3% as directors' bonus;
C. The balance as dividends to shareholders. The dividends shall not be less than 10% of net profit after tax earned in such financial year deducting reserves, employees' bonus and directors' bonus.

Dividends to the shareholders and the employees' bonus may be distributed, in the discretion of the Board of Directors, by way of cash or by way of applying such sum in paying up in fall unissued shares or a combination of both for allocation and distribution to Shareholders or employees. Cash dividends to shareholders shall not be less than 10% of the total amount of dividends to Shareholders, provided, however, that the Board may adjust the cash dividends payout ratio in any given year based on the Company's net income and business operations for the respective financial year. When the employees' bonus is distributed by way of an issue of fully paid shares, the recipients may include qualified employees of the Company's subsidiaries. No unpaid dividend and bonus shall bear interest as against the Company.

When the Company distributing distributable earnings, it shall set aside to special reserve, an amount equal to "other net deductions from shareholders" equity for the current fiscal year, provided that if the company has already set aside special reserve according to the requirements for the adoption of IFRS, it shall set aside supplemental special reserve based on the difference between the amount already set aside and other net deductions from shareholders' equity. For any subsequent reversal of other net deductions from shareholders' equity, the amount reversed may be distributed from the special reserve.

The FSC on March 31, 2021 issued Order No. Financial-Supervisory-Securities-Corporate-1090150022, which sets out the following provisions for compliance has no impact to the Group:

On a public company's first-time adoption of the IFRS, for any unrealized revaluation gains and cumulative translation adjustments (gains) recorded to shareholders' equity that the company elects to transfer to retained earnings by application of the exemption under IFRS 1, the company shall set aside special reserve. For any subsequent use, disposal or reclassification of related assets, the Company can reverse the special reserve by the proportion of the special reserve first appropriated and distribute it. The above-mentioned order has no impact to the company.

The appropriations of earnings for 2021 and 2020 that was approved by the board of directors' and the shareholders' meeting held on March 18, 2022 and July 29, 2021, respectively. The details of appropriation are as follows:

	Appropriation of earnings	
	2021	2020
Special reserve appropriated	$41,113	$-

Please refer to Note 6 (19) for details on employees' compensation and remuneration to directors.

(d) Non-controlling interests

	Three-month periods ended March 31,	
	2022	2021
Beginning balance	$-	$24,923
Gain attributable to non-controlling interests	-	4,442
Other comprehensive income, attributable to non-controlling interests, net of tax:		
Exchange differences resulting from translating the financial statements of foreign operations	-	8,800
Changes in ownership interests in subsidiaries	-	(4,979)
Ending balance	$-	$33,186

(16) Operating revenue

	Three-month periods ended March 31,	
	2022	2021
Revenue from contracts with customers		
Revenue from sale of goods-fresh chicken	$252,905	$265,629
Revenue from live broilers and day old chick	292,471	258,461
Others	60,981	53,249
Total	$606,357	$577,339

Please refer to Note 14 for information about disaggregation of revenue.

(17) Expected credit gains

	Three-month periods ended March 31,	
	2022	2021
Operating expenses - Expected credit gains		
Trade receivables	$1,643	$1,066
Total	$1,643	$1,066

Please refer to Note 12 for more details on credit risk.

The credit risk for the Group's measured at amortized cost are assessed as low (the same as the assessment result in the beginning of the period). Due to the Group's counterparties are financial institutions with good credit, the loss allowance is NT$0 thousand of expected credit losses (loss ratio of 0%).

The Group measures the loss allowance of its trade receivables (including trade receivables and other receivables) at an amount equal to lifetime expected credit losses. As the Group's historical credit loss experience shows significantly different loss patterns for different customer, the provision for loss allowance based on status according to the Group's different customer base. The assessment of the Group's loss allowance as March 31, 2022, December 31, 2021, and March 31, 2021 is as follows:

The allowance of trade receivables, details are as follows:

As of March 31, 2022

		Overdue			
	Not yet due	<=30 days	31～60 days	>=61 days	Total
Gross carrying amount	$136,096	$1,519	$-	$21,233	$158,848
Loss rate	-	-	-	85%	
Lifetime expected credit losses	-	-	-	(18,152)	(18,152)
Carrying amount of trade receivables	$136,096	$1,519	$-	$3,081	$140,696

As of December 31, 2021

		Overdue			
	Not yet due	<=30 days	31～60 days	>=61 days	Total
Gross carrying amount	$126,305	$8,919	$-	$23,996	$159,220
Loss rate	-%	-%	-%	85%	
Lifetime expected credit losses	-	-	-	(20,419)	(20,419)
Carrying amount of trade receivables	$126,305	$8,919	$-	$3,577	$138,801

As of March 31, 2021

		Overdue			
	Not yet due	<=30 days	31～60 days	>=61 days	Total
Gross carrying amount	$152,289	$5,639	$-	$30,076	$188,004
Loss rate	-%	-%	-%	89%	
Lifetime expected credit losses	-	-	-	(27,674)	(27,674)
Carrying amount of trade receivables	$152,289	$5,639	$-	$2,402	$160,330

The movement in the provision for impairment of notes receivable, accounts receivable and other receivables during the years ended March 31, 2022 and 2021 is as follows:

	Trade Receivables	Other Receivables
Balance as of January 1, 2022	$20,419	$-
Reversal for the current period	(1,643)	-
Write off	(1,088)	-
Exchange rate differences	464	-
As of March 31, 2022	$18,152	$-

	Trade Receivables	Other Receivables
Balance as of January 1, 2021	$29,782	$338
Addition for the current period	(1,066)	-
Write off	(20)	(338)
Exchange rate differences	(1,022)	-
As of March 31, 2021	$27,674	$-

(18) Leases

(a) Group as lessee

The Group leases various property (building), motor vehicle, with lease terms of 2 to 5 years. There are no restrictions placed upon the Group by entering into these leases.

The above lease pertains to payment for purchase of the right to use land located in Singapore and Malaysia, the existence period of the land use right were from the date of registration to March 1, 2047, May 11, 2050 and June 25, 2096, respectively.

Right of use assets for lease as collateral for bank borrowings were set out in Note 8.

The Group's leases effect on the financial position, financial performance and cash flows are as follows:

A. Amounts recognized in the balance sheet

(i) Right-of-use assets

The carrying amount of right-of-use assets

	As of		
	March 31, 2022	December 31, 2021	March 31, 2021
Land	$105,642	$103,787	$110,414
Buildings	95	242	619
Other equipment	1,413	1,797	3,166
Total	$107,150	$105,826	$114,199

During the years ended March 31, 2022 and 2021, the Group's additions to right-of-use assets amounted to NT$0 thousand and NT$1,400 thousand, respectively.

(ii) Lease liabilities

	As of		
	March 31, 2022	December 31, 2021	March 31, 2021
Lease liabilities	$1,528	$1,998	$2,602
Current	-	107	1,525
Non-current	$1,528	$2,105	$4,127

Please refer to Note 6 (20) (d) for the interest on lease liabilities recognized during the years ended March 31, 2022 and 2021 and refer to Note 12 (5) Liquidity Risk Management for the maturity analysis for lease liabilities.

B. Amounts recognized in the statement of profit or loss

Depreciation charge for right-of-use assets

	Three-month periods ended March 31,	
	2022	2021
Land	$1,077	$1,352
Buildings	150	466
Other equipment	428	436
Total	$1,655	$2,254

C. Income and costs relating to leasing activities

	Three-month periods ended March 31,	
	2022	2021
The expenses relating to short-term leases	$1,654	$1,597

D. Cash outflow relating to leasing activities

	Three-month periods ended March 31,	
	2022	2021
Total cash flow for leases	$2,555	$5,136

(19) Summary statement of employee benefits, depreciation and amortization expense by function:

	For the three-month periods ended March 31,					
	2022			2021		
	Operating costs	Operating expenses	Total amount	Operating costs	Operating expenses	Total amount
Employee benefits expense						
Salaries	$31,755	$39,241	$70,996	$30,147	$46,075	$76,222
Provident fund and post-employee benefits-defined contribution plans	1,183	3,231	4,414	1,212	3,591	4,803
Other employee benefits	3,946	2,430	6,376	5,340	2,410	7,750
Depreciation	16,261	14,152	30,413	17,961	14,784	32,745
Amortization	-	-	-	-	691	691

For the three-month periods ended March 31, 2022 and 2021, the bonus to employees and the remuneration to directors were both NT$0 thousand. Material differences between such estimated amounts and the amounts proposed by the board of directors on or before the date the annual consolidated financial statements are authorized for issue are adjusted in the year the bonus and remuneration were recognized. If there is a change in the proposed amounts after the annual consolidated financial statements were authorized for issue, the differences are recorded as a change in accounting estimate. The bonus described here is specifically referred to the bonus appropriated based on the Company's Article and board and shareholder's approval as part of earning distribution (Note 6(15C)). Key management personnel compensation please refer to Note 7(8).

The amounts of the bonus to employees and the remuneration to directors for 2021 and 2020 approved by the board of directors' meetings on May 10, 2022 and the shareholders' meeting on July 29, 2021 were all $0 thousand.

Information relevant to the aforementioned employees and directors' compensation can be obtained from the "Market Observation Post System" on the website of the TPEx.

(20) Non-operating income and expenses

(a) Interest income

	Three-month periods ended March 31,	
	2022	2021
Financial assets measured at amortized cost	$585	$322

(b) Other income

	Three-month periods ended March 31,	
	2022	2021
Rental income	$1,396	$2,171

(c) Other gains and losses

	Three-month periods ended March 31,	
	2022	2021
Gain (loss) on disposal of property, plant and equipment	$5	$(62)
Foreign exchange losses, net	(488)	(704)
Gain on financial liabilities at fair value through profit or loss (Note)	-	745
Gain on disposal of investments	-	5,571
Loss on redemption on bonds payable	(18)	-
Others	2,032	4,416
Total	$1,531	$9,966

Note: Balances arose from held for trading financial liabilities.

(d) Finance costs

	Three-month periods ended March 31,	
	2022	2021
Interest on borrowings from bank	$(6,315)	$(9,765)
Interest on lease liabilities	(324)	(39)
Interest on convertible bonds	(1)	(1,157)
Total	$(6,640)	$(10,961)

(21) Components of other comprehensive income

For the three-month periods ended March 31, 2022:

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax expense	Other comprehensive income, net of tax
To be reclassified to profit or loss in subsequent periods:					
Exchange differences resulting from translating the financial statements of foreign operations	$16,573	$-	$16,573	$-	$16,573
Total	$16,573	$-	$16,573	$-	$16,573

For the three-month periods ended March 31, 2021:

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax expense	Other comprehensive income, net of tax
To be reclassified to profit or loss in subsequent periods:					
Exchange differences resulting from translating the financial statements of foreign operations	$3,527	$-	$3,527	$-	$3,527
Total	$3,527	$-	$3,527	$-	$3,527

(22) Income tax

The major components of income tax expense for the three-month periods ended March 31, 2022 and 2021 were as follows:

Income tax expense recognized in profit or loss

	Three-month periods ended March 31,	
	2022	2021
Current income tax expense		
Current income tax charge	$3,502	$349
Adjustments in respect of current income tax of prior periods	93	-
Deferred tax expense (income)		
Deferred tax expense (income) relating to origination and reversal of temporary differences	7,170	2,989
Tax expense recognized in the period for previously unrecognized tax loss, tax credit or temporary difference of prior periods	(176)	(1)
Total	$10,589	$3,337

Income tax conditions imposed on the Group are as follows:

The Company was incorporated in the Cayman Islands, where companies are exempted from corporate income tax.

The Company's subsidiaries, KSH Company and KSFC Company were incorporated in Singapore; MKP Company, KSMY Company, MW Company, KSJ Company, KSA Company, KSR Company, JESB Company and YKH Company were incorporated in Malaysia; YTH Company was incorporated in ROC. Income tax rate for profit-making companies for each country is as follows:

Singapore

a) In accordance with the Singapore Income Tax Act, the taxable income is determined as total revenue for this financial year less cost of sales, operating expenses, loss, tax incentives and tax exemptions. The net amount will be the basis for calculating the profit-seeking enterprise income tax for this financial year.

b) In accordance with the Singapore Income Tax Act, 75% on the first SGD10,000 of taxable income is exempted; 50% on the next SGD10,000 - SGD290,000 of the taxable income is exempted.

c) Local corporate tax rate is 17%.

Malaysia

a) In accordance with the Malaysia Income Tax Act, the taxable income is determined as total revenue for this financial year less cost of sales, operating expenses, loss, tax incentives and tax exemptions. The net amount will be the basis for calculating the profit-seeking enterprise income tax for the financial year.

b) Local corporate tax rate is 24%.

Taiwan

a) In accordance with the Taiwan ROC Income Tax Act, the taxable income is determined as total revenue for this financial year less cost of sales, operating expenses, loss, tax incentives and tax exemptions. The net amount will be the basis for calculating the profit-seeking enterprise income tax for the financial year.

b) Local corporate tax rate is 20%.

The assessment of income tax returns

As of March 31, 2022, the assessment of the income tax returns of the Company and its subsidiaries is as follows:

	The assessment of income tax returns
Subsidiary－KSH	Assessed up to 2020
Subsidiary－KSFC	Assessed up to 2020
Subsidiary－MKP	Assessed up to 2020
Subsidiary－KSMY	Assessed up to 2020
Subsidiary－MW	Assessed up to 2020
Subsidiary－KSJ	Assessed up to 2020
Subsidiary－KSA	Assessed up to 2020
Subsidiary－KSR	Assessed up to 2020
Subsidiary－JESB	Assessed up to 2020
Subsidiary－YKH	Assessed up to 2020
Subsidiary－YTH	Assessed up to 2020

(23) Earnings per share

Basic earnings per share amounts are calculated by dividing net gain for the year attributable to ordinary equity holders of the parent entity by the weighted average number of ordinary shares outstanding during the year.

(1) Basic earnings per share

	Three-month periods ended March 31,	
	2022	2021
Gain attributable to ordinary equity holders of the Company (in thousand NT$)	$18,831	$16,420
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	36,819	36,819
Basic earnings per share (NT$)	$0.51	$0.45

(2) Diluted earnings per share

	As of March 31, 2022	As of March 31, 2021
Profit attributable to ordinary equity holders of the Company (in thousand NT$)	$18,831	$16,420
Add:Less of interest expense from convertible bonds (in thousand NT$)	1	2,268
Profit attributable to ordinary equity holders of the Company after dilution (in thousand NT$)	$18,832	$18,688
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	36,819	36,819
Convertible bonds (in thousands)	-	9,997
Weighted average number of ordinary shares outstanding after dilution (in thousands)	36,819	46,816
Basic earnings per share (NT$)	$0.51	$0.40

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of the financial statements.

(24) Changes in parent's interest in subsidiaries

Loss of control of subsidiary

As mentioned in Note 4(3), the Group disposed of 100% equity of FIK and BBQ and lost control of it on February 15, 2021. Related information of selling the subsidiary are as follows:

	Carrying amount
Assets	$3,557
Liabilities	(4,271)
Net identifiable assets	$(714)
Proceeds from sale of subsidiary	$4,857
Less: net identifiable assets	714
Gain from sales of subsidiary	$5,571

7. Related party transactions

Information of the related parties that had transactions with the Group during the financial reporting period is as follows:

Name and nature of relationship of the related parties

Name of the related parties	Nature of relationship of the related parties
Project Dignity Pte. Ltd.	Other related parties
Otemchi Biotechnologies Pte. Ltd.	Other related parties
Otemchi Biotechnologies Sdn. Bhd.	Other related parties
Agro Worldwide Sdn. Bhd.	Other related parties
Lee Kim Kiong	Other related parties
Lee Wee Keng	Other related parties
Ong Food Holdings Pte. Ltd.	Other related parties
Ong Kian San	Key management personnel
Ong Kee Song	Key management personnel

Significant transactions with the related parties

(1) Sales

	Three-month periods ended March 31,	
	2022	2021
Other related parties	$1,012	$1,107

Selling prices and terms of sales from related parties were similar to those from third parties.

(2) Purchases

	Three-month periods ended March 31,	
	2022	2021
Other related parties	$5,868	$298

Purchase prices and terms of purchases from related parties were similar to those from third parties.

(3) Rental expense

	Three-month periods ended March 31,	
	2022	2021
Key management personnel	$100	$104

The Group rents offices from related parties. The lease prices were determined based on the general local rent prices and were paid monthly.

(4) Trade receivables from related parties

	As of		
	March 31, 2022	December 31, 2021	March 31, 2021
Other related parties	$386	$672	$685

(5) Other receivables from related parties

	As of		
	March 31, 2022	December 31, 2021	March 31, 2021
Other related parties	$64	$16	$178

(6) Trade payables to related parties

	As of		
	March 31, 2022	December 31, 2021	March 31, 2021
Other related parties	$3,447	$2,045	$-

(7) Other payables to related parties

	As of		
	March 31, 2022	December 31, 2021	March 31, 2021
Other related parties	$-	$440	$2

(8) Key management personnel compensation

	Three-month periods ended March 31,	
	2022	2021
Short term employee benefits	$6,733	$8,384
Post-employment benefits	183	406
Total	$6,916	$8,790

8. Assets pledged as security

The following table lists assets of the Group pledged as security:

	Carrying amount			
	As of			
Items	March 31, 2022	December 31, 2021	March 31, 2021	Secured liabilities
Financial assets at amortized cost-time deposits	$4,778	$4,649	$5,690	Pledged fixed deposits
Property, plant and equipment	923,284	912,745	1,073,101	Long/short borrowings
Right-of-use assets	83,513	81,920	86,944	Long/short borrowings
Investment properties	43,551	42,606	44,872	Long/short borrowings
Total	$1,055,126	$1,041,920	$1,210,607	

9. Significant contingencies and unrecognized contractual commitments

None.

10. Losses due to major disasters

None.

11. Significant subsequent events

None.

12. Others

(1) Categories of financial instruments

Financial assets

	As of		
	March 31, 2022	December 31, 2021	March 31, 2021
Financial assets measured at amortized cost:			
Cash and cash equivalents (exclude cash on hand)	$261,086	$287,190	$400,239
Financial assets measured at amortized cost	4,778	4,649	5,690
Trade receivables (including related parties)	140,696	138,801	160,330
Other receivables (including related parties)	36,340	33,130	28,006
Total	$442,900	$463,770	$594,265

Financial liabilities

	As of		
	March 31, 2022	December 31, 2021	March 31, 2021
Financial liabilities at amortized cost:			
Short-term borrowings	$114,558	$128,288	$196,977
Trade payables (including related parties)	218,922	204,095	209,370
Other payables (including related parties)	84,246	132,271	78,245
Lease liabilities	1,528	2,105	4,127
Bonds payables (including current portion with maturity less than 1 year)	-	681	288,470
Long-term borrowings (including current portion with maturity less than 1 year)	1,074,699	1,077,483	1,060,527
Guarantee deposits	1,119	1,087	1,290
Subtotal	1,495,072	1,546,010	1,839,006
Financial assets at fair value through profit or loss:			
Held for trading	-	-	4,408
Subtotal	-	-	4,408
Total	$1,495,072	$1,546,010	$1,843,414

(2) Financial risk management objectives and policies

The Group's principal financial risk management objective is to manage the market risk, credit risk, and liquidity risk related to its operating activates. The Group identifies measures and manages the aforementioned risks based on the Group's policy and risk appetite.

The Group has established appropriate policies, procedures and internal controls for financial risk management. Before entering into significant transactions, due approval process by the Board of Directors and Audit Committee must be carried out based on related protocols and internal control procedures. The group complies with its financial risk management policies at all times.

(3) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in market prices. Market prices comprise currency risk and interest rate risk.

In practice, it is rarely the case that a single risk variable will change independently from other risk variable, there is usually interdependencies between risk variables. However, the sensitivity analysis disclosed below does not take into account the interdependencies between risk variables.

Foreign currency risk

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense are denominated in a different currency from the Group's functional currency).

The Group has certain foreign currency receivables to be denominated in the same foreign currency with certain foreign currency payables, therefore natural hedge is received. Furthermore, as net investments in foreign subsidiaries are for strategic purposes, they are not hedged by the Group.

The foreign currency sensitivity analysis of the possible change in foreign exchange rates on the Group's profit is performed on significant monetary items denominated in foreign currencies as at the end of the reporting period. The Group's foreign currency risk is mainly related to the volatility in the exchange rates for foreign currency SGD and foreign currency MYR. The information of the sensitivity analyses as follows:

(a) When NTD strengthens/weakens against SGD by 1%, the profit or loss for the three-month periods ended March 31, 2022 and 2021 is increased/(decreased) by NT$6,778 thousand and NT$4,940 thousand, respectively.
(b) When NTD strengthens/weakens against MYR by 1%, the profit or loss for the three-month periods ended March 31, 2022 and 2021 is increased/(decreased) by NT$3,736 thousand and NT$4,606 thousand, respectively.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the Group's loans and receivables at variable interest rates, bank borrowings with fixed interest rates, and variable interest rates.

The interest rate sensitivity analysis is performed on items exposed to interest rate risk as at the end of the reporting period, including investments and borrowings with variable interest rates and interest rate swaps. At the reporting date, a change of 10 basis points in interest rate in a reporting period could cause the profit for the three-month periods ended March 31, 2022 and 2021 to (decrease)/increased by NT$928 thousand and NT$1,146 thousand, respectively.

(4) Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a contract, leading to a financial loss. The group is exposed to credit risk from operating activities (primarily for trade receivable) and from its financing activities, including bank deposits and other financial instruments.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit limits are established for all customers based on their financial position, rating from credit rating agencies, historical experience, prevailing economic condition and the Group's internal rating criteria etc. Certain customer's credit risk will also be managed by taking credit enhancing procedures, such as requesting for prepayment or insurance.

As of March 31, 2022, December 31, 2021 and March 31, 2021, amounts receivables from top ten customers represent 63%, 61%, and 60% of the total accounts receivables of the Group, respectively. The credit concentration risk of other accounts receivables is insignificant.

Credit risk from balances with banks, fixed income securities and other financial instruments is managed by the Group's treasury in accordance with the Group's policy. The group only transacts with counterparties approved by the internal control procedures, which are banks and financial institutions, companies and government entities with good credit rating and with no significant default risk. Consequently, there is no significant credit risk for these counter parties.

Financial assets are written off when there is no realistic prospect of future recovery (the issuer or the debtor is in financial difficulties or bankruptcy).

When the credit risk on debt instrument investment has increased, the Group will dispose that investment in order to minimize the credit losses. When assessing the expected credit losses in accordance with IFRS 9, the evaluation of the forward-looking information (available without undue cost and effort) is mainly based on the macroeconomic information and the credit loss ratio if there is significant impact from forward-looking information.

(5) Liquidity risk management

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and cash equivalents, bank borrowings and convertible bonds. The table below summarizes the maturity profile of the Group's financial liabilities based on the contractual undiscounted payments and contractual maturity. The payment amount includes the contractual interest. The undiscounted payment relating to borrowings with variable interest rates is extrapolated based on the estimated interest rate yield curve as of the end of the reporting period.

Non-derivative financial instruments

	Not later than one year	Later than one year and not later than two years	Later than two years and not later than five years	Later than five years	Total
As of March 31, 2022					
Borrowings	$293,501	$185,432	$361,793	$607,939	$1,448,665
Trade payables	303,168	-	-	-	303,168
Lease liabilities	1,531	-	-	-	1,531
As of December 31, 2021					
Borrowings	$297,596	$187,327	$373,382	$605,605	$1,463,910
Trade payables	336,366	-	-	-	336,366
Bonds payable	700	-	-	-	700
Lease liabilities	1,934	539	23	16	2,512
As of March 31, 2021					
Borrowings	$430,917	$166,111	$278,809	$648,765	$1,524,602
Trade payables	287,615	-	-	-	287,615
Bonds payable	304,423	-	-	-	304,423
Lease liabilities	3,738	2,941	873	622	8,174

(6) Reconciliation of liabilities arising from financing activities

Reconciliation of liabilities for the three-month periods ended March 31, 2022:

	Short-term borrowings	Long-term borrowings	Lease liabilities	Reconciliation of liabilities arising from financing activities
As of January 1, 2022	$128,288	$1,077,483	$2,105	$1,207,876
Cash flows	(9,822)	(2,784)	(577)	(13,183)
Non-cash changes (include Foreign exchange)	(3,908)	-	-	(3,908)
As of March 31, 2022	$114,558	$1,074,699	$1,528	$1,190,785

Reconciliation of liabilities for the three-month periods ended March 31, 2021:

	Short-term borrowings	Long-term borrowings	Lease liabilities	Reconciliation of liabilities arising from financing activities
As of January 1, 2021	$216,838	$1,091,997	$6,227	$1,315,062
Cash flows	(14,181)	(31,470)	(3,500)	(49,151)
Non-cash changes (include Foreign exchange)	(5,680)	-	1,400	(4,280)
As of March 31, 2021	$196,977	$1,060,527	$4,127	$1,261,631

(7) Fair values of financial instruments

(a) The methods and assumptions applied in determining the fair value of financial instruments:

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

A. The carrying amount of cash and cash equivalents, accounts receivables, accounts payable and other current liabilities approximate their fair value due to their short maturities.

B. For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities, beneficiary certificates, bonds and futures etc.) at the reporting date.

C. Fair value of equity instruments without market quotations (including private placement of listed equity securities, unquoted public company and private company equity securities) are estimated using the market method valuation techniques based on parameters such as prices based on market transactions of equity instruments of identical or comparable entities and other relevant information (for example, inputs such as discount for lack of marketability, P/E ratio of similar entities and Price-Book ratio of similar entities).

D. Fair value of debt instruments without market quotations, bank loans, bonds payable and are determined based on the counterparty prices or valuation method. The valuation method uses DCF method as a basis, and the assumptions such as the interest rate and discount rate are primarily based on relevant information of similar instrument (such as yield curves published by the Taipei Exchange, average prices for Fixed Rate Commercial Paper published by Reuters and credit risk, etc.)

E. The fair value of derivatives which are not options and without market quotations, is determined based on the counterparty prices or discounted cash flow analysis using interest rate yield curve for the contract period. Fair value of option-based derivative financial instruments is obtained using on the counterparty prices or appropriate option pricing model (for example, Black-Scholes model) or other valuation method (for example, Monte Carlo Simulation).

(b) Fair value of financial instruments measured at amortized cost

Other than cash and cash equivalents, accounts receivables, refundable deposits, loans, accounts payable and other current liabilities whose carrying amount approximate their fair value, the fair value of the Group's financial assets and financial liabilities measured at amortized cost is listed in the table below:

	Carrying amount as of			Fair value as of		
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	December 31, 2021	March 31, 2021
Financial liabilities						
Financial liabilities measured at amortized cost - convertible bonds	$-	$681	$288,470	$-	$695	$292,403

(c) Fair value measurement hierarchy for financial instruments

Please refer to Note 12 (8) for fair value measurement hierarchy for financial instruments of the Group.

(8) Fair value measurement hierarchy

(a) Fair value measurement hierarchy

All asset and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole. Level 1, 2 and 3 inputs are described as follows:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization at the end of each reporting period.

(b) Fair value measurement hierarchy of the Group's assets and liabilities

The Group does not have assets that are measured at fair value on a non-recurring basis. Fair value measurement hierarchy of the Group's assets and liabilities measured at fair value on a recurring basis is as follows:

As of March 31, 2022

None.

As of December 31, 2021

None.

As of March 31, 2021

	Level 1	Level 2	Level 3	Total
Financial liabilities at FVTPL				
Financial liabilities held for trading	$-	$1,559	$-	$1,559
Embedded derivatives	-	2,849	-	2,849

Transfers between Level 1 and Level 2 during the period

During the years ended March 31, 2022 and 2021, there were no transfers between Level 1 and Level 2 fair value measurements.

(c) Fair value measurement hierarchy of the Group's assets and liabilities not measured at fair value but for which the fair value is disclosed

As of March 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Investment properties (please refer to Note 6(8)	$-	$-	$135,381	$135,381

As of December 31, 2021

	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Investment properties (please refer to Note 6(8)	$-	$-	$135,381	$135,381
Financial liabilities not measured at fair value but for which the fair value is disclosed:				
Bonds payables	695	-	-	695

As of March 31, 2021

	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value but for which the fair value is disclosed:				
Investment properties (please refer to Note 6(8)	$-	$-	$134,402	$134,402
Financial liabilities not measured at fair value but for which the fair value is disclosed:				
Bonds payables	292,403	-	-	292,403

(9) Significant assets and liabilities denominated in foreign currencies

Information regarding the significant assets and liabilities denominated in foreign currencies is listed below:

(Expressed in thousands)

	As of March 31, 2022		
	Foreign currencies	Foreign exchange rate	NTD
Financial assets			
Monetary items:			
SGD	$14,358	21.15	$303,689
MYR	19,794	6.81	134,775
Financial liabilities			
Monetary items:			
SGD	$46,400	21.15	$981,443
MYR	74,663	6.81	508,368

	As of December 31, 2021		
	Foreign currencies	Foreign exchange rate	NTD
Financial assets			
Monetary items:			
SGD	$15,462	20.54	$317,619
MYR	21,237	6.65	141,216
Financial liabilities			
Monetary items:			
SGD	$48,266	20.54	$991,501
MYR	80,413	6.65	534,704

	As of March 31, 2021		
	Foreign currencies	Foreign exchange rate	NTD
Financial assets			
Monetary items:			
SGD	$190,200	21.17	$406,483
MYR	26,626	6.86	182,584
Financial liabilities			
Monetary items:			
SGD	$42,535	21.17	$900,523
MYR	93,801	6.86	643,226

The above information is disclosed based on the carrying amount of foreign currency (after conversion of functional currency).

It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions functional currencies of the group entities. For the periods ended March 31, 2022 and 2021, foreign exchange losses were NT$488 thousand and NT$704 thousand, respectively.

(10) Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

13. Additional disclosures

(1) The following are additional disclosures for the Group and its affiliates as required by the R.O.C. Securities and Futures Bureau:

(a) Financing provided to others: Please refer to Attachment 2.
(b) Endorsement/Guarantee provided to others: Please refer to Attachment 3.
(c) Securities held: None.
(d) Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT$300 million or 20 percent of the capital stock: None.
(e) Acquisition of individual real estate with amount exceeding the lower of NT$300 million or 20 percent of the capital stock: None.
(f) Disposal of individual real estate with amount exceeding the lower of NT$300 million or 20 percent of the capital stock: None.
(g) Related party transactions for purchases and sales amounts exceeding the lower of NT$100 million or 20 percent of the capital stock: Please refer to Attachment 5.
(h) Receivables from related parties with amounts exceeding the lower of NT$100 million or 20 percent of capital stock: None.
(i) Financial instruments and derivative transactions: None.
(J) Intercompany relationships and significant intercompany transactions: Please refer to Attachment 1.

(2) Information on investees:

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to Attachment 4.

(3) Information on investment in Mainland China: None.

(4) Information on major shareholders: Please refer to Attachment 6

14. Operating segment information

For management purposes, the Group is organized into business units based on their products and services and has two reportable operating segments as follows:

(1) Poultry and processing distribution: Engages in business of importing, slaughtering, wholesaling and retailing poultry and consumable goods of all kinds;
(2) Poultry farming: Engages in the business of poultry farming;

The other operating segments not reported above have been aggregated and disclosed under other operating segments below.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured based on accounting policies consistent with those in the consolidated financial statements. However income taxes are managed on a group basis and are not allocated to operating segments.

For the three-month periods ended March 31, 2022

	Poultry and Processing Distribution	Poultry Farming	Subtotal	Other Operating Segments	Adjustments and Eliminations	Total
Revenue						
External customer	$309,427	$296,930	$606,357	$-	$-	$606,357
Inter-segment	5	188,171	188,176	-	(188,176)	-
Total revenue	$309,432	$485,101	$794,533	$-	$(188,176)	$606,357
Segment profit	$6,550	$23,865	$30,415	$(3,749)	$2,754	$29,420

For the three-month periods ended March 31, 2021

	Poultry and Processing Distribution	Poultry Farming	Subtotal	Other Operating Segments	Adjustments and Eliminations	Total
Revenue						
External customer	$316,242	$261,097	$577,339	$-	$-	$577,339
Inter-segment	-	165,608	165,608	-	(165,608)	-
Total revenue	$316,242	426,705	$472,947	$-	$(165,608)	$577,339
Segment profit	$6,293	$18,809	$25,102	$(33)	$(870)	$24,199

Inter-segment revenue was eliminated on consolidation and recorded under the "adjustment and elimination" column.

The following table presents segment assets of the Group's operating segments as at March 31, 2022 , December 31, 2021 and March 31, 2021:

	Poultry and processing distribution	Poultry farming	Subtotal	Other operating segments	Adjustments and eliminations	Consolidated
Segment assets						
As at March 31, 2022	$1,323,856	$819,056	$2,142,912	$133,655	$(138,297)	$2,183,270
As at December 31, 2021	$1,312,805	$779,455	$2,092,260	$130,068	$(80,760)	$2,141,568
As at March 31, 2021	$1,536,761	$860,739	$2,397,500	$304,354	$(240,895)	$2,460,959

The following table presents segment liabilities of the Group's operating segments as at March 31, 2022 , December 31, 2021 and March 31, 2021:

	Poultry and processing distribution	Poultry farming	Subtotal	Other operating segments	Adjustments and eliminations	Consolidated
Segment liabilities						
As at March 31, 2022	$1,000,302	$561,720	$1,562,022	$95,709	$(119,849)	$1,537,882
As at December 31, 2021	$1,002,086	$544,160	$1,546,246	$78,135	$(47,797)	$1,576,584
As at March 31, 2021	$1,072,013	$682,001	$1,754,014	$354,942	$(225,267)	$1,883,689

Other reconciliations of reportable segments

	Three-month periods ended March 31,	
	2022	2021
Total profit for reportable segments	$30,415	$25,102
Other loss	(3,749)	(33)
Elimination of inter-segment profit	2,754	(870)
Profit before tax from continuing operations	$29,420	$24,199

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Attachment 1 (Significant intercompany transactions between consolidated entities)

Number (Note1)	Trader name	Objects of transactions	Relationship with trader (Note2)	Transaction situation			
				Subject	Amount	Transaction terms	Percentage of combined total revenue or total assets(Note3)
1	MKP Company	KSFC Company	c	Sales	$144,227	Normal	23.79%
1	MKP Company	KSMY Company	c	Sales	18,515	Normal	3.05%
1	MKP Company	KSMY Company	c	Trade receivables	21,957	Normal	1.03%
1	MKP Company	KSFC Company	c	Trade payables	47,387	Normal	2.22%
2	KSFC Company	KSH Company	c	Other receivables	10,520	Normal	0.49%

Note1： The parent company and its subsidiaries are coded as follows:

a. Parent: 0.

b. Subsidiaries are numbered from 1 in order.

Note2： Transactions are categorized as follows:

a. The holding company to subsidiary.

b. Subsidiary to holding company.

c. Subsidiary to subsidiary.

Note3： Percentage of consolidated operating revenues or consolidated total assets: If the account is a balance sheet account, it was calculated by dividing the ending balance into consolidated total assets; if the account is an income statementaccount, it was calculated by dividing the interim cumulative balance into consolidated operating revenues.

Note4： Important dealings circumstances of this table by the Group is in accordance with the principle of deciding whether to significant expression and the amounts were over NT$10,000 thousand (included).

Note5： Offset in the preparation of the consolidated financial statements.

Attachment 2 (Financial provided to others) (In thousands of foreign currencies)

Number (Note 1)	Lender	Borrower	Financial Statement Account (Note 2)	Related Parties	Highest Balance for the Period	Ending balance (Note 3)	Actual Borrowing Amount (Note 6)	Interest Rate	Nature of Financing	Business Transaction Amounts (Note 4)	Reasons for Short-term Financing (Note 4)	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 5)	Aggregate Financing Limits (Note 5)	Note
													Item	Value			
1	KSH Company	YKH Company	Other receivables	Y	$6,809 MYR 1,000	$6,809 MYR 1,000	$4,255 MYR 625	-	Note4(b)	$-	Working capital	$-	None	$-	$567,058	$567,058	Note 6
1	KSH Company	MKP Company	Other receivables	Y	34,044 MYR 5,000	34,044 MYR 5,000	- MYR -	-	Note4(b)	-	Working capital	-	None	-	567,058	567,058	Note 6
2	MKP Company	KSMY Company	Other receivables	Y	6,809 MYR 1,000	6,809 MYR 1,000	6,809 MYR 1,000	-	Note4(b)	-	Working capital	-	None	-	153,851	153,851	Note 6
3	MW Company	MKP Company	Other receivables	Y	2,928 MYR 430	2,928 MYR 430	2,928 MYR 430	-	Note4(b)	-	Working capital	-	None	-	4,972	4,972	Note 6
4	KSA Company	KSR Company	Other receivables	Y	53,789 MYR 7,900	44,938 MYR 6,600	40,596 MYR 5,962	-	Note4(b)	-	Working capital	-	None	-	130,623	130,623	Note 6
5	KSFC Company	KSH Company	Other receivables	Y	63,456 SGD 3,000	63,456 SGD 3,000	- SGD -	-	Note4(b)	-	Working capital	-	None	-	276,669	276,669	Note 6

Note 1: Business between the parent and subsidiaries is numbered as follows:

a. Parent: 0.

b. Subsidiaries are numbered from 1 in order.

Note 2: Nature of transactions are categorized as follows:

a. Receivables from related companies.

b. Receivables from related parties.

c. Contracts with shareholders.

d. Prepayments

e. Payment on behalf.

f. Etc.

Note 3: The highest balance of financial provided to others during current year /period.

Note 4: Nature of financing is numbered as follows:

a. With those who have business dealings.

b. With those who have short term loan borrowing.

Note 5: According to “Procedures for Lending Fund to Other Parties” of the Company, the accumulated balance of loan and the amount of loan lent to any individual entity by the Company and its subsidiaries shall not exceed 40% of the Company’s net worth. The restriction shall not apply to inter-company loans of funds between foreign companies in which the public company holds, directly or indirectly, 100% of the voting shares.

Note 6: Offset in the preparation of the consolidated financial statements.

Attachment 3 (Endorsement/Guarantee provided to others) (In thousands of foreign currencies)

No (Note 1)	Endosor/Guarantor Company name	Receiving party		Limit of guarantee/endorsement amount of receiving party	Maximum balance for the period	Ending balance	Actual amount provided	Amount of colleteral guarantee/ endorsement	Percentage of accumulated guarantee amount of net assets value from the latest financial statement	Limit of guarantee/endorsement amount (Note 3, 4)	Belong to the parent company's endorsement of the subsidiary	Belong to the subsidiaries' endorsement of the parent company (Note 3)	Belong to China' endorsement
		Company name	Relationship (Note 2)										
1	KSH Company	KSFC Company	4	$3,969,409	$1,444,165 SGD 68,276	$1,444,165 SGD 68,276	$914,128 SGD 43,217	$1,243,222	254.68%	$3,969,409	N	N	N
1	KSH Company	MKP Company	4	3,969,409	328,524 MYR 48,250	328,524 MYR 48,250	188,666 MYR 27,709	256,425	57.93%	3,969,409	N	N	N
1	KSH Company	KSMY Company	4	3,969,409	34,391 SGD 5,051	34,391 SGD 5,051	1,415 SGD 208	14,463	6.06%	3,969,409	N	N	N
1	KSH Company	KSA Company	4	3,969,409	794,423 MYR 116,676	794,423 MYR 116,676	264,527 MYR 38,851	794,423	140.10%	3,969,409	N	N	N
1	KSH Company	KSR Company	4	3,969,409	44,468 MYR 6,531	44,468 MYR 6,531	28,105 MYR 4,128	44,468	7.84%	3,969,409	N	N	N
1	KSH Company	SPH Company	6	3,969,409	242,496 SGD 11,464	242,296 SGD 11,464	203,350 SGD 9,614	216,056	42.67%	3,969,409	N	N	N

Note 1： The parent company and its subsidiaries are coded as follows:

a. Parent: 0.

b. Subsidiaries are numbered from 1 in order.

Note 2： Relationships between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories:

(1) Having business relationship.

(2) The endorser/guarantor parent company owns directly more than 50% voting shares of the endorsed/guaranteed subsidiary.

(3) The endorser/guarantor parent company and its subsidiaries jointly own more than 50% voting shares of the endorsed/guaranteed company.

(4) The endorsed/guaranteed parent company directly or indirectly owns more than 90% voting shares of the endorser/guarantor subsidiary

(5) Mutual guarantee of the trade as required by the construction contract.

(6) Due to joint venture, each shareholder provides endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

(7) Companies in the same industry provide among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

Note 3： The maximum balance of endorsement/guarantee provided by the Company and to individual company cannot exceeded of 700% of the individual companies’ net assets.

Note 4： The maximum balance of endorsement/guarantee in total cannot exceeded of 700% of the individual companies’ net assets.

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Attachment 4 (Information on investees) (Not including investments in Mainland China)

(In thousands of foreign currencies)

Investor company	Investee company	Location	Main business and products	Investment Amount		Investments as at March 31, 2022			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				Ending balance	Beginning balance	Number of shares	Percentage of ownership	Carrying amount			
The Company	KSH Company	Singapore	Investment holding	292,190 (SGD 12,519)	292,190 (SGD 12,519)	12,519,061	100%	$604,952	$21,321 SGD 1,029	$21,321 SGD 1,029	Note 1
KSH Company	KSFC Company	Singapore	Slaughtering and poultry distribution	86,307 (SGD 3,800)	86,307 (SGD 3,800)	3,800,000	100%	291,477 SGD 13,780	6,461 SGD 312	6,461 SGD 312	Note 1
KSH Company	MKP Company	Malaysia	Poultry farming	181,332 (MYR 20,000)	181,332 (MYR 20,000)	13,000,000	100%	131,237 SGD 6,204	(17,321) SGD (836)	(14,564) SGD (703)	Note 1
KSH Company	YTH Company	Taiwan	Poultry farming and distribution	14,000	14,000	14,000	100%	2,748 SGD 130	(23) SGD (1)	(23) SGD (1)	Note 1
KSH Company	KSA Company	Malaysia	Poultry farming and distribution	142,866 (MYR 18,000)	142,866 (MYR 18,000)	18,000,000	100%	164,968 SGD 7,799	30,640 SGD 1,479	30,640 SGD 1,479	Note 1
KSH Company	YKH Company	Malaysia	Investment holding	- (MYR -)	- (MYR -)	2	100%	(728) SGD (34)	(147) SGD (7)	(147) SGD (7)	Note 1
KSH Company	KSR Company	Malaysia	Property investment	6,261 (MYR 735)	6,261 (MYR 735)	735,000	49%	14,193 SGD 671	(261) SGD (13)	(128) SGD (6)	Note 1
KSH Company	FIK Company	Singapore	Processing and preserving of meat and meat products	19,813 (SGD 936)	19,813 (SGD 936)	637,501	51%	- SGD -	- SGD -	- SGD -	Note 1
KSH Company	BBQHS Company	Singapore	Food caterers	6,694 (SGD 316)	6,694 (SGD 316)	535,501	51%	- SGD -	- SGD -	- SGD -	Note 1
MKP Company	KSMY Company	Malaysia	Processing and poultry distribution	60,976 (MYR 6,250)	60,976 (MYR 6,250)	4,000,000	100%	29,347 MYR 4,310	(2,737) MYR (410)	(2,737) MYR (410)	Note 1
MKP Company	MW Company	Malaysia	Property investment	5,949 (MYR 616)	5,949 (MYR 616)	616,000	100%	5,099 MYR 749	8 MYR 1	8 MYR 1	Note 1
MKP Company	KSJ Company	Malaysia	Manufacturing of poultry feed products	28,219 (MYR 3,000)	28,219 (MYR 3,000)	3,000,000	100%	13,074 MYR 1,920	(55) MYR (8)	(55) MYR (8)	Note 1
YKH Company	KSR Company	Malaysia	Property investment	5,726 (MYR 765)	5,726 (MYR 765)	765,000	51%	5,061 MYR 743	(32) SGD (13)	(133) SGD (6)	Note 1
KSH Company	Singapore Poultry Hub Pte. Ltd.	Singapore	Slaughtering and poultry distribution	18,150 (SGD 875)	18,150 (SGD 875)	875,000	25%	- SGD -	(6,010) SGD (290)	- SGD -	
KSR Company	Jendela Eramaju Sdn. Bhd.	Malaysia	Property investment	- (SGD -)	- (SGD -)	100	100%	- SGD -	- SGD -	- SGD -	Note 1

Note 1：Offset in the preparation of the consolidated financial statements.

Attachment 5 (Purchases and sales with related parties amounting to NT $ 100 million or more than 20% of paid-in capital.)

Trading company	Transaction company Name	Relationship	Transaction situation				The difference and the reason of general transactions		Accounts (Notes) receivable (payable)		Note
			Incoming (selling) goods	Amount	period	Credit period	unit price	Credit period	Balance	Account for total receivables (pay) Bill Account Ratio	
MKP Company	KSFC Company	Affiliated company	Sale	$144,227	82.96%	30 days	$-	-	$-	0%	

Note : Offset in the preparation of the consolidated financial statements.

(Amount in thousand of New Taiwan Dollars unless Otherwise Stated)

Attachment 6 (Information of major shareholders)

Shares / Name of Major Stockholder	Number of Shares	Percentage of Ownership
Ong Kee Song	6,958,783	18.89%
Ong Kian San	4,982,085	13.53%
CTBC Bank in custody for Ong Kian Huat	3,973,566	10.79%
Ong Yong Xian	3,973,566	10.79%
Ong Quan Yi	2,157,000	5.85%

Note 1: The main shareholder information in this table is calculated by the Taiwan Depository & Clearing Corporation on the last business day at the end of each quarter. The total number of ordinary shares and special shares held by the shareholders which have completed the dematerialized delivery and registration of the shares of the Company (including treasury shares) is more than 5%. The share capital recorded in the Company's financial report and the number of shares actually delivered by the Company with dematerialized registration may differ because the calculation bases were different.

Note 2: If the above information included the shareholders' shares transferred to a trust, it is disclosed by the individual settlor account opened by the trustee. Where the shareholders declared insider equity holding for more than 10% shareholding according to the Securities and Exchange Act, such holdings shall include the shares held by shareholders and the trusted assets with right to use. For information regarding insider shareholding declaration, please refer to the Market Observation Post System of the Taiwan Stock Exchange Corporation.