

**CHENG UEI PRECISION INDUSTRY CO.,  
LTD. AND SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REVIEW REPORT  
MARCH 31, 2021 AND 2020**

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

CHENG UEI PRECISION INDUSTRY CO., LTD.  
MARCH 31, 2021 AND 2020 CONSOLIDATED FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REVIEW REPORT  
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## INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

PWCR 21000026

To the Board of Directors and Stockholders of Cheng Uei Precision Industry Co., Ltd.

### ***Introduction***

We have reviewed the accompanying consolidated balance sheets of Cheng Uei Precision Industry Co., Ltd. and subsidiaries (the "Group") as at March 31, 2021 and 2020, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three months then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

### ***Scope of review***

Except as explained in the following paragraph, we conducted our reviews in accordance with the Statement of Auditing Standards No. 65, "Review of Financial Information Performed by the Independent Auditor of the Entity" in 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 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### ***Basis for qualified conclusion***

As explained in Notes 4(3) and 6(8), the financial statements of certain insignificant consolidated subsidiaries and information disclosed in Note 13 were not reviewed by independent auditor. Those statements reflect total assets of NT\$22,232,326 thousand and NT\$17,360,296 thousand, constituting 28.49% and 24.78% of the consolidated total assets, and total liabilities of NT\$5,489,865 thousand and

NT\$3,612,736 thousand, constituting 11.52% and 8.59% of the consolidated total liabilities as at March 31, 2021 and 2020, and total comprehensive loss of NT\$536,427 thousand and NT(\$183,277) thousand, constituting (2,376.62%) and 69.28% of the consolidated total comprehensive (loss) income for the three months then ended. As explained in Note 6(8), certain investments accounted for using equity method were assessed and disclosed shares of profit or loss of associates and joint ventures accounted for using equity method as of March 31, 2021 and 2020 based on the financial statements which were not reviewed by independent auditors. The balance of investment accounted for under equity method was NT\$3,662,370 thousand and NT\$3,068,518 thousand, constituting 4.69% and 4.38% of consolidated total assets as of March 31, 2021 and 2020, respectively, and the share of profit of associates and joint ventures accounted for under equity method was NT\$29,233 thousand and NT\$36,208 thousand, constituting (129.52%) and (13.69%) of consolidated total comprehensive income (loss) for the three months then ended, respectively.

### ***Qualified conclusion***

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain insignificant consolidated subsidiaries and investments accounted for using the equity method been reviewed by independent auditors, that we might have become aware of had it not been for the situation described above, 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 Group as at March 31, 2021 and 2020, and of its consolidated financial performance and its consolidated cash flows for the three months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed by the Financial Supervisory Commission.

### ***Emphasis of Matter –significant unresolved litigation involving investments accounted for using equity method***

As described in Notes 6(8) and 9(7) to the consolidated financial statements, Central Motion Picture Corporation, an equity method investment of the Group, was determined to be an affiliate organisation of the Kuomintang by the Ill-gotten Party Assets Settlement Committee in its written disposition issued on October 9, 2018. Under Article 16 of the Act Governing the Settlement of Ill-gotten Properties by

Political Parties and Their Affiliate Organisations, Central Motion Picture Corporation may file an administrative litigation in the Taipei High Administrative Court within two months after the aforementioned written disposition was served. In addition, Central Motion Picture Corporation may file for a suspension of execution under Paragraph 2, Article 116 of the Administrative Litigation Act. On December 12, 2018, Central Motion Picture Corporation submitted cause of action to the Taipei High Administrative Court, which ruled to approve the suspension of execution in January 2020. However, the Ill-gotten Party Assets Settlement Committee subsequently filed an appeal against the ruling, and it was dismissed by the High Administrative Court in February 2020. Meanwhile, Central Motion Picture Corporation filed a revocation action with the Taipei High Court, and it was pending approval as of January 14, 2020. As of the financial reporting date, the possible result of this litigation cannot be determined. Therefore, our opinion is not modified in respect of this matter.

Lin, Se-Kai

Liang, Yi-Chang

For and on behalf of PricewaterhouseCoopers, Taiwan

May 14, 2021

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The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and 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, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

**CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**MARCH 31, 2021, DECEMBER 31, 2020 AND MARCH 31, 2020**  
(Expressed in thousands of New Taiwan dollars)  
(The balance sheets as of March 31, 2021 and 2020 are reviewed, not audited)

ASSETS	Notes	March 31, 2021		December 31, 2020		March 31, 2020		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
<b>CURRENT ASSETS</b>								
1100	Cash and cash equivalents	6(1)	\$ 8,803,326	11	\$ 10,993,540	13	\$ 8,426,693	12
1110	Financial assets at fair value through profit or loss - current	6(2) and 12(3)	-	-	-	-	121,693	-
1136	Current financial assets at amortised cost	6(4) and 8	5,710,318	7	6,407,553	8	1,304,161	2
1140	Current contract assets		217,074	-	104,591	-	159,994	-
1150	Notes receivable, net		26,541	-	35,124	-	18,508	-
1170	Accounts receivable, net	6(5)	12,217,354	16	16,310,230	20	10,980,551	16
1180	Accounts receivable, net - related parties	7	593,569	1	603,705	1	656,424	1
1200	Other receivables	6(6)	328,089	1	203,599	-	223,841	-
1210	Other receivables - related parties	7	119,875	-	55,868	-	95,519	-
1220	Current income tax assets	6(30)	14,106	-	5,024	-	18,473	-
130X	Inventories	6(7)	15,465,338	20	13,276,324	16	11,004,256	16
1410	Prepayments		1,028,491	1	1,167,099	2	1,491,589	2
1470	Other current assets		39,159	-	127,649	-	40,126	-
11XX	<b>TOTAL CURRENT ASSETS</b>		<u>44,563,240</u>	<u>57</u>	<u>49,290,306</u>	<u>60</u>	<u>34,541,828</u>	<u>49</u>
1517	Financial assets at fair value through other comprehensive income-non-current	6(3) and 12(3)	1,198,722	1	986,704	1	938,379	1
1535	Non-current financial assets at amortised cost	6(4) and 8	145,932	-	146,394	-	144,414	-
1550	Investments accounted for under the equity method	6(8)	4,943,687	6	4,975,620	6	4,505,821	7
1600	Property, plant and equipment, net	6(9)	20,729,767	27	20,850,423	25	23,336,405	33
1755	Right-of-use assets	6(10) and 7	1,667,881	2	1,638,691	2	1,758,383	3
1760	Investment property, net	6(11)	577,623	1	584,072	1	584,909	1
1780	Intangible assets	6(12)	1,636,798	2	1,653,998	2	2,261,365	3
1840	Deferred income tax assets	6(13)	551,302	1	537,988	1	594,379	1
1915	Prepayments for business facilities		1,545,212	2	1,153,711	1	971,949	1
1990	Other non-current assets, others	8	479,999	1	444,195	1	406,485	1
15XX	<b>TOTAL NON-CURRENT ASSETS</b>		<u>33,476,923</u>	<u>43</u>	<u>32,971,796</u>	<u>40</u>	<u>35,502,489</u>	<u>51</u>
1XXX	<b>TOTAL ASSETS</b>		<u>\$ 78,040,163</u>	<u>100</u>	<u>\$ 82,262,102</u>	<u>100</u>	<u>\$ 70,044,317</u>	<u>100</u>

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**CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**MARCH 31, 2021, DECEMBER 31, 2020 AND MARCH 31, 2020**  
(Expressed in thousands of New Taiwan dollars)  
(The balance sheets as of March 31, 2021 and 2020 are reviewed, not audited)

	Notes	March 31, 2021		December 31, 2020		March 31, 2020		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
<b>LIABILITIES AND EQUITY</b>								
<b>CURRENT LIABILITIES</b>								
2100	Short-term borrowings	6(13)	\$ 3,230,209	4	\$ 4,341,582	5	\$ 3,246,926	5
2110	Short-term notes and bills payable	6(14)	577,903	1	387,222	1	273,580	-
2130	Current contract liabilities	6(23)	1,020,126	2	896,775	1	885,385	1
2150	Notes payable		5,911	-	155	-	240	-
2170	Accounts payable		14,091,370	18	17,521,270	21	10,231,014	15
2180	Accounts payable - related parties	7	126,115	-	160,726	-	166,353	-
2200	Other payables	6(15) and 7	4,369,553	6	4,778,465	6	4,651,027	7
2230	Current income tax liabilities	6(30)	696,780	1	660,933	1	287,502	-
2280	Current lease liabilities	7	196,914	-	199,445	-	192,139	-
2365	Current refund liabilities		230,630	-	234,170	-	15,191	-
2399	Other current liabilities, others	6(17)	957,292	1	1,082,022	2	1,920,986	3
21XX	<b>TOTAL CURRENT LIABILITIES</b>		<u>25,502,803</u>	<u>33</u>	<u>30,262,765</u>	<u>37</u>	<u>21,870,343</u>	<u>31</u>
<b>NON-CURRENT LIABILITIES</b>								
2530	Corporate bonds payable	6(16)	6,575,753	9	6,574,982	8	2,988,052	4
2540	Long-term borrowings	6(17)	12,589,034	16	12,323,297	15	13,445,885	19
2570	Deferred income tax liabilities	6(30)	856,695	1	868,521	1	773,958	1
2580	Non-current lease liabilities	7	250,442	-	218,089	-	298,781	1
2600	Other non-current liabilities	6(8)(18)	1,878,998	2	1,930,560	2	2,682,028	4
25XX	<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>22,150,922</u>	<u>28</u>	<u>21,915,449</u>	<u>26</u>	<u>20,188,704</u>	<u>29</u>
2XXX	<b>TOTAL LIABILITIES</b>		<u>47,653,725</u>	<u>61</u>	<u>52,178,214</u>	<u>63</u>	<u>42,059,047</u>	<u>60</u>
<b>EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT</b>								
Capital stock								
3110	Common stock	6(19)	5,123,269	7	5,123,269	6	5,123,269	7
Capital reserve								
3200	Capital surplus	6(20)	9,861,882	12	9,828,746	11	9,471,572	13
Retained earnings								
3310	Legal reserve	6(21)	3,002,026	4	3,002,026	4	2,803,290	4
3320	Special reserve		2,334,534	3	2,334,534	3	1,609,901	2
3350	Unappropriated earnings		5,807,817	7	5,782,390	7	6,051,119	9
Other equity								
3400	Other equity interest	6(22)	( 2,255,511)	( 3)	( 2,036,346)	( 2)	( 2,542,204)	( 3)
Treasury shares								
3500	Treasury shares	6(19)	( 272,066)	-	( 272,066)	-	( 272,066)	-
31XX	<b>Equity attributable to owners of the parent</b>		<u>23,601,951</u>	<u>30</u>	<u>23,762,553</u>	<u>29</u>	<u>22,244,881</u>	<u>32</u>
36XX	<b>Non-controlling interests</b>		<u>6,784,487</u>	<u>9</u>	<u>6,321,335</u>	<u>8</u>	<u>5,740,389</u>	<u>8</u>
3XXX	<b>TOTAL EQUITY</b>		<u>30,386,438</u>	<u>39</u>	<u>30,083,888</u>	<u>37</u>	<u>27,985,270</u>	<u>40</u>
Significant contingent liabilities and unrecognised contract commitments								
Significant events after the balance sheet date								
3X2X	<b>TOTAL LIABILITIES AND EQUITY</b>		<u>\$ 78,040,163</u>	<u>100</u>	<u>\$ 82,262,102</u>	<u>100</u>	<u>\$ 70,044,317</u>	<u>100</u>

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



CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
THREE MONTHS ENDED MARCH 31, 2021 AND 2020  
(Expressed in thousands of New Taiwan dollars, except earnings per share)  
(UNAUDITED)

	Items	Notes	Three months ended March 31			
			2021		2020	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(23) and 7	\$ 19,874,162	100	\$ 16,011,284	100
5000	Operating costs	6(7)(28)(29) and 7	( 17,768,382)	( 90)	( 14,608,176)	( 91)
5900	Gross profit		<u>2,105,780</u>	<u>10</u>	<u>1,403,108</u>	<u>9</u>
	Operating expenses	6(28)(29)				
6100	Sales and marketing expenses		( 481,250)	( 2)	( 400,084)	( 3)
6200	General and administrative expenses		( 812,984)	( 4)	( 694,944)	( 4)
6300	Research and development expenses		( 583,776)	( 3)	( 496,937)	( 3)
6450	Expected credit gain	12(2)	<u>31,764</u>	<u>-</u>	<u>28,905</u>	<u>-</u>
6000	Total operating expenses		( <u>1,846,246</u> )	( <u>9</u> )	( <u>1,563,060</u> )	( <u>10</u> )
6900	Operating income (loss)		<u>259,534</u>	<u>1</u>	( <u>159,952</u> )	( <u>1</u> )
	Non-operating income and expenses					
7100	Interest income	6(24)	21,364	-	-	-
7010	Other income	6(25) and 7	130,394	1	140,854	1
7020	Other gains and losses	6(26)	( 2,482)	-	33,866	-
7050	Finance costs	6(27)	( 83,720)	-	( 82,239)	-
7060	Share of profit of associates and joint ventures accounted for under equity method	6(8)	<u>43,224</u>	<u>-</u>	<u>59,820</u>	<u>-</u>
7000	Total non-operating income and expenses		<u>108,780</u>	<u>1</u>	<u>152,301</u>	<u>1</u>
7900	<b>Income (loss) before income tax</b>		368,314	2	( 7,651)	-
7950	Income tax expense	6(30)	( <u>166,884</u> )	( <u>1</u> )	( <u>36,220</u> )	<u>-</u>
8200	<b>Net income (loss)</b>		<u>\$ 201,430</u>	<u>1</u>	( <u>\$ 43,871</u> )	<u>-</u>

(Continued)

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
THREE MONTHS ENDED MARCH 31, 2021 AND 2020  
(Expressed in thousands of New Taiwan dollars, except earnings per share)  
(UNAUDITED)

Items	Notes	Three months ended March 31,				
		2021		2020		
		AMOUNT	%	AMOUNT	%	
<b>Other comprehensive (loss) income, net</b>						
<b>Components of other comprehensive (loss) income that will not be reclassified to profit or loss</b>						
8316	Unrealized gain on equity instrument at fair value through other comprehensive income	6(3)	\$ 39,000	-	\$ -	-
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss		5,883	-	-	-
8310	Total components of other comprehensive (loss) income that will not be reclassified to profit or loss		44,883	-	-	-
<b>Components of other comprehensive (loss) income that will be reclassified to profit or loss</b>						
8361	Exchange differences arising on translation of foreign operations		( 323,862)	( 1)	( 247,047)	( 2)
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss		5,008	-	( 24,918)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(30)	59,986	-	51,297	-
8360	Total components of other comprehensive loss that will be reclassified to profit or loss		( 268,884)	( 1)	( 220,668)	( 2)
8300	<b>Other comprehensive loss, net</b>		( \$ 224,001)	( 1)	( \$ 220,668)	( 2)
8500	<b>Total comprehensive loss for the period</b>		( \$ 22,571)	-	( \$ 264,539)	( 2)
Net (loss) income attributable to:						
8610	Shareholders of the parent		\$ 25,427	-	\$ 20,817	-
8620	Non-controlling interests		176,003	1	( 64,688)	-
	Total		\$ 201,430	1	( \$ 43,871)	-
Total comprehensive (loss) income attributable to:						
8710	Shareholders of the parent		( \$ 193,738)	( 1)	( \$ 186,852)	( 2)
8720	Non-controlling interests		171,167	1	( 77,687)	-
	Total		( \$ 22,571)	-	( \$ 264,539)	( 2)
Basic earnings per share (in dollars)						
9750	Total basic earnings per share	6(31)	\$ 0.05		\$ 0.04	
Diluted earnings per share (in dollars)						
9850	Total diluted earnings per share	6(31)	\$ 0.05		\$ 0.04	

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

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
THREE MONTHS ENDED MARCH 31, 2021 AND 2020  
(Expressed in thousands of New Taiwan dollars)  
(UNAUDITED)

Equity attributable to owners of the parent												
	Notes	Retained earnings					Other equity interest			Total equity attributable to shareholders of the parent	Non-controlling interest	Total equity
		Common stock	Capital reserve	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury shares			
<u>Three months ended March 31, 2020</u>												
		\$ 5,123,269	\$ 9,471,717	\$ 2,803,290	\$ 1,609,901	\$ 6,030,302	(\$ 2,079,456)	(\$ 255,079)	(\$ 272,066)	\$ 22,431,878	\$ 5,810,641	\$ 28,242,519
		-	-	-	-	20,817	-	-	-	20,817	(64,688)	(43,871)
	6(22)	-	-	-	-	-	(207,669)	-	-	(207,669)	(12,999)	(220,668)
		-	-	-	-	20,817	(207,669)	-	-	(186,852)	(77,687)	(264,539)
	6(20)	-	(145)	-	-	-	-	-	-	(145)	(224)	(369)
		-	-	-	-	-	-	-	-	-	7,659	7,659
		\$ 5,123,269	\$ 9,471,572	\$ 2,803,290	\$ 1,609,901	\$ 6,051,119	(\$ 2,287,125)	(\$ 255,079)	(\$ 272,066)	\$ 22,244,881	\$ 5,740,389	\$ 27,985,270
<u>Three months ended March 31, 2021</u>												
		\$ 5,123,269	\$ 9,828,746	\$ 3,002,026	\$ 2,334,534	\$ 5,782,390	(\$ 1,730,123)	(\$ 306,223)	(\$ 272,066)	\$ 23,762,553	\$ 6,321,335	\$ 30,083,888
		-	-	-	-	25,427	-	-	-	25,427	176,003	201,430
	6(22)	-	-	-	-	-	(239,944)	20,779	-	(219,165)	(4,836)	(224,001)
		-	-	-	-	25,427	(239,944)	20,779	-	(193,738)	171,167	(22,571)
	6(20)	-	394	-	-	-	-	-	-	394	(9)	385
	6(20)	-	32,504	-	-	-	-	-	-	32,504	(280)	32,224
	6(20)	-	238	-	-	-	-	-	-	238	290	528
		-	-	-	-	-	-	-	-	-	291,984	291,984
		\$ 5,123,269	\$ 9,861,882	\$ 3,002,026	\$ 2,334,534	\$ 5,807,817	(\$ 1,970,067)	(\$ 285,444)	(\$ 272,066)	\$ 23,601,951	\$ 6,784,487	\$ 30,386,438

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

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
THREE MONTHS ENDED MARCH 31, 2021 AND 2020  
(Expressed in thousands of New Taiwan dollars)  
(UNAUDITED)

	Notes	Three months ended March 31	
		2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit (loss) before tax		\$ 368,314	(\$ 7,651)
Adjustments			
Adjustments to reconcile profit (loss)			
Gain on financial assests or liabilities at fair value through profit or loss	6(2)	-	( 4,686 )
Depreciation (including investment property)	6(2)(9)(10)(11)(26)	787,515	809,397
Amortisation (including long-term prepaid rent amortisation)	6(12)(28)	26,878	28,526
Expected credit gain	12(2)	( 31,764 )	( 28,905 )
Interest expense	6(27)	83,720	82,239
Interest income	6(24)	( 21,364 )	( 25,401 )
Share of profit of associates accounted for using the equity method	6(8)	( 43,224 )	( 59,820 )
Gain on disposal of property,plant and equipment	6(26)	326	9,682
Gain on disposal of investments	6(27)	( 3,617 )	( 1,025 )
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets measured at fair value through profit or loss		-	12,143
Contract assets	(	112,483 )	9,998
Notes receivable, net		8,583	6,039
Accounts receivable		4,124,861	4,522,634
Accounts receivable from related parties		10,136	( 225,445 )
Other receivables	(	124,490 )	135,876
Other receivables from related parties	(	64,007 )	306
Inventories	(	2,192,029 )	209,879
Prepayments		138,608	64,861
Other current assets		88,490	( 17,686 )
Other non-current assets	(	35,804 )	18,622
Changes in operating liabilities			
Contract liabilities		123,351	98,163
Notes payable		5,756	( 3,033 )
Accounts payable	(	3,429,900 )	( 4,481,201 )
Accounts payables to related parties	(	34,611 )	( 63,738 )
Other payables	(	392,413 )	( 1,090,789 )
Refund liabilities	(	3,540 )	( 5,703 )
Other current liabilities	(	124,917 )	( 68,992 )
Other non-current liabilities	(	51,561 )	( 19,269 )
Cash outflow generated from operations	(	899,186 )	( 56,441 )
Interest received		21,364	25,401
Interest paid	(	69,698 )	( 76,913 )
Income tax paid	(	96,191 )	( 133,750 )
Net cash flows used in operating activities	(	1,043,711 )	( 241,703 )

(Continued)

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
THREE MONTHS ENDED MARCH 31, 2021 AND 2020  
(Expressed in thousands of New Taiwan dollars)  
(UNAUDITED)

	Notes	Three months ended March 31	
		2021	2020
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Acquisition of financial assets at fair value through other comprehensive income	12(3)	( \$ 173,760 )	\$ -
Proceeds from disposal of investments accounted for under the equity method		13,868	-
Financial assets at amortised cost	6(4)	697,697	322,187
Acquisition of property, plant and equipment	6(33)	( 419,543 )	( 515,271 )
Proceeds from disposal of property, plant and equipment	6(9)	11,740	1,575
Acquisition of intangible assets	6(12)	( 9,504 )	( 35,019 )
Proceeds from disposal of intangible assets	6(12)	385	-
Increase in prepayments for business facilities		( 753,823 )	( 131,423 )
Net cash flows used in investing activities		( 632,940 )	( 357,951 )
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>			
Proceeds from short-term borrowings	6(34)	9,649,817	3,791,396
Repayments of short-term borrowings	6(34)	( 10,760,286 )	( 2,583,214 )
Short-term notes and bills payable	6(34)	190,681	( 101,362 )
Proceeds from long-term borrowings	6(34)	4,824,593	3,018,946
Repayment of long - term borrowings	6(34)	( 4,558,670 )	( 1,257,465 )
Repayment of lease liabilities	6(10)(34)	( 59,929 )	( 70,874 )
Proceeds from disposal of ownership investments in subsidiaries		690,000	-
Net cash flows (used in) from financing activities		( 23,794 )	2,797,427
Effect of change in exchange rates		( 489,769 )	( 67,809 )
Net (decrease) increase in cash and cash equivalents		( 2,190,214 )	2,129,964
Cash and cash equivalents at beginning of period	6(1)	10,993,540	6,296,729
Cash and cash equivalents at end of period	6(1)	\$ 8,803,326	\$ 8,426,693

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

CHENG UEI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
THREE MONTHS ENDED MARCH 31, 2021 AND 2020

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

(Unaudited)

1. HISTORY AND ORGANIZATION

Cheng Uei Precision Industry Co., Ltd. (the “Company”) was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China (R.O.C.) on July 14, 1986 and has begun operations on July 31, 1986. The Company and its subsidiaries (collectively referred herein as the “Group”) are engaged in the manufacture of cable assemblies, connectors, battery packs, and power modules. Effective September 1999, the shares of the Company were listed on the Taiwan Stock Exchange.

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

These consolidated financial statements were reported to the Board of Directors on May 14, 2021.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

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

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

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

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

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

None.

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

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

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 3, 'Reference to the conceptual framework'	January 1, 2022
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2023
Amendments to IAS 1, 'Disclosure of accounting policies'	January 1, 2023
Amendments to IAS 8, 'Definition of accounting estimates'	January 1, 2023
Amendments to IAS 12, 'Deferred tax related to assets and liabilities arising from a single transaction'	January 1, 2023
Amendments to IAS 16, 'Property, plant and equipment: proceeds before intended use'	January 1, 2022
Amendments to IAS 37, 'Onerous contracts-cost of fulfilling a contract'	January 1, 2022
Annual improvements to IFRS Standards 2018-2020	January 1, 2022

The Group continues to evaluate the impact of the above standards and interpretations on its financial condition and financial performance. The quantitative impact will be disclosed when the assessment is complete.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Except for the compliance statement, basis of preparation, basis of consolidation and additional descriptions that are set out below, the rest of the principal accounting policies applied in the preparation of these consolidated financial statements are the same as those disclosed in Note 4 to the consolidated financial statements as of and for the year ended December 31, 2020. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

- A. The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards 34, "Interim Financial Reporting".
- B. The consolidated financial statements as of and for the three months ended March 31, 2020 should be read together with the consolidated financial statements as of and for the year ended December 31, 2020.

## (2) Basis of preparation

- A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:
- Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
  - Financial assets at fair value through other comprehensive income.
  - Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligations.
- B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

## (3) Basis of consolidation

- A. Basis for preparation of consolidated financial statements:  
Basis for preparation of the current period financial statements and the 2020 consolidated financial statements is the same.
- B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership(%)			Description
			March 31, 2021	December 31, 2020	March 31, 2020	
The Company	CU International Ltd. (CU)	Manufacture of electronic telecommunication components and reinvestment business	100	100	100	Note 18,19
The Company	Culink International Ltd. (CULINK)	Reinvestment business	100	100	100	
The Company	Foxlink International Investment Ltd. (FII)	General investments holding	100	100	100	Note 18,19
The Company	Fu Uei International Investment Ltd. (FUII)	General investments holding	100	100	100	Note 18,19
The Company	Darts Technologies Corporation (Darts)	Manufacture of electronic telecommunication and wireless components	97	97	97	
The Company	Foxlink (Vietnam) Inc.	Manufacture of electronic telecommunication components	-	-	100	Note 3
The Company	DU Precision Industry Co., Ltd. (DU Precision)	Manufacture of electronic telecommunication components	100	100	100	
The Company	Foxlink Technology Ltd. (FOXLINK TECH)	Reinvestment business	100	100	100	
The Company	Solteras Inc. (SOLTERAS)	Manufacture of electronic telecommunication components	-	-	47.77	Note 3



Name of investor	Name of subsidiary	Main business activities	Ownership(%)			Description
			March 31, 2021	December 31, 2020	March 31, 2020	
The Company	Suntain Co., Ltd. (Suntain)	Electroplating processing services	100	100	100	
The Company	SINOBEST BROTHERS LIMITED (SINOBEST)	Reinvestment business	91.19	91.19	100	Note 17
CU	Fugang Electronic (Dongguan) Co., Ltd. (FGEDG)	Manufacture of electronic telecommunication components	100	100	100	Note 18,19
CU	New Start Industries Ltd. (NEW START)	Reinvestment business	100	100	100	
CU	Fugang Electric (Kunshan) Co., Ltd. (FGEKS)	Manufacture of electronic telecommunication components	100	100	100	Note 18,19
CU	Dong Guan Fu Shi Chang Co., Ltd. (FSC)	Manufacture of electronic telecommunication components	100	100	100	
CU	Culink Tianjin Co., Ltd. (CTJ)	Manufacture of electronic telecommunication components	25	25	25	
CU	Dongguan Fuqiang Electronics Co., Ltd. (DGFQ)	Manufacture of electronic telecommunication components	83.17	83.17	83.17	Note 18,19
CU	Foxlink Energy (Tianjin) Ltd. (FETJ)	Manufacture of electronic telecommunication components	100	100	100	
CU	Foxlink Automotive Technology (Kunshan) Co., Ltd. (KAFF)	Manufacture of electronic telecommunication components	49.98	49.98	49.98	
CU	Solteras Limited	General investments holding	100	100	100	
CU	Fushineng Electronics (Kunshan) Co., Ltd.	Manufacture of electronic telecommunication components	100	100	100	
CU	Fu Shi Xiang Research & Development Center (Kunshan) Co., Ltd.	Manufacture of electronic telecommunication components	100	100	100	
CU	Fu Gang Electronic (Nan Chang) Co., Ltd. (FENC)	Manufacture of electronic telecommunication components	72	72	72	
CU	Fugang Electric (YANCHENG) Co., Ltd. (FG YANCHENG)	Manufacture of electronic telecommunication components	80	80	80	
CU	Fuqiang Electric (YANCHENG) Co., Ltd. (FQ YANCHENG)	Manufacture of electronic telecommunication components	100	100	100	
CU	Fugang Electric (MAANSHAN) Co., Ltd. (FG MAANSHAN)	Manufacture of electronic telecommunication components	32.86	32.86	32.86	
CU	Kunshan Fugang Investment Co., Ltd. (Kunshan Fugang Investment)	General investments holding	100	100	100	
CU	FOXLINK TECHNICAL INDIA PRIVATE LIMITED (FOXLINK INDIA)	Manufacture of electronic telecommunication components	37.27	32.27	62.91	Note 6
CU	Fugang Electric (XuZhou) Co., Ltd. (FG XuZhou)	Manufacture of electronic telecommunication components	29.63	29.63	47.06	Note 9,18,19
NEW START	Foxlink Tianjin Co., Ltd. (FTJ)	Manufacture of electronic telecommunication components	100	100	100	
NEW START	Culink Tianjin Co., Ltd. (CTJ)	Manufacture of electronic telecommunication components	75	75	75	
NEW START	Solteras Inc. (SOLTERAS)	Manufacture of electronic telecommunication components	-	-	26.64	Note 3

Name of investor	Name of subsidiary	Main business activities	Ownership(%)			Description
			March 31, 2021	December 31, 2020	March 31, 2020	
NEW START	Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd. (Xinwei)	General investments holding	50	50	50	
FTJ	Fuzhan Electronics (Shanghai) Co., Ltd. (FESH)	Manufacture of electronic telecommunication components	46.93	46.93	46.93	
FTJ	Foxlink Automotive Technology (Kunshan) Co., Ltd. (KAFF)	Manufacture of electronic telecommunication components	50.02	50.02	50.02	
FTJ	Fu Gang Electronic (Nan Chang) Co., Ltd. (FENC)	Manufacture of electronic telecommunication components	28	28	28	
FTJ	Fugang Electric (MAANSHAN) Co., Ltd. (FG MAANSHAN)	Manufacture of electronic telecommunication components	50.71	50.71	50.71	
FTJ	Changde Fubo Intelligent Technology Co., Ltd. (CDFB)	Manufacture and sale of automated equipment	70	70	70	Note 7
KAFE	Suzhou Keyu Rui Automobile Technology Co., Ltd. (Keyu Rui)	Manufacture	55.56	55.56	55.56	
KAFE	Foxlink Automotive Technology Co., Ltd. (FAT)	Manufacture of electronic telecommunication components	100	100	100	
CULINK	Pacific Wealth Limited (PACIFIC WEALTH)	Holding company and reinvestment business	100	100	100	
CULINK	FOXLINK TECHNICAL INDIA PRIVATE LIMITED (FOXLINK INDIA)	Manufacture of electronic telecommunication components	62.73	62.73	37.09	Note 6
CULINK	FOXLINK POWERBANK INTERNATIONAL TECHNOLOGY PRIVATE LIMITED (FOXLINK POWERBANK)	Manufacture of electronic telecommunication components	0.73	0.73	0.73	
CULINK	GLORYTEK SCIENCE INDIA PRIVATE LIMITED (GLORY SCIENCE INDIA)	Manufacture and sale of the components of communication and consumer electronics	0.73	0.73	0.73	
CULINK	FUGANG ELECTRIC (XUZHOU) CO., LTD. (FG XUZHOU)	Manufacture of electronic telecommunication components	70.37	70.37	52.94	Note 9,18,19
PACIFIC WEALTH	Foxlink International Inc. (FOXLINK)	Sales agent	100	100	100	Note 18,19
Kunshan Fugang Investment	Dongguan Fuqiang Electronics Co., Ltd. (DGFQ)	Manufacture of electronic telecommunication components	16.83	16.83	16.83	Note 18,19
Kunshan Fugang Investment	Fuqiang Electric (MAANSHAN) Co., Ltd. (FQ MAANSHAN)	Manufacture of electronic telecommunication components	100	100	100	
Kunshan Fugang Investment	Fugang Electric (MAANSHAN) Co., Ltd. (FG MAANSHAN)	Manufacture of electronic telecommunication components	16.43	16.43	16.43	
FII	Linkmedia Co., Ltd. (LM)	Manufacture of electronic telecommunication components	100	100	100	
FII	World Circuit Technology Co., Ltd. (WCT)	Manufacture of electronic telecommunication components and flexible printed circuit	69.56	69.56	69.56	
FII	Proconn Technology Co., Ltd. (Proconn)	Manufacture of electronic telecommunication components	50.03	50.03	50.03	

Name of investor	Name of subsidiary	Main business activities	Ownership(%)			Description
			March 31, 2021	December 31, 2020	March 31, 2020	
FII	FIT Holding Co., Ltd. (FIT Holding)	General investments holding	23.67	23.67	23.67	Note 18, 19
FII	FOXLINK INDIA ELECTRIC PRIVATE LIMITED (FIE)	Manufacture of electronic telecommunication components	29.46	31.35	-	Note 2, 11
FII	FOXLINK VIETNAM CO., LTD. (FV)	Manufacture of electronic telecommunication components	100	-	-	
WCT	Value Success Limited (VALUE SUCCESS)	Holding company and reinvestment business	100	100	100	
VALUE SUCCESS	Capital Guardian Limited (CAPITAL)	Holding company and reinvestment business	100	100	100	
CAPITAL	World Circuit Technology (Hong Kong) Limited (WCTHK)	Holding company and reinvestment business	100	100	100	
WCTHK	Fuzhan Electronics (Shanghai) Co., Ltd. (FESH)	Manufacture of electronic telecommunication components	53.07	53.07	53.07	
Darts	Benefit Right Ltd. (BENEFIT)	Reinvestment business	100	100	100	
BENEFIT	Power Channel Limited (POWER)	Reinvestment business	64.25	64.25	64.25	
DU Precision	CE Link International Ltd. (CELINK)	Manufacture of electronic telecommunication components	100	100	100	
FOXLINK TECH	Sinobest Brothers Limited (SINOBEST)	Manufacture of electronic telecommunication components	8.81	8.81	-	Note 2,17
SINOBEST	Foxlink Myanmar Company Limited (FOXLINK MYANMAR)	Manufacture of electronic telecommunication components	100	100	100	Note 4
SOLTERAS LIMITED	Solteras Inc. (SOLTERAS)	Manufacture of electronic telecommunication components	-	-	25.59	Note 3
FUII	Studio A Inc. (Studio A)	Sale of electronic telecommunication components	51	51	51	
FUII	VA Product Inc. (VA)	Sale of electronic telecommunication components	100	100.00	75.63	Note 2
FUII	Proconn Technology Co., Ltd. (Proconn)	Manufacture of electronic telecommunication components	1.30	1.30	1.30	
FUII	Zhi De Investment Co., Ltd. (Zhi De Investment)	General investments holding	100	100	100	Note 18,19
FUII	Shinfox Energy Co., Ltd. (Shinfox)	Mechanical installation and piping engineering	10.50	10.50	13.40	Note 10,15
FUII	FIT Holding Co., Ltd. (FIT Holding)	General investments holding	5.97	5.97	5.97	Note 18,19
FUII	FOXLINK INDIA ELECTRIC PRIVATE LIMITED (FIE)	Manufacture of electronic telecommunication components	70.54	68.65	-	Note 2,11
Zhi De Investment	FIT Holding Co., Ltd. (FIT Holding)	General investments holding	8.55	8.55	8.55	Note 18,19
Proconn	Advance Electronic Ltd. (Advance Electronic)	General investments holding	-	-	100	Note 3
ADVANCE ELECTRONIC	Smart Technology International Ltd. (SMART)	General investments holding	-	-	100	Note 3
SMART	Suzhou Yuhang Electronic Technology Co., Ltd.	Manufacture of electronic telecommunication components	-	-	100	Note 3

Name of investor	Name of subsidiary	Main business activities	Ownership(%)			Description
			March 31, 2021	December 31, 2020	March 31, 2020	
Studio A	Straight A Inc. (Straight A)	Sale of electronic telecommunication components	100	100	100	
Studio A	Studio A Technology Limited (Studio A Hong Kong)	Sale of electronic telecommunication components	51	51	51	
Studio A	Ashop Co., Ltd. (ASHOP)	Sale of electronic telecommunication components	100	100	100	Note 5
Studio A	Jing Jing Technology Co., Ltd. (Jing Jing)	Sale of electronic telecommunication components	100	100	100	
Studio A Hong Kong	Studio A Macau Limited (Studio A Macau)	Sale of electronic telecommunication components	100	100	100	
Studio A Hong Kong	ASHOP CO., LTD. (ASHOP)	Sale of electronic telecommunication components	100	-	-	Note 5
FGEKS	Kunshan Fugang Electric Trading Co., Ltd. (KFET)	Sale of electronic telecommunication components	51	51	51	
KFET	Shanghai Fugang Electric Trading Co., Ltd. (SFET)	Sale of electronic telecommunication components	100	100	100	
KFET	Kunshan Fu Shi You Trading Co., Ltd. (KFSY)	Sale of electronic telecommunication components	100	100	100	
KFET	Shanghai Standard Information Technology Co., Ltd. (Shanghai Standard)	Sale of electronic telecommunication components	100	100	100	
FIT Holding	Power Quotient International Co., Ltd. (PQI)	Manufacture of electronic telecommunication components	100	100	100	Note 18,19
FIT Holding	Foxlink Image Technology Co., Ltd. (Foxlink Image)	Manufacture and sale of image scanners and multifunction printers	100	100	100	Note 18,19
FIT Holding	Glory Science Co., Ltd. (Glory Science)	Manufacture and sale of optical lens components and other products	100	100	100	Note 18,19
FIT Holding	Shih Fong Power Co., Ltd. (Shih Fong)	Energy service management	16.30	41.30	100	Note 16
PQI	Power Quotient International (H.K.) Co., Ltd. (PQI H.K.)	Sale of electronic telecommunication components	100	100	100	
PQI	PQI Japan Co., Ltd. (PQI JAPAN)	Sale of electronic telecommunication components	100	100	100	
PQI	Syscom Development Co., Ltd. (SYSCOM)	Specialized investments holding	100	100	100	
PQI	Apix Limited (APIX)	Specialized investments holding	100	100	100	Note 18,19
PQI	PQI Mobility Inc. (PQI MOBILITY)	Specialized investments holding	100	100	100	
PQI	Power Sufficient International Co., Ltd. (PSI)	Sale of medical instruments	100	100	100	
PQI	Shinfox Energy Co. Ltd. (Shinfox)	Mechanical installation and piping engineering	58.74	58.74	76.56	Note 10,15
SYSCOM	PQI Corporation (PQI USA)	Sale of electronic telecommunication components	100	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership(%)			Description
			March 31, 2021	December 31, 2020	March 31, 2020	
SYSCOM	FOXLINK POWERBANK INTERNATIONAL TECHNOLOGY PRIVATE LIMITED (FOXLINK POWERBANK)	Manufacture of electronic telecommunication components	99.27	99.27	99.27	
PQI MOBILITY	Power Quotient Technology (YANCHENG) Co., Ltd. (PQI YANCHENG)	Manufacture of electronic telecommunication components	100	100	100	
APIX	Sinocity Industries Limited (Sinocity)	Sale of 3C products	100	100	100	Note 4,18,19
APIX	Perennial Ace Limited (Perennial)	Specialized investments holding	100	100	100	
Shinfox	Foxwell Energy Corporation Ltd. (Foxwell Energy)	Energy service management	100	100	100	
Shinfox	Shinfox Natural Gas Co., Ltd. (Shinfox Natural Gas)	Energy service management	80	100	100	
Shinfox	Kunshan Jiuwei Info Tech Co., Ltd. (Kunshan Jiuwei)	Supply chain finance energy service management	100	100	100	
Shinfox	Foxwell Power Co., Ltd. (Foxwell Power)	Energy service management	99	99	100	Note 13
Shinfox	Junezhe Co., Ltd.(Junezhe)	Dredging industry	100	-	-	Note 1
Foxwell Energy	Changyuan Wind Power Ltd. (Changyuan)	Wind energy and wholesale of machinery	-	-	100	Note 8
Foxwell Energy	Beiyuan Wind Power Ltd. (Beiyuan)	Wind energy and wholesale of machinery	-	-	100	Note 8
Sinocity Industries	DG LIFESTYLE STORE LIMITED (DG)	Sale of 3C products	100	100	100	Note 4,18,19
Perennial	Studio A Technology Limited (Studio A Hong Kong)	Sale of 3C products	24.50	24.50	24.50	
PQI YANCHENG	Jiangsu Foxlink New Energy Technology Co., Ltd. (Jiangsu Foxlink)	Manufacture of electronic telecommunication components	12.90	12.90	100	Note 14
PQI YANCHENG	PQI (Xuzhou) New Energy Co., Ltd.	Manufacture of electronic telecommunication components	100	100	-	Note 2
Foxlink Image	ACCU-IMAGE TECHNOLOGY LIMITED (AITL)	Manufacture and sale of image scanners and multifunction printers	100	100	100	Note 18,19
Foxlink Image	Shih Fong Power Co., Ltd. (Shih Fong)	Energy service management	34.70	34.70	-	Note 2,16
AITL	POWER CHANNEL LIMITED (POWER)	Holding company and reinvestment business	35.75	35.75	35.75	
AITL	Dongguan Fu Wei Electronics Co., Ltd. (Dongguan Fu Wei)	Manufacture and sale of image scanners and multifunction printers	100	100	100	Note 18,19
AITL	Dong Guan Fu Zhang Precision Industry Co., Ltd. (DGFZ)	Mould development and moulding tool manufacture	100	100	100	
AITL	Wei Hai Fu Kang Electric Co., Ltd. (WHFK)	Manufacture and sale of parts and moulds of photocopiers and scanners	100	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership(%)			Description
			March 31, 2021	December 31, 2020	March 31, 2020	
AITL	Dong Guan HanYang Computer Co., Ltd. (DGHY)	Manufacture of image scanners and multifunction printers and investment of real estate	100	100	100	
Glory Science	GLORY TEK (BVI) CO., LTD. (GLORY TEK)	General investments holding	100	100	100	Note 18,19
GLORY TEK	GLORY OPTICS (BVI) CO., LTD. (GLORY OPTICS)	Sales agent	100	100	100	Note 18,19
GLORY TEK	GLORY TEK (SAMOA) CO., LTD. (GLORY TEK (SAMOA))	General investments holding	100	100	100	Note 18,19
GLORY TEK	GLORYTEK SCIENCE INDIA PRIVATE LIMITED (GLORYTEK SCIENCE INDIA)	Manufacture and sale of the components of communication and consumer electronics	99.27	99.27	99.27	Note 18,19
GLORY TEK (SAMOA)	Glorytek (Suzhou) Co., Ltd. (Glorytek Suzhou)	Production and processing and sale of optical lens components and other products	100	100	100	Note 18,19
GLORY TEK (SAMOA)	Glory Optics (Yancheng) Co., Ltd. (GOYC)	Production and processing and sale of optical lens components and other products	34.88	34.88	34.88	Note 18,19
GLORY OPTICS	Glorytek (Yancheng) Co., Ltd. (Glorytek Yancheng)	Production and processing and sale of optical lens components and other products	100	100	100	Note 18,19
Glorytek Yancheng	Yancheng Yaowei Technology Co., Ltd. (YYWT)	Production and processing and sale of optical lens components and other products	100	100	100	Note 18,19
GLORY Suzhou	Glory Optics (Yancheng) Co., Ltd. (GOYC)	Production and processing and sale of optical lens components and other products	65.12	65.12	65.12	Note 18,19

Note 1: Investment or incorporation began in 2021.

Note 2: Investment or incorporation began in 2020.

Note 3: Dissolved or liquidated in 2020.

Note 4: With balance sheet date of March 31. For the preparation of consolidated financial statements, the Company had required FOXLINK MYANMAR, and PQI had required Sinocity and DG as consolidated entities to prepare financial statements with balance sheet date on December 31 to conform to the balance sheet date of the consolidated financial statements.

Note 5: Studio A sold 100% of its shares in ASHOP to Studio A Hong Kong on January 12, 2021, which was classified as a reorganisation of entities under common control.

Note 6: CULINK has participated in Foxlink India's capital increase in 2020. After the capital increment, Foxlink India became a wholly-owned subsidiary of CULINK and CU with 62.73% and 37.27% ownership, respectively.

Note 7: CDFB increased its capital on January 17, 2020. FTJ did not acquire shares proportionally to its interest. As a result, FTJ decreased its share interest from 85.37% to 70%.

- Note 8: In November 2020, the Group lost its control over the subsidiaries, Changyuan and Beiyuan, as a result of the 100% stock disposal in the amount of \$559,337. The Group recognised profit of \$239,850 under ‘other gains and losses’ in the statement of comprehensive income.
- Note 9: CULINK invested in FG Xuzhou in December 11, 2020. After the capital increment, FG Xuzhou became a wholly-owned subsidiary of CULINK and CU with 70.37% and 29.63% ownership, respectively.
- Note 10: Shinfox Co., Ltd. was renamed to Shinfox Energy Co., Ltd. on June 23, 2020.
- Note 11: FII and FUII jointly established FIE on June 23, 2020 and jointly holds 100% ownership in FIE. FII and FUII subsequently invested in FIE in 2020 and 2021. After the capital increment, FIE became a wholly-owned subsidiary of FII and FUII with 29.46% and 70.54% ownership, respectively.
- Note 12: FUII acquired ownership from the original shareholders of VA in May 2020. After the acquisition, VA became a wholly-owned subsidiary of FUII.
- Note 13: Foxwell Power increased its capital on April 28, 2020 and November 30, 2020, respectively. Shinfox did not acquire shares proportionally to its interest. As a result, Shinfox decreased its share interest from 100% to 99%.
- Note 14: Jiangsu Foxlink increased its capital in April 2020. The Group did not acquire shares proportionally to its interest. As a result, the Group lost control over it and recognised it as investment accounted for using equity method. In September 2020, the Group lost significant influence over Jiangsu Foxlink and reclassified it as financial assets at fair value through other comprehensive income after the disposal which decreased the share interest down to 12.9%. Please refer to Note 6(3).
- Note 15: Shinfox increased its capital on September 1, 2020. FUII and PQI did not acquire shares proportionally to its interest. As a result, FUII and PQI decreased their share interest from 13.40% to 10.5% and 76.56% to 58.74%, respectively.
- Note 16: Shih Fong increased its capital in July 2020. After the capital increment, the ownership of Shih Fong held by FIT Holding and Foxlink Image amounted to 41.3% and 34.7%, respectively. Subsequently, FIT Holding sold 25% of ownership in Shih Fong in March 2021. As a result, the total ownership of Shih Fong jointly held by FIT Holding and Foxlink Image amounted to 51% with 16.3% and 34.7% ownership, respectively. FIT Holding and Foxlink Image still have control over Shih Fong.
- Note 17: FOXLINK TECH invested in SINOBEST in September 4, 2020 and November 27, 2020. After the capital increment, SINOBEST became a wholly-owned subsidiary of FOXLINK TECH and the Company with 8.81% and 91.19% ownership, respectively.
- Note 18: The financial statements for the three months ended March 31, 2021 were reviewed by the independent auditors of the company.

Note 19: The financial statements for the three months ended March 31, 2020 were reviewed by the independent auditors of the company.

C. Subsidiaries not included in the consolidated financial statements:

Investor	Subsidiary	Main activity	Ownership(%)			Description
			March 31, 2021	December 31, 2020	March 31, 2020	
FII	Yixin Precision Industry Co., Ltd. (YX)	Manufacture of electronic telecommunication components and electronic machinery equipment	75	75	75	Note 1
Studio A	Tayih Digital Technology Co., Ltd. (TAYIH)	Manufacture of electronic telecommunication components	60	60	60	Note 2
CU	KLEINE DEVELOPMENTS LIMITED	Manufacture and sale of Magnesium products	-	-	50	Note 3
Foxlink Image	KLEINE DEVELOPMENTS LIMITED	Manufacture and sale of Magnesium products	-	-	50	Note 3

Note 1: The ratio of total assets to the Company's total assets was insignificant, and it was approved by the Ministry of Economic Affairs on October 5, 2004 to be dissolved and is currently undergoing liquidation procedures. Thus, this subsidiary was not included in the consolidated financial statements.

Note 2: The ratio of total assets to the Company's total assets was insignificant, and it was approved by the Ministry of Economic Affairs on July 7, 2010 to be dissolved and is currently undergoing liquidation procedures. Thus, this subsidiary was not included in the consolidated financial statements.

Note 3: On December 28, 2015, the Board of Directors has resolved the liquidation of the company, KLEINE. The liquidation was completed on May 28, 2020. Thus, this subsidiary was not included in the consolidated financial statements.

D. Adjustments for subsidiaries with different balance sheet dates:

Sinocity and DG are subsidiaries of PQI in Hong Kong and Macau, respectively, with balance sheet date of March 31. For the preparation of consolidated financial statements, PQI had required Sinocity and DG as consolidated entities to prepare financial statements with balance sheet date of December 31 to conform with the balance sheet date of the Group.

FOXLINK MYANMAR is a subsidiary of SINOBEST in Myanmar with balance sheet date of March 31. For the preparation of consolidated financial statements, SINOBEST had required FOXLINK MYANMAR as consolidated entities to prepare financial statements with balance sheet date of December 31 to conform to the balance sheet date of the consolidated financial statements.

E. Significant restrictions: None.



F. Subsidiaries that have non-controlling interests that are material to the Group:

As of March 31, 2021, December 31, 2020 and March 31, 2020, the non-controlling interest amounted to \$6,784,487, \$6,321,335 and \$5,740,389, respectively. The information of non-controlling interest and respective subsidiaries is as follows:

Name of subsidiary	Principal place of business	Non-controlling interest					
		March 31, 2021		December 31, 2020		March 31, 2020	
		Amount	Ownership (%)	Amount	Ownership (%)	Amount	Ownership (%)
FIT Holding	Taiwan	\$ 4,164,375	61.81%	\$ 4,462,003	61.81%	\$ 5,084,399	61.81%

Summarised financial information of the subsidiaries:

Balance sheets

	FIT Holding		
	March 31, 2021	December 31, 2020	March 31, 2020
Current assets	\$ 12,261,402	\$ 13,443,029	\$ 6,404,658
Non-current assets	9,428,236	9,363,980	11,067,005
Current liabilities	( 9,632,830)	( 10,542,565)	( 6,316,618)
Non-current liabilities	( 3,188,345)	( 4,087,189)	( 4,851,199)
Total net assets	\$ 8,868,463	\$ 8,177,255	\$ 6,303,846

Statements of comprehensive income

	FIT Holding	
	Three months ended March 31,	
	2021	2020
Revenue	\$ 2,251,001	\$ 1,611,075
Profit (loss) before income tax	277,981	( 71,368)
Income tax expense	( 76,137)	( 14,018)
Profit (loss) for the period from continuing operations	96,623	( 82,641)
Profit (loss) from non-controlling interest	105,221	( 2,745)
Profit (loss) for the period	201,844	( 85,386)
Other comprehensive income (loss) (net of tax)	45,137	( 474,613)
Total comprehensive income (loss) for the period	\$ 246,981	(\$ 559,999)
Comprehensive income (loss) attributable to non-controlling interest	\$ 111,121	(\$ 3,074)
Dividends paid to non-controlling interest	\$ -	\$ -

## Statements of cash flows

	<u>FIT Holding</u>	
	<u>Three months ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
Net cash used in operating activities	(\$ 23,712)	(\$ 134,330)
Net cash provided by (used in) investing activities	494,984	( 59,179)
Net cash (used in) provided by financing activities	( 1,059,215)	166,282
Effect of exchange rates on cash and cash equivalents	9,880	75,778
(Decrease) increase in cash and cash equivalents	( 578,063)	48,551
Cash and cash equivalents, beginning of period	5,148,889	1,820,304
Cash and cash equivalents, end of period	<u>\$ 4,570,826</u>	<u>\$ 1,868,855</u>

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

No significant changes during the period, please refer to Note 5 in the consolidated financial statements for the year ended December 31, 2020.

## 6. DETAILS OF SIGNIFICANT ACCOUNTS

### (1) Cash and cash equivalents

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Cash on hand and revolving funds	\$ 54,250	\$ 82,405	\$ 60,304
Checking accounts and demand deposits	4,485,184	6,591,747	6,038,616
Cash equivalents			
Time deposits	4,263,892	4,224,418	2,303,552
Bonds sold under repurchase agreement	-	-	24,221
Short-term notes and bills	-	94,970	-
Total	<u>\$ 8,803,326</u>	<u>\$ 10,993,540</u>	<u>\$ 8,426,693</u>

- A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.
- B. Details of the Group's cash and cash equivalents pledged to others as collateral are provided in Note 8.

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

<u>Assets items</u>	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Current items:			
Financial assets mandatorily measured at fair value through profits or loss			
Non-capital guaranteed floating profit financial instruments	\$ -	\$ -	\$ 121,693

A. Amounts recognised in profit or loss in relation to financial assets and liabilities at fair value through profit or loss are listed below:

	<u>Three months ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
Financial assets and liabilities mandatorily measured at fair value through profit or loss		
Derivative instruments	\$ -	\$ 4,686

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

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

<u>Items</u>	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Non-current items:			
Equity instruments			
Unlisted stocks	\$ 1,597,080	\$ 1,429,099	\$ 1,603,031
Valuation adjustment	( 398,358)	( 442,395)	( 664,652)
	<u>\$ 1,198,722</u>	<u>\$ 986,704</u>	<u>\$ 938,379</u>

A. The Group has elected to classify equity instruments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. As of March 31, 2021, December 31, 2020 and March 31, 2020, the fair value of such investments amounted to \$1,198,722, \$986,704 and \$938,379, respectively.

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

	<u>Three months ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	\$ 39,000	\$ -

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

(4) Financial assets at amortised cost

<u>Items</u>	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Current items:			
Repatriation of capital from Taiwan's offshore companies	\$ 178,162	\$ 178,162	\$ 908,291
Time deposits maturing over three months	657,622	665,432	165,350
Restricted deposits	607,664	1,204,408	14,652
Pledged time deposits	4,266,870	4,359,551	215,868
	<u>\$ 5,710,318</u>	<u>\$ 6,407,553</u>	<u>\$ 1,304,161</u>
Non-current items:			
Restricted deposits	\$ 15,089	\$ 14,591	\$ 2,110
Pledged time deposits	130,843	131,803	142,304
	<u>\$ 145,932</u>	<u>\$ 146,394</u>	<u>\$ 144,414</u>

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

(5) Accounts receivable

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Accounts receivable	\$ 12,303,742	\$ 16,428,603	\$ 11,110,136
Less: Loss allowance	( 86,388)	( 118,373)	( 129,585)
	<u>\$ 12,217,354</u>	<u>\$ 16,310,230</u>	<u>\$ 10,980,551</u>

- A. The information on the Group's ageing analysis of accounts receivable is provided in Note 12(2).
- B. As of March 31, 2021, December 31, 2020 and March 31, 2020, accounts receivable were all from contracts with customers. And as of January 1, 2020, the balance of receivables from contracts with customers amounted to \$15,632,770.
- C. The quality information of accounts receivable is based on customers' credit ranking and recoverable period of receivables in order to calculate the accrual of impairment. The Group's internal credit ranking policy is that the Group's business and management segment assesses periodically whether the credit ranking of existing customers is appropriate and adjusts to obtain the latest information when necessary. Customers' credit ranking assessment is based on industrial operating scale, profitability and ranking assessed by financial insurance institutions.
- The Group has insured accounts receivable of certain customers and the Group will receive 80%~90% compensation if bad debts occur.
- D. The Group does not hold any collateral as security.
- E. Information relating to credit risk of accounts receivable is provided in Note 12(2).

(6) Transfer of financial assets

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

March 31, 2021								
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognised	Facilities	Amount advanced	Amount advanced for advance	Interest rate of amount advanced	Collateral Provided	
Bank of Taiwan	\$ 403,834	\$ 403,834	\$ 4,280,250	\$ 363,450	\$ 40,384	0.50%	None	
Citibank	431,216	431,216	431,216	431,216	-	1.06%~1.17%	None	
Mega International Commercial Bank	700,296	700,296	1,426,750	630,267	70,029	0.84%	None	

  

December 31, 2020								
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognised	Facilities	Amount advanced	Amount advanced for advance	Interest rate of amount advanced	Collateral Provided	
Bank of Taiwan	\$ 663,757	\$ 663,757	\$ 4,272,000	\$ 597,380	\$ 66,377	0.74%	None	
Citibank	686,806	686,806	686,806	686,806	-	1.11%~1.22%	None	
Mega International Commercial Bank	456,848	456,848	1,424,000	411,163	45,685	0.9%~1.12%	None	

  

March 31, 2020								
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognised	Facilities	Amount advanced	Amount advanced for advance	Interest rate of amount advanced	Collateral Provided	
Bank of Taiwan	\$ 231,809	\$ 231,809	\$ 4,533,750	\$ 208,627	\$ 4,325,123	2.96%	None	
Citibank	329,341	329,341	329,341	329,341	-	2.03%	None	
Mega International Commercial Bank	418,786	418,786	1,511,250	376,907	1,134,343	1.90%~2.80%	None	

B. As of March 31, 2021, December 31, 2020 and March 31, 2020, the Group issued promissory notes to some banks for the factoring agreements signed.

(7) Inventories

	March 31, 2021		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 7,119,003	(\$ 345,814)	\$ 6,773,189
Work in progress and semi-finished goods	2,569,259	( 35,960)	2,533,299
Finished goods (including merchandise)	6,256,697	( 183,710)	6,072,987
Inventory in transit	85,863	-	85,863
	<u>\$ 16,030,822</u>	<u>(\$ 565,484)</u>	<u>\$ 15,465,338</u>

	December 31, 2020		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 5,940,927	(\$ 291,242)	\$ 5,649,685
Work in progress and semi-finished goods	2,309,385	( 35,913)	2,273,472
Finished goods (including merchandise)	5,532,121	( 224,213)	5,307,908
Inventory in transit	45,259	-	45,259
	<u>\$ 13,827,692</u>	<u>(\$ 551,368)</u>	<u>\$ 13,276,324</u>

	March 31, 2020		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 4,823,573	(\$ 151,129)	\$ 4,672,444
Work in progress	1,088,125	( 46,889)	1,041,236
Finished goods (including merchandise)	5,633,572	( 361,799)	5,271,773
Inventory in transit	18,803	-	18,803
	<u>\$ 11,564,073</u>	<u>(\$ 559,817)</u>	<u>\$ 11,004,256</u>

The cost of inventories recognised as expense for the period:

	Three months ended March 31,	
	2021	2020
Cost of inventories sold	\$ 17,843,245	\$ 14,533,010
Loss on decline in market value	14,116	78,056
Others (revenue from sale of scraps)	( 88,979)	( 2,890)
	<u>\$ 17,768,382</u>	<u>\$ 14,608,176</u>

(8) Investments accounted for under the equity method

Investee	March 31, 2021		December 31, 2020	
	Amount	Ownership	Amount	Ownership
		percentage		percentage
		(%)		(%)
Central Motion Picture Corporation	\$ 1,966,637	17.49%	\$ 1,959,717	17.49%
Well Shin Technology Co., Ltd.	1,110,710	18.84%	1,154,245	18.84%
Sharetronic Data Technology Co., Ltd.	1,041,998	19.94%	1,020,750	19.94%
Foxwell Energy Co., Ltd.	213,229	14.00%	209,077	14.00%
Castles Technology Co., Ltd.	170,607	11.78%	182,751	12.48%
CMPC Cultural & Creative Co., Ltd.	117,474	42.86%	124,242	42.86%
Dongguan Banrin Robot Technology Co., Ltd.	121,936	31.03%	123,930	31.03%
Tegna Electronics Private Limited	39,198	30.00%	39,010	30.00%
CYNC Design Co., Ltd. (CYNC)	9,991	15.38%	9,991	15.38%
Microlink Communications Inc.	( 21,577)	21.43%	( 21,705)	21.43%
	4,770,203		4,802,008	
Add : Current prepayments for investments				
-JOURN TA BROTHERS LIMITED	151,907		151,907	
Credit balance of long-term equity investments reclassified to other non-current liabilities				
-others	21,577		21,705	
Total	<u>\$ 4,943,687</u>		<u>\$ 4,975,620</u>	

Investee	March 31, 2020	
	Amount	Ownership
		percentage
		(%)
Central Motion Picture Corporation	\$ 1,963,855	17.60%
Well Shin Technology Co., Ltd.	1,143,178	18.84%
Sharetronic Data Technology Co., Ltd.	750,841	26.58%
Castles Technology Co., Ltd.	215,890	16.14%
Dongguan Banrin Robot Technology Co., Ltd.	119,648	31.03%
CMPC Cultural & Creative Co., Ltd.	123,511	42.86%
KLEINE DEVELOPMENTS LIMITED	63,680	100.00%
TEGNA ELECTRONICS PRIVATE LIMITED	36,983	30.00%
CYNC Design Co., Ltd. (CYNC)	10,000	15.38%
Microlink Communications Inc.	( 22,117)	21.43%
	4,405,469	
Add: Current prepayments for investments-JOURN TA BROTHERS LIMITED	78,235	
Credit balance of long-term equity investments reclassified to other non-current liabilities		
-others	22,117	
Total	<u>\$ 4,505,821</u>	

A. For the three months ended March 31, 2021 and 2020, except for Well Shin Technology Co., Ltd. and Castles Technology Co., Ltd., which were recognised based on their financial statements that were reviewed by independent auditors, the share of the profit or loss of other associates and joint ventures amounting to \$13,991 and \$23,659, respectively, were not reviewed by independent auditors.

## B. Associates

(a) The basic information of the associates that are material to the Group is summarised below:

Company name	Principal place of business	Shareholding ratio			Nature of relationship	Methods of measurement
		March 31, 2021	December 31, 2020	March 31, 2020		
Central Motion Picture Corporation	Taiwan	17.49%	17.49%	17.49%	Note	Equity method
Well Shin Technology Co., Ltd.	Taiwan	18.84%	18.84%	18.84%	Note	Equity method

Note : As the Group's management holds several seats in the Board of Directors of Central Motion Picture Corporation and Well Shin Technology Co., Ltd., the Group is assessed to have significant influence.

(b) Summarised financial information of the associates that are material to the Group is as follows:

### Balance sheet

	Central Motion Picture Corporation		
	March 31, 2021	December 31, 2020	March 31, 2020
Current assets	\$ 414,742	\$ 381,945	\$ 440,257
Non-current assets	17,618,919	17,655,825	17,573,521
Current liabilities	( 125,616)	( 4,154,459)	( 114,951)
Non-current liabilities	( 5,290,442)	( 1,266,275)	( 5,258,129)
Total net assets	<u>\$ 12,617,603</u>	<u>\$ 12,617,036</u>	<u>\$ 12,640,698</u>
Share in associate's net assets	\$ 1,966,637	\$ 1,959,717	\$ 1,963,855
Goodwill	-	-	-
Carrying amount of the associates	<u>\$ 1,966,637</u>	<u>\$ 1,959,717</u>	<u>\$ 1,963,855</u>

	Well Shin Technology Co., Ltd.		
	March 31, 2021	December 31, 2020	March 31, 2020
Current assets	\$ 5,187,233	\$ 5,183,712	\$ 4,522,947
Non-current assets	2,650,143	2,658,514	2,932,307
Current liabilities	( 1,582,310)	( 1,390,752)	( 1,129,964)
Non-current liabilities	( 550,108)	( 519,819)	( 452,369)
Total net assets	<u>\$ 5,704,958</u>	<u>\$ 5,931,655</u>	<u>\$ 5,872,921</u>
Share in associate's net assets	\$ 1,074,121	\$ 1,117,656	\$ 1,106,589
Goodwill	36,589	36,589	36,589
Carrying amount of the associates	<u>\$ 1,110,710</u>	<u>\$ 1,154,245</u>	<u>\$ 1,143,178</u>



Statement of comprehensive income

	<u>Central Motion Picture Corporation</u>	
	<u>Three months ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
Revenue	\$ 104,045	\$ 105,804
Profit (loss) for the period from continuing operations	\$ 466	(\$ 1,569)
Other comprehensive income, net of tax	-	-
Total comprehensive income (loss)	\$ 466	(\$ 1,569)
Dividends received from associates	\$ -	\$ -

	<u>Well Shin Technology Co., Ltd.</u>	
	<u>Three months ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
Revenue	\$ 1,182,820	\$ 897,573
Profit for the period from continuing operations	\$ 79,203	\$ 78,005
Other comprehensive loss net of tax	( 10,262)	( 38,143)
Total comprehensive income	\$ 68,941	\$ 39,862
Dividends received from associates	\$ -	\$ -

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

As of March 31, 2021, December 31, 2020 and March 31, 2020, the carrying amount of the Group's individually immaterial associates amounted to \$1,692,856, \$1,688,046 and \$1,298,436, respectively.

	<u>Three months ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
Profit for the period from continuing operations	\$ 117,060	\$ 165,969
Total comprehensive income	\$ 117,060	\$ 165,969

Note: Sharetronic Data, Castles, CMPC Cultural & Creative, Microlink, CYNC, Banrin and TEGNA and Foxwell Energy.

(d) The fair value of the Group's material associates with quoted market prices is as follows:

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Well Shin Technology Co., Ltd.	\$ 1,232,441	\$ 1,129,719	\$ 910,237

C. The Group is the single largest shareholder of Well Shin Technology Co., Ltd. with an 18.84% equity interest. Given that it was a strategic investment, and the Group had no involvement in its substantial operations and the active participation at the last shareholders' meeting by other shareholders, which indicates that the Group has no current ability to direct the relevant activities of Well Shin Technology Co., Ltd., the Group has no control, but only has significant influence, over the investee.

- D. The Group has signed a stock purchase agreement with an individual on May 15, 2014 to purchase all the Company's shares in CMPC amounting to \$150,000 thousand. As of March 31, 2021, uncollected amount was \$141,000 thousand (shown as 'notes receivable') and accrued impairment loss was \$141,000 thousand.
- E. On December 28, 2015, the Board of Directors has resolved the liquidation of the investee company, KLEINE. The Company had accrued an additional loss amounting to \$170,136 within the scope of legal obligations. The liquidation was completed on May 28, 2020.
- F. Central Motion Picture Corporation is a litigating party contesting the decision No. 107007 rendered by Ill-gotten Party Assets Settlement Committee on October 9, 2018. Please refer to Note 9(7) for details on the lawsuit.
- G. Deepwaters Digital Support Inc. and YD Entertainment has participated in CYNC's capital increase on March 10, 2020. After the capital increment, the equity shares of CYNC held by FII decreased to 15.38% from 100%. As a result, the Group lost its control over CYNC. However, as the Group's management holds several seats in the Board of Directors of CYNC, the Group has significant influence over it.
- H. Jiangsu Foxlink, formerly the subsidiary of the Group, increased its capital in April 2020. The Group did not acquire shares proportionally to its interest. As a result, the Group lost control over it and recognised it as investment accounted for using equity method. In September 2020, the Group lost significant influence over Jiangsu Foxlink and reclassified it as financial assets at fair value through other comprehensive income after the disposal which decreased the share interest down to 12.9%. Gains on disposal of the aforementioned investments amounting to \$9,579 were generated.

(9) Property, plant and equipment

	2021						Total
	Land	Buildings and structures	Machinery and equipment	Office equipment	Others	Construction-in-progress	
At January 1							
Cost	\$ 412,428	\$ 15,907,527	\$ 12,450,964	\$ 475,377	\$ 5,178,599	\$ 946,162	\$ 35,371,057
Accumulated depreciation and impairment	-	( 3,406,798)	( 7,358,879)	( 334,007)	( 3,420,950)	-	( 14,520,634)
	<u>\$ 412,428</u>	<u>\$ 12,500,729</u>	<u>\$ 5,092,085</u>	<u>\$ 141,370</u>	<u>\$ 1,757,649</u>	<u>\$ 946,162</u>	<u>\$ 20,850,423</u>
Opening net book amount	\$ 412,428	\$ 12,500,729	\$ 5,092,085	\$ 141,370	\$ 1,757,649	\$ 946,162	\$ 20,850,423
Additions	-	17,455	303,332	16,609	44,054	10,728	392,178
Disposals	-	-	( 2,836)	( 7,232)	( 1,998)	-	( 12,066)
Reclassifications	-	( 2,452)	369,414	( 3,149)	6,996	( 4,608)	366,201
Depreciation charge	-	( 98,377)	( 443,184)	( 19,458)	( 159,626)	-	( 720,645)
Net exchange differences	-	( 90,378)	( 34,902)	( 553)	( 14,169)	( 6,322)	( 146,324)
Closing net book amount	<u>\$ 412,428</u>	<u>\$ 12,326,977</u>	<u>\$ 5,283,909</u>	<u>\$ 127,587</u>	<u>\$ 1,632,906</u>	<u>\$ 945,960</u>	<u>\$ 20,729,767</u>
At March 31							
Cost	\$ 412,428	\$ 15,793,847	\$ 12,849,276	\$ 450,152	\$ 5,858,305	\$ 945,960	\$ 36,309,968
Accumulated depreciation and impairment	-	( 3,466,870)	( 7,565,367)	( 322,565)	( 4,225,399)	-	( 15,580,201)
	<u>\$ 412,428</u>	<u>\$ 12,326,977</u>	<u>\$ 5,283,909</u>	<u>\$ 127,587</u>	<u>\$ 1,632,906</u>	<u>\$ 945,960</u>	<u>\$ 20,729,767</u>

	2020						
	Land	Buildings and structures	Machinery and equipment	Office equipment	Others	Construction-in-progress	Total
At January 1							
Cost	\$ 412,428	\$ 16,258,559	\$ 11,169,824	\$ 479,338	\$ 6,822,800	\$ 2,438,672	\$ 37,581,621
Accumulated depreciation and impairment	-	( 3,201,107)	( 5,946,266)	( 308,210)	( 4,728,055)	-	( 14,183,638)
	<u>\$ 412,428</u>	<u>\$ 13,057,452</u>	<u>\$ 5,223,558</u>	<u>\$ 171,128</u>	<u>\$ 2,094,745</u>	<u>\$ 2,438,672</u>	<u>\$ 23,397,983</u>
Opening net book amount	\$ 412,428	\$ 13,057,452	\$ 5,223,558	\$ 171,128	\$ 2,094,745	\$ 2,438,672	\$ 23,397,983
Additions	-	18,743	111,631	4,142	17,233	250,026	401,775
Disposals	-	-	( 2,179)	( 970)	( 8,108)	-	( 11,257)
Reclassifications	-	-	185,540	7,804	35,813	230,702	459,859
Depreciation charge	-	( 94,413)	( 409,778)	( 18,785)	( 204,406)	-	( 727,382)
Net exchange differences	-	( 115,450)	( 43,566)	( 1,726)	( 20,131)	( 3,700)	( 184,573)
Closing net book amount	<u>\$ 412,428</u>	<u>\$ 12,866,332</u>	<u>\$ 5,065,206</u>	<u>\$ 161,593</u>	<u>\$ 1,915,146</u>	<u>\$ 2,915,700</u>	<u>\$ 23,336,405</u>
At March 31							
Cost	\$ 412,428	\$ 16,130,636	\$ 12,229,188	\$ 484,378	\$ 6,007,901	\$ 2,915,700	\$ 38,180,231
Accumulated depreciation and impairment	-	( 3,264,304)	( 7,163,982)	( 322,785)	( 4,092,755)	-	( 14,843,826)
	<u>\$ 412,428</u>	<u>\$ 12,866,332</u>	<u>\$ 5,065,206</u>	<u>\$ 161,593</u>	<u>\$ 1,915,146</u>	<u>\$ 2,915,700</u>	<u>\$ 23,336,405</u>

The Group's property, plant and equipment were pledged to others as collateral, please refer to Note 8 for detailed information.

(10) Leasing arrangements-lessee

- A. The Group leases various assets including land, buildings, transportation equipment. Rental contracts are typically made for periods of 2 to 70 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
- B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 1,316,363	\$ 1,322,870	\$ 1,426,501
Buildings	347,797	312,625	330,030
Transportation equipment (Business vehicles)	3,587	3,045	1,845
Office equipment (Photocopiers)	134	151	7
	<u>\$ 1,667,881</u>	<u>\$ 1,638,691</u>	<u>\$ 1,758,383</u>

  

	<u>Three months ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 13,556	\$ 13,448
Buildings	49,492	64,956
Transportation equipment (Business vehicles)	562	386
Office equipment (Photocopiers)	17	10
	<u>\$ 63,627</u>	<u>\$ 78,800</u>

- C. For the three months ended March 31, 2021 and 2020, the additions to right-of-use assets amounted to \$88,314 and \$9,815, respectively.
- D. The information on income and expense accounts relating to lease contracts is as follows:

	<u>Three months ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 2,385	\$ 2,187
Expense on short-term lease contracts	25,275	20,130
Expense on leases of low-value assets	769	136
Expense on variable lease payments	14,941	9,990

- E. For the three months ended March 31, 2021 and 2020, the Group's total cash outflow for leases amounted to \$100,914 and \$101,130, respectively.

F. Variable lease payments

- (a) Some of the Group's lease contracts contain variable lease payment terms that are linked to sales generated from a store or a counter in a department store and sales generated from electricity sold. For aforementioned contracts, up to 14.81% of lease payments are on the basis of variable payment terms and are accrued based on the sales amount. Variable payment terms are used for a variety of reasons and various lease payments that depend on sales are

recognised in profit or loss in the period in which the event or condition that triggers those payments occurs.

- (b) A 1% increase in the aggregate sales amount of all stores with such variable lease contracts would increase total lease payments by approximately \$149.

(11) Investment property

	2021		
	Land	Buildings and structures	Total
At January 1			
Cost	\$ 183,076	\$ 518,891	\$ 701,967
Accumulated depreciation and impairment	-	( 117,895)	( 117,895)
	<u>\$ 183,076</u>	<u>\$ 400,996</u>	<u>\$ 584,072</u>
Opening net book amount	\$ 183,076	\$ 400,996	\$ 584,072
Reclassifications	-	( 864)	( 864)
Depreciation charge	-	( 3,243)	( 3,243)
Net exchange differences	-	( 2,342)	( 2,342)
Closing net book amount	<u>\$ 183,076</u>	<u>\$ 394,547</u>	<u>\$ 577,623</u>
At March 31			
Cost	\$ 183,076	\$ 515,192	\$ 698,268
Accumulated depreciation and impairment	-	( 120,645)	( 120,645)
	<u>\$ 183,076</u>	<u>\$ 394,547</u>	<u>\$ 577,623</u>
	2020		
	Land	Buildings and structures	Total
At January 1			
Cost	\$ 183,076	\$ 445,193	\$ 628,269
Accumulated depreciation and impairment	-	( 36,495)	( 36,495)
	<u>\$ 183,076</u>	<u>\$ 408,698</u>	<u>\$ 591,774</u>
Opening net book amount	\$ 183,076	\$ 408,698	\$ 591,774
Reclassifications	-	-	-
Depreciation charge	-	( 3,215)	( 3,215)
Net exchange differences	-	( 3,650)	( 3,650)
Closing net book amount	<u>\$ 183,076</u>	<u>\$ 401,833</u>	<u>\$ 584,909</u>
At March 31			
Cost	\$ 183,076	\$ 441,453	\$ 624,529
Accumulated depreciation and impairment	-	( 39,620)	( 39,620)
	<u>\$ 183,076</u>	<u>\$ 401,833</u>	<u>\$ 584,909</u>

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

	Three months ended March 31,	
	2021	2020
Rental income from the lease of the investment property	\$ 4,296	\$ 4,328
Direct operating expenses arising from the investment property that generated rental income in the period	\$ 3,243	\$ 3,215

B. Investment property is stated initially at its cost and is depreciated on a straight-line basis over its estimated useful life. The fair value of the investment property held by the Group as at March 31, 2021, December 31, 2020 and March 31, 2020 was \$1,107,716, \$1,038,221 and \$1,017,614, respectively, which was evaluated based on the market prices of similar real estate in the areas nearby, as Level 2 fair value, market prices did not change significantly.

C. There was no impairment loss on investment property.

D. The investment property was not pledged to others as collateral.

(12) Intangible assets

	2021				
	Trademark		Goodwill	Others	Total
	Rights	Patent			
At January 1					
Cost	\$ 47,588	\$ 451,126	\$ 3,885,756	\$ 395,751	\$ 4,780,221
Accumulated amortisation and impairment	( 247)	( 195,914)	( 2,652,518)	( 277,544)	( 3,126,223)
	\$ 47,341	\$ 255,212	\$ 1,233,238	\$ 118,207	\$ 1,653,998
Opening net book amount	\$ 47,341	\$ 255,212	\$ 1,233,238	\$ 118,207	\$ 1,653,998
Additions	-	-	-	9,504	9,504
Disposals	-	-	-	( 385)	( 385)
Amortisation charge	( 11)	( 6,115)	-	( 20,752)	( 26,878)
Net exchange differences	91	-	994	( 526)	559
Closing net book amount	\$ 47,421	\$ 249,097	\$ 1,234,232	\$ 106,048	\$ 1,636,798
At March 31					
Cost	\$ 47,679	\$ 451,126	\$ 3,886,750	\$ 256,238	\$ 4,641,793
Accumulated amortisation and impairment	( 258)	( 202,029)	( 2,652,518)	( 150,190)	( 3,004,995)
	\$ 47,421	\$ 249,097	\$ 1,234,232	\$ 106,048	\$ 1,636,798

	2020				
	Trademark				
	Rights	Patent	Goodwill	Others	Total
At January 1					
Cost	\$ 50,068	\$ 451,126	\$ 3,882,120	\$ 303,904	\$ 4,687,218
Accumulated amortisation and impairment	( 95)	( 44,120)	( 2,229,754)	( 161,301)	( 2,435,270)
	<u>\$ 49,973</u>	<u>\$ 407,006</u>	<u>\$ 1,652,366</u>	<u>\$ 142,603</u>	<u>\$ 2,251,948</u>
Opening net book amount	\$ 49,973	\$ 407,006	\$ 1,652,366	\$ 142,603	\$ 2,251,948
Additions	-	-	-	35,019	35,019
Disposals	-	-	-	-	-
Amortisation charge	( 19)	( 8,824)	-	( 19,683)	( 28,526)
Net exchange differences	405	-	4,429	( 1,910)	2,924
Closing net book amount	<u>\$ 50,359</u>	<u>\$ 398,182</u>	<u>\$ 1,656,795</u>	<u>\$ 156,029</u>	<u>\$ 2,261,365</u>
At March 31					
Cost	\$ 50,473	\$ 451,126	\$ 3,886,549	\$ 332,110	\$ 4,720,258
Accumulated amortisation and impairment	( 114)	( 52,944)	( 2,229,754)	( 176,081)	( 2,458,893)
	<u>\$ 50,359</u>	<u>\$ 398,182</u>	<u>\$ 1,656,795</u>	<u>\$ 156,029</u>	<u>\$ 2,261,365</u>

A. Goodwill is allocated to the Group's cash-generating units identified according to operating segments as follows:

	March 31, 2021					
	3C component	System and peripheral products	3C product retail	Memory module	Others	Total
Taiwan	\$ -	\$ 715,197	\$ -	\$ 118,258	\$ -	\$ 833,455
Hong Kong	-	-	389,170	-	-	389,170
All other segments	-	-	-	-	11,607	11,607
	<u>\$ -</u>	<u>\$ 715,197</u>	<u>\$ 389,170</u>	<u>\$ 118,258</u>	<u>\$ 11,607</u>	<u>\$ 1,234,232</u>

	December 31, 2020					
	3C component	System and peripheral products	3C product retail	Memory module	Others	Total
Taiwan	\$ -	\$ 715,197	\$ -	\$ 118,258	\$ -	\$ 833,455
Hong Kong	-	-	388,176	-	-	388,176
All other segments	-	-	-	-	11,607	11,607
	<u>\$ -</u>	<u>\$ 715,197</u>	<u>\$ 388,176</u>	<u>\$ 118,258</u>	<u>\$ 11,607</u>	<u>\$ 1,233,238</u>

	March 31, 2020					
	3C component	System and peripheral products	3C product retail	Memory module	Others	Total
Taiwan	\$ 422,764	\$ 715,197	\$ -	\$ 118,258	\$ -	\$ 1,256,219
Hong Kong	-	-	388,969	-	-	388,969
All other segments	-	-	-	-	11,607	11,607
	<u>\$ 422,764</u>	<u>\$ 715,197</u>	<u>\$ 388,969</u>	<u>\$ 118,258</u>	<u>\$ 11,607</u>	<u>\$ 1,656,795</u>



B. The recoverable amount of all cash-generating units has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections and decisions assisted by independent valuation institutions based on financial budgets approved by the management covering a five-year period. For the three months ended March 31, 2021 and 2020, goodwill was not impaired.

C. The intangible assets were not pledged to others as collateral.

(13) Short-term borrowings

<u>Type of borrowings</u>	<u>March 31, 2021</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank borrowings			
Credit borrowings	\$ 3,180,209	0.51%~4.24%	-
Secured borrowings	<u>50,000</u>	1.01%	Buildings and structures
	<u>\$ 3,230,209</u>		
<u>Type of borrowings</u>	<u>December 31, 2020</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank borrowings			
Credit borrowings	\$ 4,311,582	0.51%~1.29%	-
Secured borrowings	<u>30,000</u>	1.01%	Buildings and structures
	<u>\$ 4,341,582</u>		
<u>Type of borrowings</u>	<u>March 31, 2020</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank borrowings			
Credit borrowings	<u>\$ 3,246,926</u>	0.61%~2.76%	-

(14) Short-term notes and bills payable

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Commercial paper	\$ 578,500	\$ 387,400	\$ 273,800
Discount amortisation	( 597)	( 178)	( 220)
	<u>\$ 577,903</u>	<u>\$ 387,222</u>	<u>\$ 273,580</u>
Annual interest rate range	<u>0.87%~1.64%</u>	<u>0.87%~1.57%</u>	<u>0.93%~1.76%</u>

(15) Other payables

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Payables on salary and bonus	\$ 1,027,857	\$ 1,636,146	\$ 1,342,016
Employees' compensation and remuneration for supervisors and directors	275,590	358,312	351,210
Payables on equipment	556,082	583,447	435,267
Others	<u>2,510,024</u>	<u>2,200,560</u>	<u>2,522,534</u>
	<u>\$ 4,369,553</u>	<u>\$ 4,778,465</u>	<u>\$ 4,651,027</u>

(16) Bonds payable

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Secured corporate bonds	\$ 6,600,000	\$ 6,600,000	\$ 3,000,000
Less: Discount on bonds payable	( 24,247)	( 25,018)	( 11,948)
	<u>\$ 6,575,753</u>	<u>\$ 6,574,982</u>	<u>\$ 2,988,052</u>

A. The main terms of the \$3,600,000 2nd secured corporate bonds issued by the Company on July 29, 2020 are as follows:

- (a) Total initial issue amount: \$3,600,000.
- (b) Issue price: Issue at par value, \$1,000 each.
- (c) Issue period: 5 years, from July 29, 2020 to July 27, 2025.
- (d) Coupon rate: 0.65% fixed per annum.
- (e) Interest payment method: Interest is calculated from the date of issuance at the coupon rate, is a simple interest and is paid yearly.
- (f) Principal repayment method: Pay entire amount at the maturity date.
- (g) Guarantee method:

The joint guarantor banks including CTBC Bank Co., Ltd., Taiwan Cooperative Bank Co., Ltd., Hua Nan Commercial Bank Ltd., Agricultural Bank of Taiwan Corporation and Mega International Commercial Bank Co., Ltd. provide guarantees based on a joint engagement guarantee contract and bond-fulfilling guarantee obligation contract.

- (h) Commitment:

The company should maintain the following financial ratios during the contract duration for semi-annual consolidated and annual consolidated financial statements:

- i. Current assets to current liabilities ratio of at least 1:1;
- ii. Liabilities not exceeding 200% of tangible net equity;
- iii. Interest coverage of at least 400%; and
- iv. Tangible net equity of at least NT\$15,000,000 thousand.

B. The main terms of the \$3,000,000 1st secured corporate bonds issued by the Company on June 26, 2019 are as follows:

- (a) Total initial issue amount: \$3,000,000.
- (b) Issue price: Issue at par value, \$1,000 each.
- (c) Issue period: 5 years, from June 26, 2019 to June 26, 2024.
- (d) Coupon rate: 0.80% fixed per annum.
- (e) Interest payment method: Interest is calculated from the date of issuance at the coupon rate, is a simple interest and is paid yearly.
- (f) Principal repayment method: Pay entire amount at the maturity date.

(g) Guarantee method:

The joint guarantor banks including CTBC Bank Co., Ltd., Taiwan Cooperative Bank Co., Ltd., Mega International Commercial Bank Co., Ltd. and Chang Hwa Commercial Bank, Ltd. provide guarantees based on a joint engagement guarantee contract and bond-fulfilling guarantee obligation contract.

(h) Commitment:

The company should maintain the following financial ratios during the contract duration for semi-annual consolidated and annual consolidated financial statements:

- i. Current assets to current liabilities ratio of at least 1:1;
- ii. Liabilities not exceeding 200% of tangible net equity;
- iii. Interest coverage of at least 400%; and
- iv. Tangible net equity of at least NT\$15,000,000 thousand.

(17) Long-term borrowings

<u>Type of borrowings</u>	<u>Borrowing period and repayment term</u>	<u>Interest rate range</u>	<u>Unused credit line</u>	<u>March 31, 2021</u>
Long-term loan borrowings				
Bank's unsecured borrowings				
Cheng Uei				
- including covenants	Borrowing period is from March 2021 to March 2023; pay entire amount when due	0.95%~1%	\$ 1,100,000	\$ 2,900,000
- without covenants	Borrowing period is from March 2021 to July 2024; pay entire amount when due	0.85%~1.4%	2,037,475	3,781,250
FIT Holding	Borrowing period is from October 2020 to August 2022; pay entire amount of principal when due, interest is repayable monthly	1.1%~1.22%	50,000	350,000
Foxlink Image	Borrowing period is from June 2020 to August 2023; pay entire amount of principal when due, interest is repayable monthly	0.94%~1.1%	740,000	1,660,000
PQI	Borrowing period is from December 2019 to December 2022; pay principal based on each bank's regulations, interest is repayable monthly	1.23%~1.35%	12,425	357,575
Glory Science	Borrowing period is from April 2019 to July 2024; pay principal and interest based on each bank's regulations	1.04%~1.5%	-	382,000
Shinfox	Borrowing period is from February 2019 to February 2023; pay entire amount in installments	1.71%~1.76%	-	16,094
Foxwell Energy	Borrowing period is from January 2019 to September 2033; pay entire amount in installments	1.55%~1.76%	306,737	37,692
Bank's secured borrowings				
Foxwell Energy	Borrowing period is from May 2018 to December 2034; pay entire amount in installments	1.49%~1.76%	217,556	332,080
Glory Science	Borrowing period is from December 2019 to December 2024; pay principal in installments quarterly, interest is calculated monthly	1.36%	-	75,000
Medium-term and long-term syndicated loans				
Cheng Uei	Borrowing period is from November 2020 to November 2025. The Company may issue a drawing application before the maturity date of borrowing to directly repay the loan principal that was originally expired.	0.35%	4,800,000	<u>3,200,000</u>
				13,091,691
Less: Current portion				( <u>502,657</u> )
				<u>\$ 12,589,034</u>

Type of borrowings	Borrowing period and repayment term	Interest rate range	Unused credit line	December 31, 2020
Long-term loan borrowings				
Bank's unsecured borrowings				
Cheng Uei				
- including covenants	Borrowing period is from September 2017 to March 2023; pay entire amount when due	0.99%~1%	\$ 1,400,000	\$ 2,600,000
- without covenants	Borrowing period is from December 2017 to November 2023; pay entire amount when due	0.87%~1.4%	2,235,550	2,981,250
FIT Holding	Borrowing period is from October 2020 to August 2022; pay entire amount of principal when due, interest is repayable monthly	1.1%~1.22%	-	400,000
Foxlink Image	Borrowing period is from February 2020 to August 2023; pay entire amount of principal when due, interest is repayable monthly	0.94%~1.1%	544,800	2,440,000
PQI	Borrowing period is from December 2019 to December 2022; pay principal based on each bank's regulations, interest is repayable monthly	1.23%~1.35%	4,200	365,800
Glory Science	Borrowing period is from April 2019 to July 2024; pay principal and interest based on each bank's regulations	1.04%~1.5%	-	387,000
Shinfox	Borrowing period is from February 2019 to February 2023; pay entire amount in installments	1.71%~1.76%	-	18,870
Foxwell Energy	Borrowing period is from January 2019 to September 2033; pay entire amount in installments	1.49%	292,755	38,451
Bank's secured borrowings				
Foxwell Energy	Borrowing period is from May 2018 to December 2034; pay entire amount in installments	1.53%~1.80%	294,832	314,397
Glory Science	Borrowing period is from December 2019 to December 2024; pay principal in installments quarterly, interest is calculated monthly	1.26%	-	80,000
Medium-term and long-term syndicated loans				
Cheng Uei	Borrowing period is from November 2020 to November 2025. The Company may issue a drawing application before the maturity date of borrowing to directly repay the loan principal that was originally expired.	0.35%	4,800,000	<u>3,200,000</u>
				12,825,768
Less: Current portion				<u>( 502,471)</u>
				<u>\$ 12,323,297</u>

Type of borrowings	Borrowing period and repayment term	Interest rate range	Unused credit line	March 31, 2020
Long-term loan borrowings				
Bank's unsecured borrowings				
Cheng Uei				
- including covenants	Borrowing period is from September 2017 to March 2023; pay entire amount when due	1.20%~1.40%	2,500,000	\$ 2,000,000
- without covenants	Borrowing period is from December 2017 to July 2024; pay entire amount when due	1.16%~1.40%	1,307,875	3,130,000
FIT Holding	Borrowing period is from October 2019 to April 2021; pay entire amount of principal when due, interest is repayable monthly	1.12%	-	300,000
Foxlink Image	Borrowing period is from September 2019 to December 2022; pay entire amount of principal when due, interest is repayable monthly	1.12%~1.23%	200,000	1,500,000
PQI	Borrowing period is from April 2015 to December 2021; pay principal based on each bank's regulations, interest is repayable monthly	1.31%~1.6%	29,183	352,889
Glory Science	Borrowing period is from December 2018 to July 2024; pay principal and interest based on each bank's regulations	1.14%~1.25%	-	457,000
Shinfox	Borrowing period is from January 2015 to February 2023; pay entire amount in installments	1.96%~2.01%	-	27,148
Foxwell Energy	Borrowing period is from January 2019 to September 2033; pay entire amount in installments	1.75%	306,714	40,728
Zhangyuan	Borrowing period is from May 2019 to October 2035; pay entire amount in installments	1.59%~2.02%	146,368	383,632
Bank's secured borrowings				
Foxwell Energy	Borrowing period is from May 2018 to December 2034; pay entire amount in installments	1.78%~1.8%	337,386	334,554
Glory Science	Borrowing period is from December 2019 to December 2024; pay entire amount of principal when due, interest is calculated monthly	1.26%	-	95,000
Beiyuan	Borrowing period is from November 2019 to June 2036; pay in installments	1.75%~2.22%	173,636	447,364
Medium-term and long-term syndicated loans				
Cheng Uei	Borrowing period is from March 2017 to March 2022. The Company may issue a drawing application before the maturity date of borrowing to directly repay the loan principal that was originally expired.	1.79%	2,400,000	<u>5,600,000</u>
				14,668,315
Less: Current portion				<u>( 1,222,430)</u>
				<u>\$ 13,445,885</u>

A. In November 2020, the Group signed a medium-term syndicated revolving NTD credit facility agreement with the Bank of Taiwan as the lead bank. The terms of agreement are summarised below:

- (a) Duration of loan: The loan period of the agreement was 5 years from the agreement signing date.
- (b) Credit line and draw-down: The credit line was NT\$8,000,000 thousand, which can be drawn down in installments of at least NT\$100,000 thousand per draw-down.
- (c) Principal repayment: The duration of each loan drawn down is either 90 days or 180 days at the Company's option. The Company, if without any default, may submit an application to the banks to draw down a new loan with principal equal to the original loan before its maturity, and the new loan is directly used to repay the original loan. The banks and the Company are not required to make remittances for such draw-down and repayment, which is viewed that the Company has received the new loan on the maturity of original loan.
- (d) Commitment: The Company should maintain the following financial ratios during the contract duration for semi-annual consolidated and annual consolidated financial statements:
- i. Current assets to current liabilities ratio of at least 1:1;
  - ii. Liabilities not exceeding 200% of tangible net equity;
  - iii. Interest coverage of at least 400%; and
  - iv. Total equity of at least NT\$15,000,000 thousand.
- (e) The loan period is decided by the borrower. The borrower may choose to early repay the loans during the contract period according to the syndicated loan contract.
- B. The Company entered into the borrowing contracts with Bank SinoPac, Taipei Fubon and Far Eastern International Bank, and the total credit line is \$4,000 thousand. As of March 31, 2021, the borrowings that have been used amounted to \$2,900 thousand. In the duration period of these contracts, the financial ratios in the semi-annual consolidated and annual consolidated financial statements shall be as follows:
- (a) Current assets to current liabilities ratio of at least 1:1;
  - (b) Liabilities not exceeding 200% of tangible net equity;
  - (c) Interest coverage of at least 400%; and
  - (d) Tangible net equity of at least NT\$15,000,000 thousand.
- C. As of March 31, 2021, the borrowings that have been used amounted to as follows:

Company	Bank	Credit line	Amount of borrowings used
The Company	Mizuho Bank	\$ 900,000	\$ 900,000
The Company	E.Sun Bank	500,000	-
The Company	First Bank	600,000	600,000
The Company	Jih Sun International Bank	500,000	100,000
The Company	DBS Bank	USD 35,000,000	1,000,000
The Company	Export-Import Bank of Republic of China	1,020,000	381,250
The Company	Cathay Bank	500,000	500,000
The Company	Yuanta Commercial Bank	300,000	300,000
The Company	Entie Commercial Bank	500,000	-

Company	Bank	Credit line	Amount of borrowings used
FIT Holding	Yuanta Commercial Bank	300,000	300,000
FIT Holding	Jih Sun International Bank	100,000	50,000
Foxlink Image	Bank of Taiwan	300,000	300,000
Foxlink Image	Hua Nan Commercial Bank	200,000	200,000
Foxlink Image	Jih Sun International Bank	400,000	100,000
Foxlink Image	Taiwan Cooperative Bank	500,000	310,000
Foxlink Image	Entie Commercial Bank	300,000	200,000
Foxlink Image	Mega Commercial Bank (Note)	300,000	300,000
Foxlink Image	KGI Bank (Note)	400,000	250,000
PQI	Yuanta Commercial Bank	300,000	300,000
PQI	Hua Nan Commercial Bank	70,000	57,575
Glory Science	Chang Hwa Commercial Bank	145,000	145,000
Glory Science	Hua Nan Commercial Bank	95,000	95,000
Glory Science	Jih Sun International Bank	25,000	25,000
Glory Science	Export-Import Bank of Republic of China	192,000	192,000
Shinfox	Shanghai Commercial & Savings Bank, Ltd.	14,652	14,652
Shinfox	Chang Hwa Commercial Bank	1,442	1,442
Foxwell Energy	Mega Commercial Bank	235,378	235,378
Foxwell Energy	TSBank (Note)	131,689	69,969
Foxwell Energy	Bank SinoPac	588,718	64,425

Note: The credit line was shared by short-term and long-term borrowings.

#### (18) Pensions

A.(a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labour Standards Act, covering all regular employees' service years prior to the enforcement of the Labour Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labour standards Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labour pension reserve account by the end of December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method, to the employees expected to be qualified for retirement next year, the Company and its domestic subsidiaries will make contributions to cover the deficit by next March.



- (b) The pension costs under the abovementioned defined contribution plan for the three months ended March 31, 2021 and 2020 were \$571 and \$1,178, respectively.
- (c) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2022 amount to \$100,000.
- B.(a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a funded defined contribution pension plan (the “New Plan”) under the Labour Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contributes monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labour Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.
- (b) The Company’s Mainland China subsidiaries have a funded defined contribution plan. Monthly contributions are based on the employees’ monthly salaries (the contribution ratio for the three months ended March 31, 2021 and 2020 is between 10.2%~21%) and wages to an independent fund administered by the government in accordance with the pension regulations. Other than the monthly contributions, the Group has no further obligations.
- (c) The pension costs under the abovementioned defined contribution pension plan for the three months ended March 31, 2021 and 2020 were \$203,869 and \$123,178, respectively.

(19) Share capital

A. As of March 31, 2021, the Company’s authorised common stock was \$7,000,000 (including 50,000,000 shares reserved for the issuance of employees’ warrants), and the issued and outstanding shares were both 484,823,940 shares.

B. Treasury shares

Before becoming a subsidiary, Foxlink Image Technology Co., Ltd. held the parent’s capital stock for general investment purpose. The company did not purchase more equity instruments after acquiring control over Foxlink Image on October 1, 2018. As of March 31, 2021, December 31, 2020 and March 31, 2020, the detailed information of Foxlink Image’s parent equity shares is as follows:

	<u>March 31, 2020</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Thousand shares	<u>27,503</u>	<u>27,503</u>	<u>27,503</u>
Book value	<u>\$ 272,066</u>	<u>\$ 272,066</u>	<u>\$ 272,066</u>

(20) Capital surplus

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

	2021					
	Share premium	Treasury share transactions	Difference between proceeds from acquisition or disposal of subsidiary and book value	Changes in ownership interests in subsidiaries	Change in net equity of associates accounted for under the equity method	Total
At January 1	\$ 9,337,850	\$ 113,077	\$ 128,482	\$ 3,336	\$ 246,001	\$ 9,828,746
Adjustments due to not participating in the capital increase of investees proportionately	-	-	32,504	394	238	33,136
At March 31	<u>\$ 9,337,850</u>	<u>\$ 113,077</u>	<u>\$ 160,986</u>	<u>\$ 3,730</u>	<u>\$ 246,239</u>	<u>\$ 9,861,882</u>
	2020					
	Share premium	Treasury share transactions	Difference between proceeds from acquisition or disposal of subsidiary and book value	Changes in ownership interests in subsidiaries	Change in net equity of associates accounted for under the equity method	Total
At January 1	\$ 9,337,850	\$ 44,320	\$ 7,313	\$ 3,374	\$ 78,860	\$ 9,471,717
Adjustments due to not participating in the capital increase of investees proportionately	-	-	-	-	(145)	(145)
At March 31	<u>\$ 9,337,850</u>	<u>\$ 44,320</u>	<u>\$ 7,313</u>	<u>\$ 3,374</u>	<u>\$ 78,715</u>	<u>\$ 9,471,572</u>

(21) Retained earnings

A. Based on the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve. The appropriation of remainder shall be proposed by the Board of Directors and be resolved by the shareholders.

B. According to the Company's Articles of Incorporation, no more than 90% of the distributable retained earnings shall be distributed as stockholders' bonus and cash dividend distributed in any calendar year shall be at least 20% of the total distributable earnings in that year based on future capital expenditures budget and capital requirements.

- C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.
- D. (a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
- (b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Order No. Financial-Supervisory-Securities-Corporate-1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently.
- (c) As of January 1, 2018, the amounts previously set aside by the Company as special reserve for the initial application of IFRSs amounted to \$665,206. Furthermore, the Company did not reverse special reserve to retained earnings for the three months ended March 31, 2021 and 2020 as a result of the use, disposal or reclassification of related assets. As of March 31, 2021, December 31, 2020 and March 31, 2020, the amount of special reserve set aside for the initial application of IFRSs all amounted to \$665,206.
- E. On March 26, 2021, the Company's Board of Directors proposed the appropriation of 2020's net income as shown below. Details of the appropriation of 2019's net income which was resolved at the stockholders' meeting on June 19, 2020 are as follows:

	Three months ended March 31, 2020		Three months ended March 31, 2019	
	Amount	Dividend per share (NTD)	Amount	Dividend per share (NTD)
Legal reserve	\$ 195,628	\$ -	\$ 198,736	\$ -
Special reserve	( 298,188)	-	724,633	-
Cash dividends	<u>1,280,817</u>	<u>2.5</u>	<u>1,280,817</u>	<u>2.5</u>
Total	<u>\$ 1,178,257</u>	<u>\$ 2.5</u>	<u>\$ 2,204,186</u>	<u>\$ 2.5</u>

(22) Other equity items

	2021		
	Financial assets at fair value through other comprehensive income	Translation of foreign financial statements	Total
At January 1	(\$ 306,223)	(\$ 1,730,123)	(\$ 2,036,346)
Valuation adjustment			
- Group	-	( 235,937)	( 235,937)
- Associates	-	( 4,007)	( 4,007)
Currency translation differences:			
- Group	14,896	-	14,896
- Associates	5,883	-	5,883
At March 31	(\$ 285,444)	(\$ 1,970,067)	(\$ 2,255,511)

	2020		
	Financial assets at fair value through other comprehensive income	Translation of foreign financial statements	Total
At January 1	(\$ 255,079)	(\$ 2,079,456)	(\$ 2,334,535)
Valuation adjustment			
- Group	-	-	-
- Associates	-	-	-
Currency translation differences:			
- Group	-	( 187,735)	( 187,735)
- Associates	-	( 19,934)	( 19,934)
At March 31	(\$ 255,079)	(\$ 2,287,125)	(\$ 2,542,204)

(23) Operating revenue

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods over time and at a point in time in the following major product lines and generates related revenue in each reportable segment:

	Three months ended March 31,	
	2021	2020
3C component	\$ 7,685,494	\$ 6,836,771
Systems and peripheral products	7,837,291	6,791,307
3C product retail	3,774,016	2,314,842
Others	577,361	68,364
Total	\$ 19,874,162	\$ 16,011,284

## B. Contract liabilities

The Group has recognised the following revenue-related contract liabilities:

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Contract liabilities:			
Contract liabilities-advance sales receipts	\$ 1,020,126	\$ 896,775	\$ 885,385

Revenue recognised that was included in the contract liability balance at the beginning of the period:

	<u>Three months ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
Revenue recognised that was included in the contract liability balance at the beginning of the year		
Sales revenue received in advance	<u>\$ 171,984</u>	<u>\$ 251,872</u>

### (24) Interest income

	<u>Three months ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
Interest income from bank deposits	<u>\$ 21,364</u>	<u>\$ 25,401</u>

### (25) Other income

	<u>Three months ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
Rental revenue	\$ 4,296	\$ 4,328
Other revenue-other	126,098	111,125
	<u>\$ 130,394</u>	<u>\$ 115,453</u>

### (26) Other gains and losses

	<u>Three months ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
Loss on disposal of property, plant and equipment	(\$ 326)	(\$ 9,682)
Gain on disposal of investments	3,617	1,025
Net currency exchange gains	2,691	45,472
Depreciation charge on investment property	( 3,243)	( 3,215)
Other gains and losses	( 5,221)	266
	<u>(\$ 2,482)</u>	<u>\$ 33,866</u>

(27) Finance costs

	Three months ended March 31,	
	2021	2020
Interest expense:		
Bank borrowings	\$ 45,393	\$ 68,519
Corporate bonds	35,942	11,533
Lease liabilities	2,385	2,187
	<u>\$ 83,720</u>	<u>\$ 82,239</u>

(28) Expenses by nature

	Three months ended March 31,	
	2021	2020
Employee benefit expense	\$ 3,106,078	\$ 2,490,729
Depreciation expense	784,272	806,182
Amortisation charges on intangible assets	26,878	28,526
Transportation expense	175,123	136,268
Advertising costs	12,722	15,638
Operating lease payments	40,985	30,256
Manufacture costs and operating expenses	<u>\$ 4,146,058</u>	<u>\$ 3,507,599</u>

(29) Employee benefit expense

	Three months ended March 31,	
	2021	2020
Wages and salaries	\$ 2,658,889	\$ 2,172,041
Labour and health insurance fees	133,618	113,779
Pension costs	204,440	124,356
Other personnel expenses	109,131	80,553
	<u>\$ 3,106,078</u>	<u>\$ 2,490,729</u>

- A. According to the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' and supervisors' remuneration. The ratio shall not be lower than 6% for employees' compensation and shall not be higher than 3% for directors' and supervisors' remuneration.
- B. For the three months ended March 31, 2021 and 2020, employees' compensation was accrued at \$1,948 and \$4,308, respectively; directors' and supervisors' remuneration was both accrued at \$0. The aforementioned amounts were recognised in salary expenses.
- C. The employees' compensation and directors' and supervisors' remuneration were estimated and accrued based on the distributable profit of current period for the three months ended March 31, 2021 and percentage as prescribed by the Company's Articles of Incorporation.

- D. Employees' compensation and directors' and supervisors' remuneration of 2020 as resolved at the Board of Directors were in agreement with those amounts recognised in the profit or loss of 2020.
- E. Information about employees' compensation and directors' and supervisors' remuneration of the Company as approved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(30) Income tax

A. Income tax expense

(a) Components of income tax expense:

	<u>Three months ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
Current tax:		
Tax payable incurred in current period	\$ 142,888	\$ 48,744
Prior year income tax overestimation	( 10,850)	( 316)
Total current tax	<u>132,038</u>	<u>48,428</u>
Deferred tax:		
Origination and reversal of temporary differences	<u>34,846</u>	( 12,208)
Total deferred tax	<u>34,846</u>	( 12,208)
Income tax expense	<u>\$ 166,884</u>	<u>\$ 36,220</u>

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

	<u>Three months ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
Currency translation differences	(\$ 59,986)	(\$ 51,297)
Remeasurement of defined benefit obligations	<u>-</u>	<u>-</u>
	<u>(\$ 59,986)</u>	<u>(\$ 51,297)</u>

B. The latest year of the Company's and its domestic subsidiaries' income tax returns that have been assessed and approved by the Tax Authority is as follows:

	<u>Status of Assessment</u>
LM and Proconn	Assessed and approved up to 2020
DU Precision, WCT, FAT, Jing Jing, Zhi De Investment, FII, Darts, PSI (Note), Shinfox, Foxwell Energy, Shinfox Natural Gas and Foxwell Power	Assessed and approved up to 2019
The Company, Straight A, Studio A, VA, Suntain, FUII, Foxlink Image, PQI and Glory Science	Assessed and approved up to 2018

Note: The PSI's income tax returns through 2018 have not yet been assessed and approved by the Tax Authority.

(31) Earnings per share

	Three months ended March 31, 2021		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 25,427	484,824	\$ 0.05
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 25,427	484,824	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	41	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 25,427	484,865	\$ 0.05

	Three months ended March 31, 2020		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 20,817	484,824	\$ 0.04
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 20,817	484,824	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	147	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 20,817	484,971	\$ 0.04

(32) Transactions with non-controlling interest

A. Disposal of equity interest in a subsidiary (that did not result in a loss of control)

In March 2021, the Group disposed of 25% of shares of its subsidiary - Shih Fong Power Co., Ltd. for a total cash consideration of \$690,000. The carrying amount of non-controlling interest in Shih Fong Power Co., Ltd. was \$588,281 at the disposal date. This transaction resulted in an increase in the non-controlling interest by \$612,793 and an increase in the equity attributable to



owners of the parent by \$77,207.

In November 2020, the Group disposed of 1.9% of shares of its subsidiary - Shinfox Energy Co., Ltd. for a total cash consideration of \$81,497. The carrying amount of non-controlling interest in Shinfox Energy Co., Ltd. was \$499,185 at the disposal date. This transaction resulted in an increase in the non-controlling interest by \$24,097 and an increase in the equity attributable to owners of the parent by \$57,400.

B. The Group did not participate in the capital increase raised by the subsidiaries and second-tier subsidiary proportionally to its interest to the subsidiary

The subsidiary, Shih Fong Power Co., Ltd. and the second-tier subsidiaries, Shinfox Energy Co., Ltd., Shinfox Natural Gas Co., Ltd. and Foxwell Power Co., Ltd. increased its capital by issuing new shares in 2020. The Group did not acquire shares proportionally to its interest. As a result, the Group decreased its share interest by 34%, 16%, 20% and 1%, respectively. The transaction decreased non-controlling interest by \$125,447 and increased the equity attributable to owners of parent by \$125,447.

(33) Supplemental cash flow information

Investment activities with partial cash payments:

	<u>Three months ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
Purchase of property, plant and equipment	\$ 392,178	\$ 401,775
Add: Opening balance of payable on equipment	583,447	548,763
Less: Ending balance of payable on equipment	( 556,082)	( 435,267)
Cash paid during the period	<u>\$ 419,543</u>	<u>\$ 515,271</u>

(34) Changes in liabilities from financing activities

	<u>2021</u>					<u>Liabilities from financing activities - gross</u>
	<u>Short-term borrowings</u>	<u>Short-term notes and bills payable</u>	<u>Corporate bonds payable</u>	<u>Long-term borrowings</u>	<u>Lease liabilities</u>	
At January 1	\$ 4,341,582	\$ 387,222	\$ 6,574,982	\$ 12,825,768	\$ 417,534	\$ 24,547,088
Changes in cash flow from financing activities	( 1,110,469)	190,681	-	265,923	( 59,929)	( 713,794)
Impact of changes in foreign exchange rate	( 904)	-	-	-	( 948)	( 1,852)
Interest expense	-	-	-	-	2,385	2,385
Changes in other non-cash items	-	-	771	-	88,314	89,085
At March 31	<u>\$ 3,230,209</u>	<u>\$ 577,903</u>	<u>\$ 6,575,753</u>	<u>\$ 13,091,691</u>	<u>\$ 447,356</u>	<u>\$ 23,922,912</u>

2020

	Short-term borrowings	Short-term notes and bills payable	Corporate bonds payable	Long-term borrowings	Lease liabilities	Liabilities from financing activities - gross
At January 1	\$ 2,038,744	\$ 374,942	\$ 2,987,655	\$ 12,907,993	\$ 520,737	\$ 18,830,071
Changes in cash flow from financing activities	1,208,182	( 101,362)	-	1,761,481	( 70,874)	2,797,427
Impact of changes in foreign exchange rate	-	-	-	( 1,159)	29,054	27,895
Interest expense	-	-	-	-	2,187	2,187
Changes in other non-cash items	-	-	397	-	9,816	10,213
At March 31	\$ 3,246,926	\$ 273,580	\$ 2,988,052	\$ 14,668,315	\$ 490,920	\$ 21,667,793

## 7. RELATED PARTY TRANSACTIONS

### (1) Names of related parties and relationship

Names of related parties	Relationship with the Group
Well Shin Technology Co., Ltd. (Well Shin)	Associate
Sharetronic Data Technology Co., Ltd. (Sharetronic)	Associate
Microlink Communications Inc. (Microlink)	Associate
Central Motion Picture Corporation (Central Motion Picture)	Associate
Deepwaters Digital Support Inc. (Deepwaters)	Associate
Dongguan Banrin Robot Technology Co., Ltd. (Banrin)	Associate
Hsin Hung International Investment Co., Ltd. (HSIN HUNG)	Other related party
Hon Hai Precision Industry Co., Ltd. (Hon Hai)	Other related party
Changde Kingplus Electronic Technology CO., LTD. (Changde Kingplus)	Other related party
Dongguan Kingplus Precision Electronic Technology Co., Ltd.	Other related party
Foxwell Energy Co., Ltd.	Other related party
Changyuan Wind Power Ltd.	Other related party(Note)
Beiyuan Wind Power Ltd.	Other related party(Note)
Shinfox Power Co., Ltd.	Other related party(Note)

Note: Changyuan Wind Power Ltd., Beiyuan Wind Power Ltd. and Shinfox Power Co., Ltd. were sold to Foxwell Energy Co., Ltd and became other related parties since November 30, 2020.

(2) Significant related party transactions

A. Operating revenue

	Three months ended March 31,	
	2021	2020
Sales of goods:		
- Associates	\$ 52	\$ 1,723
- Other related parties	218,244	372,314
	<u>\$ 218,296</u>	<u>\$ 374,037</u>
Sales of services:		
-Associates	\$ 237	\$ -
-Other related parties	392,232	-
	<u>\$ 392,469</u>	<u>\$ -</u>

(a) All the credit terms on sales to related parties were 120 to 180 days after monthly billings. The credit terms on sales to third parties were 30 to 120 days after monthly billing or upon shipment of goods, except for receivables arising from the sales of tooling that are collectible upon acceptance by customers.

(b) The Group's sales of services to the abovementioned related parties refer to construction revenue and service revenue from contracts such as electricity sales revenue charged from the contracted construction agreements, contracted agreements for development, design, manufacture and supervision of construction and the operation and maintenance contract for wind turbine generator system (WTGS) entered with other related parties, and the transaction price and credit terms are the same with the market situation or the general customers.

B. Operating costs

	Three months ended March 31,	
	2021	2020
Purchases of goods:		
- Associates	\$ 61,469	\$ 57,356
- Other related parties	200,038	145,959
	<u>\$ 261,507</u>	<u>\$ 203,315</u>

The purchase price in relation to the transaction made with related parties is based on mutual agreement. All purchases from related parties are at arm's-length. Payment period was 60 to 120 days after receipt of goods from suppliers.

C. Research and development expense - Technical Service Compensation

	Three months ended March 31,	
	2021	2020
Technical service compensation:		
- Associates	\$ -	\$ 1,153

The Group entered into technical service contracts with related parties for providing the Company with research and development services. The payment terms are based on mutual agreement.

D. Receivables from related parties

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Accounts receivable:			
- Other related parties	\$ 524,325	\$ 522,791	\$ 583,007
- Associates	69,244	80,914	73,417
	<u>\$ 593,569</u>	<u>\$ 603,705</u>	<u>\$ 656,424</u>
Other receivables (Financing):			
- Associates			
Microlink	\$ 55,000	\$ 55,000	\$ 67,000
Other receivables (Others):			
- Associates	55,706	-	28,519
- Other related parties	9,169	868	-
	<u>\$ 119,875</u>	<u>\$ 55,868</u>	<u>\$ 95,519</u>

Other receivables mainly refer to the rental income received from related parties, and the collection terms are based on mutual agreement.

E. Payables to related parties:

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Accounts payable:			
- Associates	\$ 57,283	\$ 50,184	\$ 86,559
- Other related parties	68,832	110,542	79,794
	<u>\$ 126,115</u>	<u>\$ 160,726</u>	<u>\$ 166,353</u>
Other payables-Receipts under custody:			
- Associates	\$ 16,545	\$ 15,612	\$ 16,600
	<u>\$ 16,545</u>	<u>\$ 15,612</u>	<u>\$ 16,600</u>

F. Lease transactions - lessee

(a) The Group leases buildings from related parties. Rental contracts are typically made for periods of 3 years. Rents are paid at the end of the month.

(b) Lease liability

i. Outstanding balance:

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Associates	\$ 16,496	\$ 17,962	\$ 3,692
Other related parties	-	-	7,148
	<u>\$ 16,496</u>	<u>\$ 17,962</u>	<u>\$ 10,840</u>

ii. Interest expense

	Three months ended March 31,	
	2021	2020
Associates	\$ 66	\$ 15
Other related parties	-	38
	<u>\$ 66</u>	<u>\$ 53</u>

(3) Key management compensation

	Three months ended March 31,	
	2021	2020
Salaries and other short-term employee benefits	\$ 16,622	\$ 26,023
Post-employment benefits	537	726
Total	<u>\$ 17,159</u>	<u>\$ 26,749</u>

8. PLEDGED ASSETS

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

Pledged asset	Book value			Purpose
	March 31, 2021	December 31, 2020	March 31, 2020	
Property, plant and equipment	\$ 934,408	\$ 951,953	\$ 585,796	Short-term notes and bills, short- and long-term borrowings
Repatriation of capital from Taiwan's offshore companies (shown as financial assets at amortised cost-current)	178,162	178,162	908,291	Repatriation of capital from Taiwan's offshore companies
Restricted deposits and time deposits-current (shown as financial assets at amortised cost-current)	4,874,534	5,563,959	230,520	Customs deposit, guarantee for L/C issued for purchases of materials, government grants coupon trust and construction performance security deposit
Refundable deposits (shown as other non-current assets)	247,669	227,033	187,928	Customs deposit, plant deposit and rental performance security deposit
Restricted deposits and time deposits-non-current (shown as financial assets at amortised cost-non-current)	145,932	146,394	144,414	Litigation deposit and collateral for long-term borrowings
Refundable deposits (shown as other current assets)	3,107	3,107	-	Construction performance security deposit
	<u>\$ 6,383,812</u>	<u>\$ 7,070,608</u>	<u>\$ 2,056,949</u>	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

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

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Property, plant and equipment	\$ 395,478	\$ 622,708	\$ 897,600

(2) On March 31, 2021, December 31, 2020 and March 31, 2020, the Group entered into contracts for construction cooperation with non-related parties for contract prices amounting to \$16,167,729, \$14,041,394 and \$1,520,702, respectively. As of March 31, 2021, December 31, 2020 and March 31, 2020, the outstanding construction prices amounted to \$15,336,792, \$13,191,348 and \$594,181, respectively.

(3) As of March 31, 2021, December 31, 2020 and March 31, 2020, the letters of guarantee to be issued by the bank, which are required for contracting the Phase II of Taipower's Offshore Wind Power Project, the "Wind Farm Property Procurement and Installation Project", amounted to \$5,400,000, \$5,400,000 and \$0, respectively, of which the amounts of collateral pledged by the Group to the banks (shown as financial assets at amortised cost) were \$4,800,000, \$5,400,000 and \$0, respectively, and the amounts of collateral pledged by using the letters of guarantee issued by the subcontractor were \$600,000, \$0 and \$0, respectively.

(4) As of March 31, 2021, December 31, 2020 and March 31, 2020, the letters of guarantee to be issued by the bank, which are required for contracting the Solar System Integration Project, amounted to \$1,095,850, \$282,681 and \$284,990, respectively.

(5) On August 13, 2020, the Group entered into an equipment procurement contract and an operation and maintenance contract with Taiwan Power Company for the Phase II of Taipower's Offshore Wind Power Project, and the "Wind Farm Property Procurement and Installation Project" amounted to \$56,588,000 and \$6,300,000, respectively. The terms of the equipment procurement contract specifies that the Company shall complete the foundation construction for wind turbine generator system and offshore substation as of September 30, 2024, shall complete all wind turbine generator system which shall be under the security constrained dispatch process as of December 31, 2025, shall complete the whole construction as of December 31, 2025 and shall provide 2 years warranties from the date of completion and acceptance of the whole construction. In addition, the equipment shall provide guaranteed generating capacity. The performance term of this project is divided into stages progress and the final completion deadline. The default penalty shall be computed until the termination date of the contract according to each stage of the project. The operation and maintenance contract specifies the terms such as the guaranteed annual availability and default penalty of all wind turbine generator system as well as the relevant rights and obligations of both parties. The contract period is 5 years from the time when all wind turbine generator system are under the security constrained dispatch process.

- (6) The Group entered into an operation and maintenance contract with Changyuan Wind Power Ltd., Beiyuan Wind Power Ltd. and Shinfox Power Co., Ltd. for wind turbine generator system and solar energy equipment. The contract specifies the terms such as the bonus and penalty of operation and maintenance as well as the relevant rights and obligations of both parties. The contract period is for 20 years from the parallel connection date. Please refer to Note 7 for the payment charged.
- (7) Central Motion Picture Corporation (the “Central Motion Picture”), an equity method investment of the Group, was determined to be an affiliate organisation of the Kuomintang by the Ill-gotten Party Assets Settlement Committee (the “Ill-gotten Party”) in its written disposition, Dang-Chan-Chu-Zi No. 107007, issued on October 9, 2018. Under paragraph 1, Articles 5 and 9 of the Act Governing the Settlement of Ill-gotten Properties by Political Parties and Their Affiliate Organisations (the “Act”), properties were held by the Central Motion Picture when the Act was released on August 10, 2016 are considered as unjustly received properties. The presumed ill-gotten party assets as prescribed in the preceding paragraph 1 of Article 5 are prohibited from being transferred or disposed since from the date of promulgation of this Act. However, this limit is not applicable if it is necessary to perform its legal duties or other justifiable reasons. The properties held by the Central Motion Picture are considered as unjustly received properties; however, their existing rights in leases, superficies, mortgage or pawning are not affected if Ill-gotten Party considers such assets as unjustly received assets and then orders the bona fide third party to transfer such assets to the State, local self-governing bodies, or original owners. Under Article 16, the Central Motion Picture may file an administrative litigation (an action for revocation) in the Taipei High Administrative Court within two months after the aforementioned written disposition was served. In addition, the Central Motion Picture may file for a suspension of execution under Paragraph 2, Article 116 of the Administrative Litigation Act. On December 12, 2018, Central Motion Picture Corporation submitted cause of action to the Taipei High Administrative Court, which ruled to approve the suspension of execution in January 2020. However, Ill-gotten Party subsequently filed an appeal against the ruling, and it was dismissed by the High Administrative Court in February 2020. Meanwhile, Central Motion Picture filed a revocation action with the Taipei High Court, and it was pending approval as of January 14, 2020. As of the financial reporting date, the possible result of this litigation cannot be determined.

#### 10. SIGNIFICANT DISASTER LOSS

None.

#### 11. SIGNIFICANT SUBSEQUENT EVENTS

On May 14, 2021, the Board of Directors of the Company resolved to increase capital in the subsidiary, CU INTERNATIONAL LTD. amounting to USD 10 million.

## 12. OTHERS

### (1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the actual financial condition.

### (2) Financial instruments

#### A. Financial instruments by category

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
<u>Financial assets</u>			
Financial assets at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	\$ -	\$ -	\$ 121,693
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	1,198,722	986,704	938,379
Financial assets at amortised cost/loans and receivables			
Cash and cash equivalents	8,803,326	10,993,540	8,426,693
Financial assets at amortised cost	5,856,250	6,553,947	1,448,575
Notes receivable	26,541	35,124	18,508
Accounts receivable	12,810,923	16,913,935	11,636,975
Other receivables	447,964	259,467	319,360
Guarantee deposits paid	250,776	230,140	187,928
	<u>\$ 29,394,502</u>	<u>\$ 35,972,857</u>	<u>\$ 23,098,111</u>
	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
<u>Financial liabilities</u>			
Financial liabilities at amortised cost			
Short-term borrowings	\$ 3,230,209	\$ 4,341,582	\$ 3,246,926
Short-term notes and bills payable	577,903	387,222	273,580
Notes payable	5,911	155	240
Accounts payable	14,217,485	17,681,996	10,397,367
Other accounts payable	4,369,553	4,778,465	4,651,027
Corporate bonds payables	6,575,753	6,574,982	2,988,052
Lease liability	447,356	417,534	490,920
Long-term borrowings (including current portion)	13,091,691	12,825,768	14,668,315
Guarantee deposits received	41,642	25,370	28,382
	<u>\$ 42,557,503</u>	<u>\$ 47,033,074</u>	<u>\$ 36,744,809</u>



## B. Risk management policies

- (a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial position and financial performance.
- (b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, and credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

## C. Significant financial risks and degrees of financial risks

### (a) Market risk

#### Foreign exchange risk

- i. The Group operates internationally and is exposed to exchange rate risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD and RMB. Exchange rate risk arises from future commercial transactions and recognised assets and liabilities.
- ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury. Exchange rate risk is measured through a forecast of highly probable USD and RMB expenditures. Forward foreign exchange contracts are adopted to minimise the volatility of the exchange rate affecting cost of forecast inventory purchases.
- iii. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: RMB and HKD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

March 31, 2021

	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 386,495	28.54	\$ 11,030,567
RMB : NTD	56,906	4.34	246,972
HKD : NTD	55,773	3.67	204,687
EUR : NTD	390	33.48	13,057
JPY : NTD	513,379	0.26	133,479
USD : RMB	5,522	6.56	157,598
USD : HKD	115	7.78	3,282
RMB : HKD	426	1.18	1,849
<u>Non-monetary items</u>			
RMB : USD	\$ 812,907	0.15	\$ 121,936
RMB : HKD	240,092	1.18	1,041,998
INR : USD	100,508	0.01	39,198
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	\$ 298,106	28.54	\$ 8,507,945
RMB : NTD	556	4.34	2,413
HKD : NTD	7,210	3.67	26,461
EUR : NTD	63	33.48	2,109
JPY : NTD	11,351	0.26	2,951
USD : RMB	89,526	6.56	2,555,072
USD : HKD	775	7.78	22,119
RMB : HKD	2,613	1.18	11,340

				December 31, 2020		
				Foreign currency amount		Book value
				(In thousands)	Exchange rate	(NTD)
(Foreign currency: functional currency)						
<u>Financial assets</u>						
<u>Monetary items</u>						
USD : NTD	\$	463,814		28.48	\$	13,209,423
RMB : NTD		3,671		4.38		16,079
HKD : NTD		50,761		3.67		186,293
EUR : NTD		352		35.02		12,327
JPY : NTD		44,194		0.28		12,374
USD : RMB		4,387		6.52		124,942
EUR : RMB		41		8.00		1,436
<u>Non-monetary items</u>						
RMB : HKD	\$	960,569		1.19	\$	1,144,680
INR : NTD		100,064		0.39		39,010
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD : NTD	\$	360,412		28.48	\$	10,264,534
RMB : NTD		556		4.38		2,435
HKD : NTD		4,465		3.67		16,387
EUR : NTD		101		35.02		3,537
JPY : NTD		8,124		0.28		2,275
USD : RMB		836		6.52		23,809
				March 31, 2020		
				Foreign currency amount		Book value
				(In thousands)	Exchange rate	(NTD)
(Foreign currency: functional currency)						
<u>Financial assets</u>						
<u>Monetary items</u>						
USD : NTD	\$	333,511		30.23	\$	10,142,498
RMB : NTD		289,068		4.26		1,231,430
HKD : NTD		3,567		3.90		13,911
EUR : NTD		246		33.24		8,177
JPY : NTD		159,444		0.28		44,644
USD : HKD		4,625		7.75		139,791
USD : RMB		80,470		7.10		2,432,608
<u>Non-monetary items</u>						
RMB : HKD	\$	204,580		1.09	\$	870,489
USD : HKD		2,107		7.75		63,680
INR : NTD		92,241		0.40		36,983
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD : NTD	\$	233,629		30.23	\$	7,062,605
RMB : NTD		23,558		4.26		100,357
HKD : NTD		10,744		3.90		41,902
EUR : NTD		111		33.24		3,690
JPY : NTD		56,279		0.28		15,758
USD : HKD		3,795		7.75		114,723
RMB : HKD		249,035		1.09		1,060,889
USD : RMB		193,373		7.10		5,845,666

- iv. The total exchange gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the three months ended March 31, 2021 and 2020 amounted to \$2,691 and \$45,472, respectively.
- v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

	Three months ended March 31, 2021		
	Sensitivity Analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	1%	\$ 110,306	\$ -
RMB : NTD	1%	2,470	-
HKD : NTD	1%	2,047	-
EUR : NTD	1%	131	-
JPY : NTD	1%	1,335	-
USD : RMB	1%	1,576	-
USD : HKD	1%	33	-
RMB : HKD		18	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	1%	\$ 85,079	\$ -
RMB : NTD	1%	24	-
HKD : NTD	1%	265	-
EUR : NTD	1%	21	-
JPY : NTD	1%	30	-
USD : RMB	1%	25,551	-
USD : HKD	1%	221	-
RMB : HKD	1%	113	-

Three months ended March 31, 2020

Sensitivity Analysis

	Degree of variation		Effect on profit or loss		Effect on other comprehensive income
(Foreign currency: functional currency)					
<u>Financial assets</u>					
<u>Monetary items</u>					
USD : NTD	1%	\$	101,425	\$	-
RMB : NTD	1%		12,314		-
HKD : NTD	1%		139		-
EUR : NTD	1%		82		-
JPY : NTD	1%		446		-
USD : HKD	1%		1,398		-
USD : RMB	1%		24,326		-
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD : NTD	1%	\$	70,626	\$	-
RMB : NTD	1%		1,004		-
HKD : NTD	1%		419		-
EUR : NTD	1%		37		-
JPY : NTD	1%		158		-
USD : HKD	1%		1,147		-
RMB : HKD	1%		10,609		-
USD : RMB	1%		58,457		-

Price risk

- i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.
- ii. The Group's investments in equity securities comprise domestic or foreign listed and unlisted stocks. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant. Other components of equity for the three months ended March 31, 2021 and 2020 would have increased (decreased) by \$9,590 and \$7,507, respectively, as a result of gains/losses on equity securities other comprehensive income classified as equity investment at fair value through other comprehensive income.

### Cash flow and fair value interest rate risk

- i. The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. The Group's interest rates of borrowings are fixed and floating rate. For the three months ended March 31, 2021 and 2020, the Group's borrowings issued by floating rate are priced in New Taiwan dollars and Renminbi.
- ii. As of March 31, 2021, December 31, 2020 and March 31, 2020, if interest rates on borrowings at that date had been 1% lower/higher with all other variables held constant, post-tax profit for the three months ended March 31, 2021 and 2020 would have been \$104,734, \$102,606 and \$117,347 lower/higher, respectively, mainly as a result of higher interest expense on floating rate borrowings.

### (b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms.
- ii. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.
- iii. Group treasury manages credit risk of cash in banks and other financial instruments based on the Group's credit policy. Because the Group's counterparties are determined based on the Group's internal control, only rated banks with an optimal rating and financial institutions with investment grade are accepted.
- iv. The Group adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition. If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.  
The Group adopts the assumptions under IFRS 9 and considers the industry characteristics, the default occurs when the contract payments are past due over 120 days.
- v. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:
  - (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganisation due to their financial difficulties;
  - (ii) A breach of contract.

- vi. The Group classifies customers' accounts receivable in accordance with customer types. The Group applies the simplified approach using provision matrix to estimate expected credit loss under the provision matrix basis.
- vii. The Group used the forecastability of Taiwan Institute of Economic Research boom observation report to adjust historical and timely information to assess the default possibility of accounts receivable. As of March 31, 2021, December 31, 2020 and March 31, 2020, the provision matrix is as follows:

	Not past due	Up to 30 days past due	31~120 days past due	Over 120 days	Total
<u>At March 31, 2021</u>					
Expected loss rate	0.04%	2.38%	12.83%	100%	
Total book value	\$ 11,339,421	\$ 768,413	\$ 151,467	\$ 44,441	\$ 12,303,742
Loss allowance	\$ 4,257	\$ 18,261	\$ 19,429	\$ 44,441	\$ 86,388
<u>At December 31, 2020</u>					
Expected loss rate	0.04%	4.71%	16.18%	100%	
Total book value	\$ 15,576,348	\$ 681,975	\$ 106,863	\$ 63,416	\$ 16,428,602
Loss allowance	\$ 5,518	\$ 32,147	\$ 17,292	\$ 63,416	\$ 118,373
<u>At March 31, 2020</u>					
Expected loss rate	0.04%	1.34%	9.89%	100%	
Total book value	\$ 9,811,271	\$ 972,430	\$ 230,563	\$ 95,872	\$ 11,110,136
Loss allowance	\$ 3,951	\$ 13,073	\$ 16,689	\$ 95,872	\$ 129,585

- viii. Movements in relation to the group applying the simplified approach to provide loss allowance for accounts receivable are as follows:

	2021	2020
	Accounts receivable	Accounts receivable
At January 1	\$ 118,373	\$ 158,659
Reversal of impairment loss	( 31,764)	( 28,905)
Effect of foreign exchange	( 221)	( 169)
At March 31	<u>\$ 86,388</u>	<u>\$ 129,585</u>

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.

ii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. Except that the carrying amounts of notes payable, accounts payable and other payables are approximate to the amounts of contractual undiscounted cash flows and those accounts will expire within a year, the amounts of financial liabilities disclosed in the table are the contractual undiscounted cash flows:

Non-derivative financial liabilities:

March 31, 2021	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years
Short-term borrowings	\$ 3,306,902	\$ -	\$ -	\$ -	\$ -
Short-term notes and bills payable	586,376	-	-	-	-
Lease liabilities	170,352	105,283	60,414	25,637	105,716
Long-term borrowings (including current portion)	518,037	7,228,257	1,600,622	3,681,682	217,309

Non-derivative financial liabilities:

December 31, 2020	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years
Short-term borrowings	\$ 4,380,730	\$ -	\$ -	\$ -	\$ -
Short-term notes and bills payable	392,489	-	-	-	-
Lease liabilities	183,850	92,877	75,552	29,751	127,403
Long-term borrowings (including current portion)	511,435	6,381,062	2,199,349	3,681,215	207,793

Non-derivative financial liabilities:

March 31, 2020	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years
Short-term borrowings	\$ 3,301,637	\$ -	\$ -	\$ -	\$ -
Short-term notes and bills payable	277,371	-	-	-	-
Lease liabilities	203,844	111,936	49,450	48,330	94,757
Long-term borrowings (including current portion)	1,243,616	2,980,414	8,883,510	630,368	234,977

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

(3) Fair value information

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



Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in non-hedging derivatives is included in Level 2.

Level 3: Unobservable inputs for the asset or liability.

B. Fair value information of investment property at cost is provided in Note 6(11).

C. Financial instruments not measured at fair value

Except for those listed in the table below, the carrying amounts of cash and cash equivalents, notes receivable, accounts receivable, other receivables, short-term borrowings, short-term notes and bills payable notes payable, accounts payable, other payables and long-term borrowings are approximate to their fair values.

	March 31, 2021			
		Fair value		
	Book value	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	\$ 6,600,000	\$ -	\$ 6,575,753	\$ -
	December 31, 2020			
		Fair value		
	Book value	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	\$ 6,600,000	\$ -	\$ 6,574,982	\$ -
	March 31, 2020			
		Fair value		
	Book value	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	\$ 3,000,000	\$ -	\$ 2,988,052	\$ -

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

March 31, 2021	Level 1	Level 2	Level 3	Total
Assets :				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through other comprehensive income				
Equity securities	\$ -	\$ -	\$ 1,198,722	\$ 1,198,722

December 31, 2020	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets :				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through other comprehensive income				
Equity securities	\$ -	\$ -	\$ 986,704	\$ 986,704
March 31, 2020	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets :				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Non-capital guaranteed floating profit financial instruments	\$ -	\$ 121,693	\$ -	\$ 121,693
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	938,379	938,379
	<u>\$ -</u>	<u>\$ 121,693</u>	<u>\$ 938,379</u>	<u>\$ 1,060,072</u>

E. The methods and assumptions the Group used to measure fair value are as follows:

- (a) The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Listed shares</u>
Market quoted price	Closing price

- (b) Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes.
- (c) When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
- (d) The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.
- (e) The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

- (f) The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.
- F. For the three months ended March 31, 2021 and 2020, there was no transfer between Level 1 and Level 2.
- G. The following chart is the movement of Level 3 for the three months ended March 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
	<u>Equity securities</u>	<u>Equity securities</u>
At January 1	\$ 986,704	\$ 936,755
Recorded as unrealised losses on valuation of investments in equity instruments measured at fair value through other comprehensive income	39,000	-
Acquired in the period	173,760	-
Effect of exchange rate changes	( 742)	1,624
At March 31	<u>\$ 1,198,722</u>	<u>\$ 938,379</u>

- H. For the three months ended March 31, 2021 and 2020, there was no transfer into or out from Level 3.
- I. Group treasury is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.
- J. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	<u>Fair value at March 31, 2021</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (weighted average)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative equity instrument:					
Unlisted shares	\$ 1,198,722	Market comparable companies	Discount for lack of marketability	20%~30%	The higher the discount for lack of marketability, the lower the fair value
	<u>Fair value at December 31, 2020</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (weighted average)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative equity instrument:					
Unlisted shares	\$ 986,704	Market comparable companies	Discount for lack of marketability	20%~30%	The higher the discount for lack of marketability, the lower the fair value
	<u>Fair value at March 31, 2020</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (weighted average)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative equity instrument:					
Unlisted shares	\$ 938,379	Market comparable companies	Discount for lack of marketability	20%~30%	The higher the discount for lack of marketability, the lower the fair value

K. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. For financial assets and liabilities categorised within Level 3, there is no significant impact to other comprehensive income on March 31, 2021, December 31, 2020 and March 31, 2020 if the net asset value increase or decrease by 1%.

### 13. SUPPLEMENTARY DISCLOSURES

#### (1) Significant transactions information

For the three months ended March 31, 2021, except for financial statements of CU, FII, FUII, Zhi De Investment, FGEKS, FGEDG, DGFQ, FG XuZhou, FOXLINK, FIT Holding, PQI, APIX, Sinocity, DG, Glory Science, GLORY TEK, GLORY OPTICS, GLORY TEK (SAMOA), GLORY TEK SCIENSE INDIA, Glorytek Suzhou, GOYC, Glorytek Yancheng, YYWT, Foxlink Image, AITL, and Dongguan Fu Wei which were reviewed by independent auditors, the financial statements of other subsidiaries were not reviewed by independent auditors.

A. Loans to others: Please refer to table 1.

B. Provision of endorsements and guarantees to others: Please refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.

D. Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or

- 20% of the Company's paid-in capital: Please refer to table 4.
- E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: None.
  - F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: None.
  - G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 5.
  - H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 6.
  - I. Trading in derivative instruments undertaken during the reporting periods: None.
  - J. Significant inter-company transactions during the reporting periods: Please refer to table 7.

(2) Information on investees

For the information on investees, except for current profit (loss) for the three months ended March 31, 2021 that is translated using the monthly average exchange rate in 2021, others are translated using the spot rate at March 31, 2021.

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

(3) Information on investments in Mainland China

A. Processing on order plants invested in Mainland China:

In 1997, the Company rented plants located in Shenzhen and Dongguan, Guangdong Province, Mainland China, respectively, through the investee, CU International Ltd. and operated the plants through processing on order. The plants were primarily engaged in the manufacture of electronic telecommunication components and electric wire, under CU International Ltd. without their own corporate entity for the operating period ended December 2017. As of May 14, 2021, the plants are still under the cancellation process.

B. Investees in Mainland China, main business activities, paid-in capital, investment method, amount remitted from Taiwan to Mainland China / amount remitted back to Taiwan, ownership, investment income (loss), investments in Mainland China as of December 31, 2020, book value, investment income remitted back and ceiling on investments in Mainland China: Please refer to table 9.

C. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland China, and price, payment terms, unreleased income/loss and other related information relating to investments in Mainland China:

- (a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period:

		Three months ended March 31, 2021	
Company name	General ledger account	Amount	Percentage of total amount
Dongguan Fuqiang Electronics Co., Ltd.	Purchases of goods	\$ 6,157,994	56%
Fugang Electronic (Dongguan) Co., Ltd.	Purchases of goods	\$ 2,197,953	20%
Fugang Electric (Xuzhou) Co., Ltd.	Purchases of goods	\$ 1,058,915	10%
Fushineng Electronics (Kunshan) Co., Ltd.	Purchases of goods	\$ 763,949	7%
Fugang Electric (Kunshan) Co., Ltd.	Purchases of goods	\$ 430,712	4%
Foxlink Automotive Technology (Kunshan) Co., Ltd.	Purchases of goods	\$ 27,345	-
Fugang Electric (Maanshan) Co., Ltd.	Purchases of goods	\$ 5,888	-

		March 31, 2021	
Company name	General ledger account	Amount	Percentage of total amount
Fugang Electronic (Dongguan) Co., Ltd.	Accounts payable	\$ 2,292,978	9%
Fugang Electric (Xuzhou) Co., Ltd.	Accounts payable	\$ 1,558,944	6%
Fushineng Electronics (Kunshan) Co., Ltd.	Accounts payable	\$ 1,507,279	6%
Fu Gang Electronic (Nan Chang) Co., Ltd.	Accounts payable	\$ 1,174,042	4%
Fugang Electric (Maanshan) Co., Ltd.	Accounts payable	\$ 156,163	1%
Fuqiang Electric (Yancheng) Co., Ltd.	Accounts payable	\$ 117	-

- (b) Balance and purpose of provision of endorsements/guarantees or collateral at the end of the period: Please refer to table 2.
- (c) Maximum balance, ending balance, interest rate range and interest for financing during the three months and at March 31, 2021: Please refer to table 1.
- (d) Other transactions that have a significant impact on the profit/loss of current period or on the financial condition, such as the rendering or receiving of service:

Company name	General ledger account	Three months ended March 31, 2021	
		Amount	Percentage of total amount
Dongguan Fuqiang Electronics Co., Ltd.	Raw materials purchased on behalf of others	\$ 4,055,440	45%
Fugang Electronic (Dongguan) Co., Ltd.	Raw materials purchased on behalf of others	\$ 1,899,974	21%
Fugang Electric (Xuzhou) Co., Ltd.	Raw materials purchased on behalf of others	\$ 1,387,402	16%
Fushineng Electronics (Kunshan) Co., Ltd.	Raw materials purchased on behalf of others	\$ 663,602	7%
Fugang Electric (Kunshan) Co., Ltd.	Raw materials purchased on behalf of others	\$ 440,402	5%
Fugang Electric (Maanshan) Co., Ltd.	Raw materials purchased on behalf of others	\$ 90,726	1%
Foxlink Automotive Technology (Kunshan) Co., Ltd.	Raw materials purchased on behalf of others	\$ 29,438	-

Company name	General ledger account	Three months ended March 31, 2021	
		Amount	Percentage of total amount
Fugang Electric (Xuzhou) Co., Ltd.	Fixture and equipment purchased on behalf of others	\$ 6,600	3%
Fugang Electronic (Dongguan) Co., Ltd.	Fixture and equipment purchased on behalf of others	\$ 3,916	2%
Fushineng Electronics (Kunshan) Co., Ltd.	Fixture and equipment purchased on behalf of others	\$ 3,643	2%
Dongguan Fuqiang Electronics Co., Ltd.	Fixture and equipment purchased on behalf of others	\$ 2,868	1%
Fugang Electric (Kunshan) Co., Ltd.	Fixture and equipment purchased on behalf of others	\$ 36	-

Company name	General ledger account	March 31, 2021	
		Amount	Percentage of total amount
Fugang Electric (Xuzhou) Co., Ltd.	Other receivables	\$ 2,410,134	16%
Fushineng Electronics (Kunshan) Co., Ltd.	Other receivables	\$ 1,545,879	10%
Dongguan Fuqiang Electronics Co., Ltd.	Other receivables	\$ 1,063,781	7%
Fugang Electric (Kunshan) Co., Ltd.	Other receivables	\$ 491,732	3%
Fugang Electric (Maanshan) Co., Ltd.	Other receivables	\$ 179,131	1%
Foxlink Automotive Technology (Kunshan) Co., Ltd.	Other receivables	\$ 83,612	1%
Fu Gang Electronic (Nan Chang) Co., Ltd.	Other receivables	\$ 59,458	-
Fuqiang Electric (Yancheng) Co., Ltd.	Other receivables	\$ 12,131	-
Fugang Electric (Yancheng) Co., Ltd.	Other receivables	\$ 444	-

(4) Major shareholders information

Major shareholders information: Please refer to table 10.

14. SEGMENT INFORMATION

(1) General information

The Group has classified the reportable operating segments based on product types. The Company's operations and segmentation are both developed according to the product types. The current main product types are: 3C component, systems and peripheral products, 3C product retail and others.

(2) Measurement of segment information

The Board of Directors of the Group uses operating profit to measure the operating segments and as evaluation basis of the segments' performance.

(3) Segment information

The financial information of reportable segments provided to Chief Operating Decision-Maker is as follows:



### Three months ended March 31, 2021

	3C component department	Systems and peripheral products department	3C product retail department	Other operations	Adjustments	Total
External Revenue	\$ 7,685,494	\$ 7,837,291	\$ 3,774,016	\$ 577,361	\$ -	\$ 19,874,162
Revenue from Internal Customers	<u>391,455</u>	<u>981</u>	<u>-</u>	<u>-</u>	<u>( 392,436)</u>	<u>-</u>
Segment Revenue	<u>\$ 8,076,949</u>	<u>\$ 7,838,272</u>	<u>\$ 3,774,016</u>	<u>\$ 577,361</u>	<u>(\$ 392,436)</u>	<u>\$ 19,874,162</u>
Segment Profit (loss)	<u>(\$ 268,573)</u>	<u>\$ 91,331</u>	<u>\$ 90,956</u>	<u>\$ 345,820</u>	<u>\$ -</u>	<u>\$ 259,534</u>

### Three months ended March 31, 2020

	3C component department	Systems and peripheral products department	3C product retail department	Other operations	Adjustments	Total
External Revenue	\$ 6,836,771	\$ 6,791,307	\$ 2,314,842	\$ 68,364	\$ -	\$ 16,011,284
Revenue from Internal Customers	<u>370,107</u>	<u>160,381</u>	<u>-</u>	<u>79</u>	<u>( 530,567)</u>	<u>-</u>
Segment Revenue	<u>\$ 7,206,878</u>	<u>\$ 6,951,688</u>	<u>\$ 2,314,842</u>	<u>\$ 68,443</u>	<u>(\$ 530,567)</u>	<u>\$ 16,011,284</u>
Segment Profit (loss)	<u>(\$ 142,054)</u>	<u>(\$ 53,265)</u>	<u>\$ 50,098</u>	<u>(\$ 14,731)</u>	<u>\$ -</u>	<u>(\$ 159,952)</u>

#### (4) Reconciliation for segment profit (loss)

The external revenue and segment profit (loss) reported to the chief operating decision-maker are measured in manner consistent with revenue and profit (loss) before tax in the financial statements. Therefore, no reconciliation was needed.

Cheng Uei Precision Industry Co., Ltd.  
Loans to others  
Three months ended March 31, 2021

Table 1

Expressed in thousands of NTD  
(Except as otherwise indicated)

Number	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the three months ended March 31, 2021	Balance at March 31, 2021	Actual amount drawn down	Interest rate	Nature of loan (Note 1)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 2)	Ceiling on total loans granted (Note 3)	Footnote
													Item	Value			
0	Cheng Uei Precision Industry Co., Ltd.	Foxwell Energy Corporation Ltd.	Other receivables	Yes	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	1.5%	2	\$ -	Operations	\$ -	-	\$ -	\$ 4,720,390	\$ 9,440,780	
1	Fugang Electric (Kunshan) Co., Ltd.	FUQIANG ELECTRIC (YANCHENG) CO., LTD.	Other receivables-related parties	Yes	35,016	34,752	34,752	-	2	-	"	-	-	-	3,412,064	3,412,064	
1	Fugang Electric (Kunshan) Co., Ltd.	Fu Shi Xiang Research & Development Center (Kunshan) Co., Ltd.	"	Yes	24,074	23,892	23,892	-	2	-	"	-	-	-	3,412,064	3,412,064	
2	World Circuit Technology Co., Ltd.	Microlink Communications Inc.	Other receivables	Yes	55,000	55,000	55,000	-	2	-	"	-	-	-	106,191	106,191	
3	Fu Uei International Investment Ltd.	Cheng Uei Precision Industry Co., Ltd.	"	Yes	95,000	32,000	32,000	-	2	-	"	-	-	-	746,294	746,294	
4	FOXLINK TECHNOLOGY LIMITED	CU INTERNATIONAL LTD.	"	Yes	102,860	-	-	-	2	-	"	-	-	-	849,660	849,660	
4	FOXLINK TECHNOLOGY LIMITED	CU INTERNATIONAL LTD.	"	Yes	624,917	624,917	624,917	-	2	-	"	-	-	-	849,660	849,660	
5	Zhi De Investment Co., Ltd.	Cheng Uei Precision Industry Co., Ltd.	"	Yes	100,000	-	-	-	2	-	Group's capital management	-	-	-	197,510	197,510	
5	Zhi De Investment Co., Ltd.	CU International Ltd.	"	Yes	100,000	100,000	100,000	1%	2	-	Operations	-	-	-	197,510	197,510	
6	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	"	Yes	590,895	586,440	586,440	-	2	-	"	-	-	-	8,088,154	8,088,154	
6	Dongguan Fuqiang Electronics Co., Ltd.	FUGANG ELECTRIC (MAANSHAN) Co., Ltd.	"	Yes	218,850	217,200	217,200	-	2	-	"	-	-	-	8,088,154	8,088,154	
7	Fugang Electronic (Dongguan) Co., Ltd.	FUGANG ELECTRIC (MAANSHAN) Co., Ltd.	"	Yes	253,866	251,952	251,952	-	2	-	"	-	-	-	5,649,424	5,649,424	
8	Fuzhan Electronics (Shanghai) Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	"	Yes	48,147	47,784	47,784	-	2	-	"	-	-	-	51,933	51,933	
9	Studio A Technology Limited	Kunshan Fugang Electric Trading Co., Ltd.	"	Yes	110,190	110,100	55,050	2%	2	-	"	-	-	-	397,810	397,810	
9	Studio A Technology Limited	AShop Co., Ltd.	"	Yes	277,900	165,503	165,503	2%	2	-	"	-	-	-	397,810	397,810	
10	FIT Holding Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	"	Yes	131,520	130,320	130,320	0.98%~1.20%	2	-	"	-	-	-	2,107,768	2,810,357	
10	FIT Holding Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	"	Yes	289,344	286,704	217,200	0.98%~1.20%	2	-	"	-	-	-	2,107,768	2,810,357	
10	FIT Holding Co., Ltd.	Foxwell Energy Corporation Ltd.	"	Yes	600,000	-	-	1.56%	2	-	"	-	-	-	2,107,768	2,810,357	

Number	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the three months ended March 31, 2021	Balance at March 31, 2021	Actual amount drawn down	Interest rate	Nature of loan (Note 1)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 2)	Ceiling on total loans granted (Note 3)	Footnote
													Item	Value			
11	Foxlink Image Technology Co., Ltd.	Glory Science Co., Ltd.	Other receivables	Yes	\$ 300,000	\$ 221,000	\$ 143,000	0.85-1.20%	2	\$ -	Operations	\$ -	-	\$ -	\$ 1,054,738	\$ 1,054,738	
11	Foxlink Image Technology Co., Ltd.	Power Quotient International Co., Ltd.	"	Yes	600,000	425,000	425,000	0.89-1.23%	2	-	"	-	-	-	1,054,738	1,054,738	
12	Glory Science Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	"	Yes	254,272	-	-	1.5%	2	-	"	-	-	-	258,250	258,250	
13	Glorytek (Suzhou) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	Other receivables - related parties	Yes	28,058	27,802	27,802	3%	2	-	"	-	-	-	432,778	432,778	
13	Glorytek (Suzhou) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	"	Yes	219,200	217,200	173,760	5%	2	-	"	-	-	-	432,778	432,778	
14	Shinfox Energy Co., Ltd.	Foxwell Energy Corporation Ltd.	"	Yes	50,000	50,000	-	Average borrowing interest rate plus 0.1%	2	-	"	-	-	-	606,502	606,502	
14	Shinfox Energy Co., Ltd.	Foxwell Power Co., Ltd.	"	Yes	50,000	50,000	-	Average borrowing interest rate plus 0.1%	2	-	"	-	-	-	606,502	606,502	
14	Shinfox Energy Co., Ltd.	Shinfox Natural Gas Co., Ltd.	"	Yes	60,000	60,000	-	Average borrowing interest rate plus 0.1%	2	-	"	-	-	-	606,502	606,502	
15	Power Quotient Technology (Yancheng) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	"	Yes	251,952	251,952	251,952	1.5%	2	-	"	-	-	-	690,407	690,407	

Note 1: The numbers as follows represent the nature of loan:

- (1) Business transaction is labelled as "1".
- (2) Short-term financing is labelled as "2".

Note 2: (1) Limit on loans granted to a single party is 20% of the Company's net asset value.

- (2) Limit on loans granted to the domestic unlisted subsidiaries of the Company and FIT Holding Co., Ltd. is 40% of their net asset value.
- (3) Limit on loans granted to direct or indirect holding foreign subsidiaries is 100% of their net asset value.
- (4) Limit on loans granted between foreign companies whose voting shares are 100% held by the Company directly or indirectly, or on loans granted to the Company by such foreign companies is 100% of their net asset value.
- (5) Limit on loans granted by FIT Holding Co., Ltd. to its direct or indirect holding foreign subsidiaries is 30% of FIT Holding Co., Ltd.'s net asset value on recent financial report.

Note 3: (1) Ceiling on total loans granted to the company is 40% of the Company's net asset value.

- (2) Ceiling on total loans granted to the domestic unlisted subsidiaries of the Company and FIT Holding is 40% of their net asset value.
- (3) Ceiling on total loans granted to the direct or indirect holding subsidiaries is 100% of their net asset value.
- (4) Ceiling on total loans granted between foreign companies whose voting shares are 100% held by the Company directly or indirectly, or on loans granted to the Company by such foreign companies is 100% of their net asset value.
- (5) Ceiling on total loans granted by FIT Holding Co., Ltd. to its direct or indirect holding foreign subsidiaries is 40% of their net asset value on recent financial report.

Cheng Uei Precision Industry Co., Ltd.  
Provision of endorsements and guarantees to others  
Three months ended March 31, 2021

Table 2

Expressed in thousands of NTD  
(Except as otherwise indicated)

Number	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 1)	Maximum outstanding endorsement/ guarantee amount as of March 31, 2021	Outstanding endorsement/ guarantee amount at March 31, 2021	Actual amount drawn down	Amount of endorsements /guarantees secured with collateral	Ratio of accumulated endorsement/guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements /guarantees provided (Note 2)	Provision of endorsements /guarantees by parent company to subsidiary	Provision of endorsements /guarantees by subsidiary to parent company	Provision of endorsements /guarantees to the party in Mainland China	Footnote
		Company name	Relationship with the endorser/guarantor											
0	Cheng Uei Precision Industry Co., Ltd.	FOXLINK INTERNATIONAL INCORPORATION	The Company's third-tier subsidiary	\$ 11,800,975	\$ 924,534	\$ 924,534	\$ 82,980	\$ -	3.92	\$ 23,601,951	Y	N	N	
0	Cheng Uei Precision Industry Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	"	11,800,975	1,313,100	1,303,200	1,303,200	-	5.52	23,601,951	Y	N	Y	
0	Cheng Uei Precision Industry Co., Ltd.	Straight A Inc.	"	9,440,780	428,025	428,025	64,366	-	1.81	23,601,951	Y	N	N	
0	Cheng Uei Precision Industry Co., Ltd.	ASHOP Co., Ltd.	"	9,440,780	428,025	428,025	147,241	-	1.81	23,601,951	Y	N	N	
0	Cheng Uei Precision Industry Co., Ltd.	Studio A Inc.	The Company's second-tier subsidiary	9,440,780	1,141,400	1,141,400	251,693	-	4.84	23,601,951	Y	N	N	
0	Cheng Uei Precision Industry Co., Ltd.	Studio A Technology Limited	The Company's third-tier subsidiary	9,440,780	1,227,005	1,227,005	102,726	-	5.20	23,601,951	Y	N	N	
0	Cheng Uei Precision Industry Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	"	9,440,780	1,055,795	1,055,795	213,442	-	4.47	23,601,951	Y	N	Y	
1	Fugang Electric (Kunshan) Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.'s subsidiary	9,440,780	73,848	73,848	43,440	-	0.31	23,601,951	Y	N	Y	
1	Fugang Electric (Kunshan) Co., Ltd.	FUGANG ELECTRIC (MAANSHAN) Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.'s subsidiary	11,800,975	1,201,268	1,192,211	1,192,211	-	5.05	23,601,951	Y	N	Y	
2	FIT Holding Co., Ltd.	Power Quotient International Co., Ltd.	FIT Holding Co., Ltd.'s subsidiary	10,538,841	720,000	720,000	300,000	-	10.25	10,538,841	Y	N	N	
2	FIT Holding Co., Ltd.	Glory Science Co., Ltd.	"	10,538,841	1,121,520	1,120,320	650,000	-	15.95	10,538,841	Y	N	N	
2	FIT Holding Co., Ltd.	Foxwell Energy Corporation Ltd.	FIT Holding Co., Ltd.'s third-tier subsidiary	9,836,251	515,020	505,587	505,587	-	7.20	10,538,841	Y	N	N	
3	Foxlink Image Technology Co., Ltd.	Glory Science Co., Ltd.	Foxlink Image Technology Co., Ltd.'s subsidiary	3,691,584	300,000	300,000	236,000	-	4.27	3,955,269	N	N	N	
3	Foxlink Image Technology Co., Ltd.	Power Quotient International Co., Ltd.	"	3,691,584	600,000	600,000	450,000	-	8.54	3,955,269	N	N	N	

Number	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 1)	Maximum outstanding endorsement/ guarantee amount as of March 31 , 2021	Outstanding endorsement/ guarantee amount at March 31, 2021	Actual amount drawn down	Amount of endorsements /guarantees secured with collateral	Ratio of accumulated endorsement/guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements /guarantees provided (Note 2)	Provision of endorsements /guarantees by parent company to subsidiary	Provision of endorsements /guarantees by subsidiary to parent company	Provision of endorsements /guarantees to the party in Mainland China	Footnote
		Company name	Relationship with the endorser/guarantor											
4	Shinfox Energy Co., Ltd.	Foxwell Energy Corporation Ltd.	Shinfox Energy Co., Ltd.'s subsidiary	\$ 2,274,383	\$ 800,000	\$ -	\$ -	\$ -	-	\$ 2,274,383	Y	N	N	

Note 1: Calculation for limit on endorsements/guarantees provided for a single party is as follows:

- (1) For subsidiaries whose shares are 90% or above held by the Company, ceiling on total amount of endorsements and guarantees provided by the Company is 50% of the Company's net asset value; limit on endorsements and guarantees provided by the Company for a single party is 40% of the Company's net asset value.
- (2) For FIT Holding Co.,Ltd., limit on endorsements and guarantees for a single party is 140% of FIT Holding Co.,Ltd.'s current net asset value and for subsidiary whose equity is no less than 90% held by FIT Holding Co.,Ltd., is 150% of FIT Holding Co.,Ltd.'s net asset value.
- (3) Endorsements and guarantees are available between companies whose voting shares are more than 90% held by FIT Holding Co., Ltd. directly or indirectly. And the limit on endorsements and guarantees is 10% of FIT Holding Co., Ltd.'s net asset value except that endorsements and guarantees are between companies whose voting shares are 100% held by FIT Holding Co., Ltd. directly or indirectly.

Note 2: Calculation for limit on endorsements/guarantees provided is as follows:

- (1) The Company's and subsidiaries' endorsements and guarantees to others should not exceed 100% of the Company's net asset value.
- (2) FIT Holding Co.,Ltd.'s endorsements and guarantees to others and subsidiaries should not exceed 150% of FIT Holding Co., Ltd.'s net asset value in the latest financial statements.
- (3) Endorsements and guarantees are available between companies whose voting shares are more than 90% held by FIT Holding Co., Ltd. directly or indirectly. And the limit on endorsements and guarantees is 10% of FIT Holding Co., Ltd.'s net asset value except that endorsements and guarantees are between companies whose voting shares are 100% held by FIT Holding Co., Ltd. directly or indirectly.

## Cheng Uei Precision Industry Co., Ltd.

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

March 31, 2021

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of March 31, 2021				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
Fu Uei International Investment Ltd.	Trinity Investment Corporation	An investee of the Company	Financial assets at fair value through other comprehensive income-non-current	3,000	\$ 30,000	10.00	\$ 30,000	
Fu Uei International Investment Ltd.	ADE TECHNOLOGY INC.	"	"	500	11,500	1.71	11,500	
CULINK INTERNATIONAL Ltd.	Gamma 2 Robotics, Inc.	"	"	862	-	9.00	-	
CULINK INTERNATIONAL Ltd.	Occipital, Inc.	"	"	389	-	2.50	-	
CULINK INTERNATIONAL Ltd.	V5 Systems, Inc.	"	"	1,460	-	4.63	-	
CULINK INTERNATIONAL Ltd.	Motiv Inc.	"	"	273	-	1.70	-	
CULINK INTERNATIONAL Ltd.	LeadSun WINION Limited	"	"	3,000	85,605	40.07	85,605	
CULINK INTERNATIONAL Ltd.	MedWand Solutions Inc.	"	"	63	-	3.18	-	
FOXLINK TECHNOLOGY LIMITED	LEADSUN NEW STAR CORP.	"	"	875	23,602	12.50	23,602	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	Dongguan PowerWise Technology Co., Ltd.	"	"	1,250	43,440	4.00	43,440	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	河北金力新能源科技股份有限公司	"	"	20,000	86,880	6.33	86,880	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	常州啟泰一號創業投資	"	"	3,333	86,880	1.71	86,880	
Foxlink Image Technology Co., Ltd.	TAIWAN STAR TELECOM CORPORATION LIMITED	N/A	"	50,000	369,500	0.91	369,500	
Foxlink Image Technology Co., Ltd.	Wellgen Medical Co., Ltd.	"	"	1,500	18,375	15.43	18,375	
Power Quotient International Co., Ltd.	SAINT SONG CORP.	"	"	127	-	1.05	-	
Power Quotient International Co., Ltd.	OURS TECHNOLOGY INC.	"	"	13	-	0.21	-	
Power Quotient International Co., Ltd.	INNOPLUS Co., Ltd.	"	"	160	-	12.00	-	

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of March 31, 2021				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
Power Quotient International Co., Ltd.	TAIWAN STAR TELECOM CORPORATION LIMITED	N/A	Financial assets at fair value through other comprehensive income-non-current	50,000	\$ 369,500	0.91	\$ 369,500	
Power Quotient International Co., Ltd.	STACK DEVICES CORPORATION	"	"	70	-	0.11	-	
POWER QUOTIET TECHNOLOGY (YANCHENG) Co., Ltd.	Jiangsu Foxlink New Energy Technology Co.,Ltd.	"	"	-	73,439	12.90	73,439	
Shinfox Energy Co., Ltd.	Corvus Energy Ltd.	"	"	22	-	0.12	-	
Shinfox Energy Co., Ltd.	SEC INTERNATIONAL INC.	"	"	54	-	9.00	-	
Foxwell Energy Corporation Ltd.	Full Entertainment Marketing Co., Ltd.	"	"	300	-	0.30	-	

Cheng Uei Precision Industry Co., Ltd.

Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital

Three months ended March 31, 2021

Table 4

Expressed in thousands of NTD  
(Except as otherwise indicated)

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Balance as at January 1, 2021		Addition		Disposal				Balance as at March 31, 2021	
					Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount
FIT Holding Co., Ltd.	Shih Fong Power Co., Ltd.	Investment accounted for using equity method	C&C INVESTMENT CORPORATION	Non-related party	95,000	\$ 1,000,903	-	\$ -	57,500	\$ 690,000	\$ 612,793	\$ -	37,500	\$ 387,990



## Cheng Uei Precision Industry Co., Ltd.

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

Three months ended March 31, 2021

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
The Company	FOXLINK INTERNATIONAL INC.	The Company's third-tier subsidiary	Sales	(\$ 2,519,226)	( 19)	Note 1	Note 1	Note 1	\$ 1,696,198	6	
The Company	Hon Hai Precision Industry Co., Ltd.	This company's director is the second-degree relative of the Company's chairman	Sales	( 218,244)	( 2)	Note 1	Note 1	Note 1	78,698	-	
The Company	Dongguan Fuqiang Electronics Co., Ltd.	The Company's second-tier subsidiary	Purchases	6,157,994	56	Note 2	Note 2	Note 2	-	-	
The Company	Fugang Electronic (Dongguan) Co., Ltd.	"	Purchases	2,197,953	20	Note 2	Note 2	Note 2	( 2,292,978)	( 9)	
The Company	Fugang Electric (Kunshan) Co., Ltd.	"	Purchases	430,712	4	Note 2	Note 2	Note 2	-	-	
The Company	Fushineng Electronics (Kunshan) Co., Ltd.	"	Purchases	763,949	7	Note 2	Note 2	Note 2	( 1,507,279)	( 6)	
The Company	FUGANG ELECTRIC (XUZHOU) Co., Ltd.	The Company's second-tier subsidiary	Purchases	1,058,915	10	Note 2	Note 2	Note 2	( 1,558,944)	( 6)	
The Company	Hon Hai Precision Industry Co., Ltd.	This company's chairman is the second-degree relative of the Company's chairman	Purchases	159,837	1	Note 2	Note 2	Note 2	( 63,989)	-	
FOXLINK INTERNATIONAL INC.	The Company	This company is the ultimate parent company of the company	Purchases	2,519,226	100	Note 2	Note 2	Note 2	( 1,696,198)	( 80)	
Dongguan Fuqiang Electronics Co., Ltd.	The Company	This company is the ultimate parent company of the company	Sales	( 6,157,994)	( 81)	Note 1	Note 1	Note 1	-	-	
Fugang Electronic (Dongguan) Co., Ltd.	The Company	"	Sales	( 2,197,953)	( 55)	Note 1	Note 1	Note 1	2,292,978	51	
Fugang Electric (Kunshan) Co., Ltd.	The Company	"	Sales	( 430,712)	( 52)	Note 1	Note 1	Note 1	-	-	
Fushineng Electronics (Kunshan) Co., Ltd.	The Company	"	Sales	( 763,949)	( 61)	Note 1	Note 1	Note 1	1,507,279	83	
FUGANG ELECTRIC (XUZHOU) Co., Ltd.	The Company	This company is the ultimate parent company of the company	Sales	( 1,058,915)	( 58)	Note 1	Note 1	Note 1	1,558,944	90	
Fugang Electronic (Dongguan) Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Affiliated company	Sales	( 662,954)	( 17)	Note 1	Note 1	Note 1	453,371	10	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	Affiliated company	Purchases	\$ 662,954	17	Note 2	Note 2	Note 2	(\$ 453,371)	( 10)	
Kunshan Fugang Electric Trading Co., Ltd.	Shanghai Fugang Electric Trading Co., Ltd.	"	Sales	( 326,836)	( 48)	Note 1	Note 1	Note 1	185,517	100	
Shanghai Fugang Electric Trading Co., Ltd.	Kunshan Fugang Electric Trading Co., Ltd.	"	Purchases	326,836	50	Note 2	Note 2	Note 2	( 185,517)	( 100)	
Dongguan Fu Wei Electronics Co., Ltd.	Foxlink Image Technology Co., Ltd.	"	Sale	( 179,121)	( 94)	Note 1	Note 1	Note 1	212,086	43	
Foxlink Image Technology Co., Ltd.	Dongguan Fu Wei Electronics Co., Ltd.	"	Purchases	179,121	83	Note 2	Note 2	Note 2	( 212,086)	( 26)	
Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	"	Purchase	( 387,624)	( 63)	Note 2	Note 2	Note 2	406,999	74	

Note 1: Please refer to Note 7(2)A. for the details.

Note 2: Please refer to Note 7(2)B. for the details.

## Cheng Uei Precision Industry Co., Ltd.

Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more

March 31, 2021

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2021	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
The Company	FOXLINK INTERNATIONAL INC.	The Company's third-tier subsidiary	\$ 1,696,198	1.49	None	N/A	\$ 962,605	None
The Company	Fushineng Electronics (Kunshan) Co., Ltd.	The Company's second-tier subsidiary	1,545,879	Note 1	"	"	420,600	"
The Company	Fugang Electric (Kunshan) Co., Ltd.	The Company's second-tier subsidiary	491,732	Note 1	"	"	-	"
The Company	FUGANG ELECTRIC (XUZHOU) CO., LTD.	"	2,410,134	Note 1	"	"	280,400	"
The Company	Fugang Electric (Maanshan) Co., Ltd.	The Company's second-tier subsidiary	179,131	Note 1	Note 1	N/A	-	None
The Company	Dongguan Fuqiang Electronics Co., Ltd.	"	1,063,781	Note 1	"	"	279,800	"
The Company	Sinobest Brothers Limited	The Company's subsidiary	149,775	Note 1	"	"	14,388	"
The Company	Foxwell Energy Corporation Ltd.	The Company's fifth-tier subsidiary	4,000,000	Note 1	4,000,000	Overdue receivables are expected to be gradually collected in 2021	-	"
The Company	FOXLINK INDIA ELECTRIC PRIVATE LIMITED	The Company's second-tier subsidiary	684,166	Note 1	"	"	-	"
Fushineng Electronics (Kunshan) Co., Ltd.	The Company	This company is the ultimate parent company of the company	1,507,279	0.51	"	"	-	"
Fu Gang Electronic (Nan Chang) Co., Ltd.	The Company	"	1,174,042	0.00	"	"	-	"
Fugang Electronic (Dongguan) Co., Ltd.	The Company	"	2,292,978	0.96	"	"	-	"
Fugang Electronic (MAANSHAN) Co., Ltd.	The Company	"	156,163	0.04	"	"	-	"
FUGANG ELECTRIC (XUZHOU) CO., Ltd.	The Company	"	1,558,944	0.68	"	"	-	"
Zhi De Investment Co., Ltd.	CU INTERNATIONAL LTD.	Affiliated company	100,000	Note 1	100,000	Overdue receivable are expected to be gradually collected in 2021	-	"
CU INTERNATIONAL Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Affiliated company	134,060	Note 1	None	N/A	-	"
Fugang Electronic (Dongguan) Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	Affiliated company	453,371	1.46	None	N/A	-	"

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2021	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Fugang Electronic (Dongguan) Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	"	\$ 273,486	Note 1	None	N/A	\$ -	None
Fugang Electronic (Dongguan) Co., Ltd.	FUGANG ELECTRIC (MAANSHAN) Co., Ltd.	"	253,152	Note 1	251,952	Overdue receivables are expected to be gradually collected in 2021	-	"
Dongguan Fuqiang Electronics Co., Ltd.	FUGANG ELECTRIC (MAANSHAN) CO., LTD.	"	373,447	Note 1	217,200	Overdue receivable are expected to be gradually collected in 2021	-	"
Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	"	588,103	Note 1	586,440	Overdue receivables are expected to be gradually collected in 2021	-	"
Fugang Electric (Kunshan) Co., Ltd.	Fushineng Electronics (Kunshan) Co., Ltd.	"	111,111	0.04	None	N/A	-	"
Fugang Electric (Kunshan) Co., Ltd.	Foxlink Automotive Technology (Kunshan) Co., Ltd.	"	120,498	0.02	"	"	-	"
Fugang Electric (Kunshan) Co., Ltd.	Foxlink Automotive Technology (Kunshan) Co., Ltd.	"	133,588	Note 1	"	"	-	"
Fugang Electric (Kunshan) Co., Ltd.	FUGANG ELECTRIC (MAANSHAN) CO., LTD.	"	317,176	Note 1	"	"	-	"
Foxlink Tianjin Co., Ltd.	CU INTERNATIONAL LTD.	"	361,536	Note 1	"	"	-	"
FOXLINK TECHNOLOGY LIMITED	CU INTERNATIONAL LTD.	"	624,917	Note 1	624,917	Overdue receivables are expected to be gradually collected in 2021	-	"
FUQIANG ELECTRIC (MAANSHAN) CO., LTD.	Dongguan Fuqiang Electronics Co., Ltd.	"	133,091	0.04	None	N/A	-	"
Studio A Inc.	ASHOP Co., Ltd.	The Company's subsidiary	165,503	Note 1	165,503	Overdue receivables are expected to be gradually collected in 2021	-	"
Kunshan Fugang Electric Triturating Co., Ltd.	Shanghai Fugang Electric Triturating Co., Ltd.	Affiliated company	185,517	1.76	None	N/A	-	"
FIT Holding Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	"	130,320	Note 1	"	"	-	"
FIT Holding Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	"	217,200	Note 1	"	"	-	"
Foxlink Image Technology Co., Ltd.	Power Quotient International Co., Ltd.	"	425,000	Note 1	"	"	-	"
Foxlink Image Technology Co., Ltd.	Glory Science Co., Ltd.	"	143,000	Note 1	"	"	-	"
Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	"	329,095	0.04	"	"	-	"
Glory Science Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	"	255,867	Note 1	"	"	-	"
Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	"	123,079	Note 1	"	"	-	"

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2021	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Yancheng Yaowei Technology Co., Ltd.	Glorytek (Suzhou) Co., Ltd.	Affiliated company	\$ 137,293	0.00	None	N/A	\$ -	None
Glorytek (Suzhou) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	"	176,461	Note 1	"	"	-	"
Dongguan Fu Wei Electronics Co., Ltd.	ACCU-IMAGE TECHNOLOGY LIMITED	"	260,570	0.00	"	"	-	"
Dongguan Fu Wei Electronics Co., Ltd.	Foxlink Image Technology Co., Ltd.	"	212,086	3.66	"	"	60,816	"
Dong Guan Fu Zhang Precision Industry Co., Ltd.	Foxlink Image Technology Co., Ltd.	"	137,632	1.48	"	"	-	"
Shinfox Energy Co., Ltd.	Shinfox Power Co., Ltd.	"	406,999	0.95	284,899	Overdue receivables are expected to be gradually collected in 2021	-	"
Power Quotient Technology (Yancheng) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	"	251,952	Note 1	None	N/A	-	"

Note 1: The turnover rate was not applicable as the receivables were recorded as other receivables.

Cheng Uei Precision Industry Co., Ltd.  
 Significant inter-company transactions during the reporting periods  
 Three months ended March 31, 2021

Table 7

Expressed in thousands of NTD  
 (Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Cheng Uei Precision Industry Co., Ltd.	FOXLINK INTERNATIONAL INC.	1	Sales	\$ 2,519,226	Sales prices are based on the mutual agreement	13
0	Cheng Uei Precision Industry Co., Ltd.	FOXLINK INTERNATIONAL INC.	1	Accounts receivable	1,696,198	The collections depend on the financial situation after offsetting the receivables against the payables	2
0	Cheng Uei Precision Industry Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	1	Purchases	6,157,994	Purchase prices are based on the mutual agreement	31
0	Cheng Uei Precision Industry Co., Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	1	Other receivables	1,063,781	The collections depend on the financial situation after offsetting the receivables against the payables	1
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	1	Purchases	430,712	Purchase prices are based on the mutual agreement	2
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	1	Other receivables	491,732	The collections depend on the financial situation after offsetting the receivables against the payables	1
0	Cheng Uei Precision Industry Co., Ltd.	Fushineng Electronics (Kunshan) Co., Ltd.	1	Purchases	763,949	Purchase prices are based on the mutual agreement	4
0	Cheng Uei Precision Industry Co., Ltd.	Fushineng Electronics (Kunshan) Co., Ltd.	1	Other receivables	1,545,879	The collections depend on the financial situation after offsetting the receivables against the payables	2
0	Cheng Uei Precision Industry Co., Ltd.	Fushineng Electronics (Kunshan) Co., Ltd.	1	Accounts payable	1,507,279	"	2
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	1	Purchases	2,197,953	Purchase prices are based on the mutual agreement	11
0	Cheng Uei Precision Industry Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	1	Accounts payable	2,292,978	The collections depend on the financial situation after offsetting the receivables against the payables	3
0	Cheng Uei Precision Industry Co., Ltd.	Fu Gang Electronic (Nan Chang) Co., Ltd.	1	Accounts payable	1,174,042	"	2
0	Cheng Uei Precision Industry Co., Ltd.	CU INTERNATIONAL Ltd.	1	Prepaid expenses	525,771	"	1
0	Cheng Uei Precision Industry Co., Ltd.	FUGANG ELECTRIC (MAANSHAN) Co., Ltd.	1	Other receivables	179,131	"	-
0	Cheng Uei Precision Industry Co., Ltd.	FUGANG ELECTRIC (MAANSHAN) Co., Ltd.	1	Accounts payable	156,163	"	-

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Cheng Uei Precision Industry Co., Ltd.	Foxwell Energy Corporation Ltd.	1	Other receivables	\$ 4,000,000	The collections depend on the financial situation after offsetting the receivables against the payables	5
0	Cheng Uei Precision Industry Co., Ltd.	FUGANG ELECTRIC (XUZHOU) Co., Ltd.	1	Other receivables	2,410,134	"	3
0	Cheng Uei Precision Industry Co., Ltd.	FUGANG ELECTRIC (XUZHOU) Co., Ltd.	1	Purchases	1,058,915	Purchase prices are based on the mutual agreement	5
0	Cheng Uei Precision Industry Co., Ltd.	FUGANG ELECTRIC (XUZHOU) Co., Ltd.	1	Accounts payable	1,558,944	The collections depend on the financial situation after offsetting the receivables against the payables	2
0	Cheng Uei Precision Industry Co., Ltd.	SINOBEST BROTHERS LIMITED	1	Other receivables	149,775	"	-
0	Cheng Uei Precision Industry Co., Ltd.	FOXLINK INDIA ELECTRIC PRIVATE LIMITED	1	Other receivables	684,166	"	1
1	CU INTERNATIONAL Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	3	Other receivables	134,060	"	-
1	CU INTERNATIONAL Ltd.	Dongguan Fuqiang Electronics Co., Ltd.	3	Prepaid expenses	199,623	"	-
1	CU INTERNATIONAL Ltd.	Foxlink Tianjin Co., Ltd.	3	Other payables	361,536	"	-
1	CU INTERNATIONAL Ltd.	FOXLINK TECHNOLOGY LIMITED	3	Other payables	624,917	"	1
1	CU INTERNATIONAL LTD.	Zhi De Investment Co., Ltd.	3	Other payables	100,000	"	-
2	Fugang Electric (Kunshan) Co., Ltd.	Foxlink Automotive Technology (Kunshan) Co., Ltd.	3	Accounts receivable	120,498	"	-
2	Fugang Electric (Kunshan) Co., Ltd.	Foxlink Automotive Technology (Kunshan) Co., Ltd.	3	Other receivables	133,588	"	-
2	Fugang Electric (Kunshan) Co., Ltd.	Foxlink Automotive Technology (Kunshan) Co., Ltd.	3	Prepayments	204,875	"	-
2	Fugang Electric (Kunshan) Co., Ltd.	FUGANG ELECTRIC (MAANSHAN) Co., Ltd.	3	Other receivables	317,176	"	-
2	Fugang Electric (Kunshan) Co., Ltd.	Fushineng Electronics (Kunshan) Co., Ltd.	3	Accounts receivable	111,111	"	-
3	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	3	Purchases	662,954	Purchase prices are based on the mutual agreement	3
3	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	3	Other payables	273,486	The collections depend on the financial situation after offsetting the receivables against the payables	-

Table 7 Page 2

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
3	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electronic (Dongguan) Co., Ltd.	3	Accounts payable	\$ 453,371	The collections depend on the financial situation after offsetting the receivables against the payables	1
3	Dongguan Fuqiang Electronics Co., Ltd.	FUGANG ELECTRIC (MAANSHAN) Co., Ltd.	3	Other receivables	373,447	"	-
3	Dongguan Fuqiang Electronics Co., Ltd.	FUQIANG ELECTRIC (MAANSHAN) Co., Ltd.	3	Accounts payable	133,091	"	-
3	Dongguan Fuqiang Electronics Co., Ltd.	Fugang Electric (Kunshan) Co., Ltd.	3	Other receivables	588,103	"	1
4	Fugang Electronic (Dongguan) Co., Ltd.	FUGANG ELECTRIC (MAANSHAN) Co., Ltd.	3	Other receivables	253,152	"	-
5	Studio A Inc.	ASHOP Co., Ltd.	3	Other receivables	165,503	"	-
6	Kunshan Fugang Electric Trading Co., Ltd.	Shanghai Fugang Electric Trading Co., Ltd.	3	Sales	326,836	Sales prices are based on the mutual agreement	2
6	Kunshan Fugang Electric Trading Co., Ltd.	Shanghai Fugang Electric Trading Co., Ltd.	3	Accounts receivable	185,517	The collections depend on the financial situation after offsetting the receivables against the payables	-
7	FIT Holding Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	1	Other receivables	130,320	Based on the company's policy	-
7	FIT Holding Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	1	Other receivables	217,200	"	-
8	Foxlink Image Technology Co., Ltd.	Power Quotient International Co., Ltd.	3	Other receivables	425,000	"	1
8	Foxlink Image Technology Co., Ltd.	Glory Science Co., Ltd.	3	Other receivables	143,000	"	-
9	Glory Science Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	3	Other receivables	255,867	"	-
9	Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Accounts receivable	329,095	"	-
9	Glory Science Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Other receivables	123,079	"	-
10	Glorytek (Suzhou) Co., Ltd.	Glorytek (Yancheng) Co., Ltd.	3	Other receivables	176,461	The collections depend on the financial situation after offsetting the receivables against the payables	-
11	Yancheng Yaowei Technology Co., Ltd.	Glorytek (Suzhou) Co., Ltd.	3	Accounts receivable	137,293	Based on the company's policy	-
12	Dongguan Fu Wei Electronics Co., Ltd.	ACCU-IMAGE TECHNOLOGY LIMITED	3	Accounts receivable	260,570	The flexible collection based on the financial situation	-



Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
12	Dongguan Fu Wei Electronics Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Sales	\$ 179,121	The flexible collection based on the financial situation	1
12	Dongguan Fu Wei Electronics Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Accounts receivable	212,086	"	-
13	Dong Guan Fu Zhang Precision Industry Co., Ltd.	Foxlink Image Technology Co., Ltd.	3	Accounts receivable	137,632	"	-
14	Power Quotient Technology (Yancheng) Co., Ltd.	Glory Optics (Yancheng) Co., Ltd.	3	Other receivables	251,952	Based on the company's policy	-

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

(1)Parent company is '0'.

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

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

(1)Parent company to subsidiary.

(2)Subsidiary to parent company.

(3)Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: Disclosure of the transactions of related party over \$100 million only and the related party transactions for counterparty are not disclosed.

Note 5: Transaction prices and terms are determined based on mutual agreement as no similar transaction can be compared with.

Cheng Uei Precision Industry Co., Ltd.  
Information on investees  
Three months ended March 31, 2021

Table 8

Expressed in thousands of NTD  
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2021			Net profit (loss) of the investee for the three months ended March 31, 2021	Investment income (loss) recognised by the Company for the three months ended March 31, 2021	Footnote
				Balance as at March 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value			
The Company	CU INTERNATIONAL LTD.	British Virgin IS.	Manufacture of electronic telecommunication components and reinvestment business	\$ 12,869,485	\$ 12,869,485	451,007	100	\$ 22,052,047	(\$ 442,655)	(\$ 167,372)	
The Company	CULINK INTERNATIONAL LTD.	British Virgin IS.	Reinvestment business	919,626	919,626	32,228	100	936,904	42,309	42,309	
The Company	Foxlink International Investment Ltd.	Taiwan	General investments holdings	3,050,000	2,950,000	378,750	100	3,418,173	9,802	9,802	
The Company	Fu Uei International Investment Ltd.	Taiwan	General investments holdings	2,850,000	2,850,000	285,000	100	1,853,461	33,881	33,880	
The Company	Well Shin Technology Co., Ltd.	Taiwan	Manufacture and sale of electric wire and cable as well as electronic telecommunication components	270,065	270,065	22,282	18.84	1,110,710	74,825	14,099	
The Company	Darts Technologies Corporation	Taiwan	Manufacture of electronic telecommunication and wireless components	762,566	762,566	35,995	97	729,078	17,252	16,735	
The Company	DU Precision Industry Co., Ltd.	Taiwan	Sale of raw materials and products of various connectors	600,000	600,000	60,000	100	49,556	1,272	1,272	
The Company	FOXLINK TECHNOLOGY LIMITED.	HONG KONG	Reinvestment business	318,189	318,189	86,700	100	861,267	2,430	2,430	
The Company	Suntain Co., Ltd.	Taiwan	Electroplating processing services	190,810	90,810	19,500	100	176,362	3,410	7,922	
The Company	SINOBEST BROTHERS LIMITED	HONG KONG	Reinvestment business	590,789	590,789	20,704	91.19	567,238	( 3,648)	( 3,327)	
FOXLINK TECHNOLOGY LIMITED.	SINOBEST BROTHERS LIMITED	Hong Kong	Reinvestment business	56,889	56,889	2,000	8.81	54,795	( 3,648)	( 321)	
SINOBEST BROTHERS LIMITED	FOXLINK MYANMAR COMPANY LIMITED	Myanmar	Manufacture of electronic	647,678	647,678	22,704	100	627,543	( 9,674)	( 9,674)	
DU Precision Industry Co., Ltd.	CELINK INTERNATIONAL LTD.	British Virgin IS.	Manufacture of electronic telecommunication components	471,855	471,855	16,536	100	-	-	-	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2021			Net profit (loss) of the investee for the three months ended March 31, 2021	Investment income (loss) recognised by the Company for the three months ended March 31, 2021	Footnote
				Balance as at March 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value			
Darts Technologies Corporation	BENEFIT RIGHT LTD.	British Virgin IS.	General investments holdings	\$ 280,956	\$ 280,956	9,846	100	\$ 765,468	\$ 18,103	\$ 17,252	
BENEFIT RIGHT LTD.	POWER CHANNEL LIMITED	HONG KONG	General investments holdings	220,005	220,005	6	64.25	710,446	26,833	18,069	
CU INTERNATIONAL LTD.	NEW START INDUSTRIES LTD.	British Virgin IS.	Reinvestment business	245,401	245,401	8,600	100	2,908,088	( 18,623)	( 18,623)	
CU INTERNATIONAL LTD.	FOXLINK TECHNICAL INDIA PRIVATE LIMITED	INDIA	Manufacture of electronic	92,111	92,111	209,400	37.27	64,872	( 10,701)	( 3,988)	
CU INTERNATIONAL LTD.	SOLTERAS LIMITED	British Virgin IS.	Reinvestment business	57,070	57,070	1,960	100	-	-	-	
Foxlink Automotive Technology (Kunshan) Co., Ltd.	Foxlink Automotive Technology Co., Ltd.	Taiwan	Manufacture of electronic	36,810	36,810	5,000	100	45,972	3,252	3,252	
CULINK INTERNATIONAL LTD.	PACIFIC WEALTH LIMITED	Cayman Islands	General investments holdings	28,535	28,535	1,000	100	( 87,357)	21,040	5,220	
CULINK INTERNATIONAL LTD.	Foxlink Technical India Private Ltd.	INDIA	Manufacture of electronic	155,051	155,051	21,546	62.73	109,186	( 10,701)	( 6,713)	
CULINK INTERNATIONAL LTD.	Foxlink Powerbank International Technology Private Ltd.	INDIA	Manufacture of electronic telecommunication components	621	621	160	0.73	625	( 92)	( 2)	
CULINK INTERNATIONAL LTD.	Glorytek Science India Private Limited	INDIA	Manufacture	621	621	160	0.73	624	( 162)	( 2)	
PACIFIC WEALTH LIMITED	FOXLINK INTERNATIONAL, INC	USA	Sales of electronic telecommunication components	14,268	14,268	500	100	( 87,357)	21,040	5,220	
Foxlink Technical India Private Ltd.	Tegna Electronics Private Limited	INDIA	Manufacture	11,650	11,650	3,001	10	13,066	1,505	-	
Foxlink International Investment Ltd.	FIT Holding Co., Ltd.	Taiwan	General investments holdings	1,517,670	1,517,670	58,303	23.67	1,557,461	96,623	22,610	
Foxlink International Investment Ltd.	Yixin Precision Industry Co., Ltd.	Taiwan	Manufacture of electronic telecommunication components and electronic machinery equipment	60,000	60,000	6,000	75	-	-	-	
Foxlink International Investment Ltd.	Microlink Communications Inc.	Taiwan	Manufacture and sale of telecommunication equipment and apparatus	80,000	80,000	6,857	21.43	( 21,577)	600	129	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2021			Net profit (loss) of the investee for the three months ended March 31, 2021	Investment income (loss) recognised by the Company for the three months ended March 31, 2021	Footnote
				Balance as at March 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value			
Foxlink International Investment Ltd.	World Circuit Technology Co., Ltd.	Taiwan	Manufacture and sale of electronic telecommunication components and flexible printed circuit	\$ 469,500	\$ 469,500	15,650	69.56	\$ 184,654	\$ 361	\$ 251	
Foxlink International Investment Ltd.	Linkmedia Co., Ltd.	Taiwan	Manufacture and sale of electronic telecommunication components	25,000	25,000	2,500	100	20,230	-	-	
Foxlink International Investment Ltd.	Proconn Technology Co., Ltd.	Taiwan	Manufacture and sale of electronic telecommunication components	227,952	227,952	31,190	50.03	20,457	( 151)	( 76)	
Foxlink International Investment Ltd.	Central Motion Picture Corporation	Taiwan	Motion picture production	900,000	900,000	15,000	13.60	1,722,155	466	77	
Foxlink International Investment Ltd.	FOXLINK INDIA ELECTRIC PRIVATE LIMITED	INDIA	Manufacture of electronic	139,365	60,662	25,793	29.46	80,393	( 44,828)	( 13,125)	
Foxlink International Investment Ltd.	CYNC Design Co., Ltd.	Taiwan	Sales of electronic telecommunication components	10,000	10,000	1,000	15.38	9,991	6	1	
Foxlink International Investment Ltd.	FOXLINK VIETNAM CO., LTD.	Vietnam	Manufacture of electronic	8,388	-	300	100	7,748	26	26	
Foxlink Image Technology Co., Ltd.	Central Motion Picture Corporation	Taiwan	Motion picture production	257,656	257,656	4,294	3.89	244,482	466	22	
World Circuit Technology Co., Ltd.	VALUE SUCCESS LTD.	British Virgin IS.	Holding company and reinvestment business	182,624	182,624	5,000	100	31,398	1	1	
VALUE SUCCESS LTD.	CAPITAL GUARDIAN LIMITED	HONG KONG	Sales of electronic telecommunication components	182,624	182,624	3,005	100	31,334	1	1	
CAPITAL GUARDIAN LIMITED	World Circuit Technology (Hong Kong) Limited	HONG KONG	Sales of electronic telecommunication components	31,980	31,980	-	100	35,367	1	1	
Fu Uei International Investment Ltd.	FIT Holding Co., Ltd.	Taiwan	General investments holdings	557,248	557,248	14,690	5.97	339,551	96,623	5,633	
Fu Uei International Investment Ltd.	Studio A Inc.	Taiwan	Sales of electronic telecommunication components	96,200	96,200	13,196	51	354,860	50,880	25,949	
Fu Uei International Investment Ltd.	VA Product Inc.	Taiwan	Sales of electronic telecommunication components	16,642	16,642	2,400	100	12,039	1,133	1,133	
Fu Uei International Investment Ltd.	Proconn Technology Co., Ltd.	Taiwan	Sales of electronic telecommunication components	4,050	4,050	810	1.30	( 1,348)	( 151)	( 2)	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2021			Net profit (loss) of the investee for the three months ended March 31, 2021	Investment income (loss) recognised by the Company for the three months ended March 31, 2021	Footnote
				Balance as at March 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value			
Fu Uei International Investment Ltd.	Zhi De Investment Co., Ltd.	Taiwan	General investments holdings	\$ 2,184,388	\$ 2,184,388	170,918	100	\$ 599,873	\$ 8,191	\$ 8,191	
Fu Uei International Investment Ltd.	CMPC Cultural & Creative Co., Ltd.	Taiwan	Venture capital industry	150,000	150,000	15,000	42.86	117,474	264	( 2,200)	
Fu Uei International Investment Ltd.	Shinfox Energy Co., Ltd.	Taiwan	Mechanical installation and piping engineering	130,000	130,000	10,500	10.50	159,207	262,297	26,901	
Fu Uei International Investment Ltd.	FOXLINK INDIA ELECTRIC PRIVATE LIMITED	INDIA	Manufacture of electronic	200,000	133,640	61,754	70.54	192,479	( 44,828)	( 31,703)	
Zhi De Investment Co., Ltd.	FIT Holding Co., Ltd.	Taiwan	General investments holdings	1,767,112	1,767,112	21,056	8.55	362,462	96,623	8,165	
Studio A Inc.	Tayih Digital Technology Co., Ltd.	Taiwan	Manufacture of electronic	3,000	3,000	300	60	-	-	-	
Studio A Inc.	Straight A Inc.	Taiwan	Sales of electronic telecommunication components	66,600	66,600	6,660	100	87,738	7,962	7,962	
Studio A Inc.	Studio A Technology Limited	HONG KONG	Sales of electronic telecommunication components	9,359	9,359	2,550	51	202,883	16,108	8,215	
Studio A Inc.	Jing Jing Technology Co., Ltd.	Taiwan	Sales of electronic telecommunication components	3,700	3,700	370	100	7,968	5	5	
Studio A Inc.	ASHOP CO., LTD	South Korea	Sales of electronic telecommunication components	-	285,350	-	-	-	10,441	10,441	
Studio A Technology Limited	Studio A Macau Limited	MACAO	Sales of electronic telecommunication components	1,835	1,835	-	100	1,585	( 90)	( 89)	
Studio A Technology Limited	ASHOP CO., LTD	South Korea	Sales of electronic telecommunication components	4,280	-	10	100	4,160	10,441	10,441	
FIT Holding Co., Ltd.	Glory Science Co., Ltd.	Taiwan	Manufacture and sale of optical instruments	2,214,868	2,214,868	95,970	100	645,627	( 125,728)	( 125,728)	
FIT Holding Co., Ltd.	Foxlink Image Technology Co., Ltd.	Taiwan	Manufacture and sale of image scanners and multifunction printers	3,011,140	3,011,140	164,994	100	3,381,223	88,244	86,689	
FIT Holding Co., Ltd.	Power Quotient International Co., Ltd.	Taiwan	Manufacture of electronic	2,172,180	2,172,180	324,691	100	2,374,937	147,017	146,959	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2021			Net profit (loss) of the investee for the three months ended March 31, 2021	Investment income (loss) recognised by the Company for the three months ended March 31, 2021	Footnote
				Balance as at March 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value			
FIT Holding Co., Ltd.	Shih Fong Power Co., Ltd.	Taiwan	Hydroelectricity	\$ 299,952	\$ 760,000	37,500	16.30	\$ 387,990	(\$ 213)	(\$ 120)	
FIT Holding Co., Ltd.	Foxwell Energy Co., Ltd.	Taiwan	Energy service management	210,000	210,000	21,000	14	213,229	29,656	4,152	
Foxlink Image Technology Co., Ltd.	ACCU-IMAGE TECHNOLOGY LIMITED	British Virgin IS	Manufacture and sale of image scanners and multifunction printers	1,032,307	1,032,307	13,241	100	1,389,075	32,240	32,240	
Foxlink Image Technology Co., Ltd.	Shih Fong Power Co., Ltd.	Taiwan	Hydroelectricity	957,600	957,600	79,800	34.70	957,123	( 213)	( 74)	
ACCU-IMAGE TECHNOLOGY LIMITED	POWER CHANNEL LIMITED	HONG KONG	Holding company and reinvestment business	139,822	139,822	4	35.75	498,543	26,833	9,660	
Glory Science Co., Ltd.	GLORY TEK (BVI) CO., LTD.	British Virgin IS	General investments holdings	1,379,545	1,379,545	40,700	100	495,565	( 94,916)	( 94,916)	
GLORY TEK (BVI) CO., LTD.	GLORY TEK (SAMOA) CO., LTD.	Samoa	General investments holdings	780,074	780,074	25,051	100	623,856	( 64,287)	( 64,287)	
GLORY TEK (BVI) CO., LTD.	GLORY OPTICS (BVI) CO., LTD.	British Virgin IS	Sales agent	494,837	494,849	16,000	100	( 86,926)	( 30,469)	( 30,469)	
GLORY TEK (BVI) CO., LTD.	GLORYTEK SCIENCE INDIA PRIVATE LIMITED	INDIA	Sales of electronic telecommunication components	99,927	99,927	21,773	99.27	85,874	( 162)	( 161)	
GLORYTEK SCIENCE INDIA PRIVATE LIMITED	TEGNA ELECTRONICS PRIVATE LIMITED	INDIA	Manufacture	13,174	13,174	3,001	10	13,064	1,505	-	
Power Quotient International Co., Ltd.	Power Quotient International(H.K.) Co., Ltd.	HONG KONG	Sales of electronic telecommunication components	389,387	389,705	10,220	100	( 4,732)	( 23)	( 23)	
Power Quotient International Co., Ltd.	PQI JAPAN CO., LTD	Japan	Sales of electronic telecommunication components	23,129	23,129	24	100	( 155,878)	-	-	
Power Quotient International Co., Ltd.	SYSCOM DEVELOPMENT CO., LTD	British Virgin IS	Specialized investments holding	309,975	309,378	10,863	100	( 406,626)	( 117)	( 117)	
Power Quotient International Co., Ltd.	Apix LIMITED	British Virgin IS	Specialized investments holding	2,952,493	2,946,803	13	100	1,116,139	5,959	5,959	
Power Quotient International Co., Ltd.	PQI Mobility Inc.	Samoa	Specialized investments holding	285,350	284,800	10,000	100	690,407	602	602	

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2021			Net profit (loss) of the investee for the three months ended March 31, 2021	Investment income (loss) recognised by the Company for the three months ended March 31, 2021	Footnote
				Balance as at March 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value			
Power Quotient International Co., Ltd.	Castles Technology Co., Ltd.	Taiwan	Manufacture and sale of barcode application magnetic card and reader	\$ 35,331	\$ 43,061	10,220	11.41	\$ 165,214	(\$ 1,448)	(\$ 105)	
Power Quotient International Co., Ltd.	Power Sufficient International Co., Ltd.	Taiwan	Sale of medical instruments	10,000	10,000	1,000	100	8,918	( 4)	( 4)	
Power Quotient International Co., Ltd.	Shinfox Energy Co., Ltd.	Taiwan	Energy service management	561,482	561,482	58,743	58.74	890,648	262,297	154,073	
Power Sufficient International Co., Ltd.	Castles Technology Co., Ltd.	Taiwan	Manufacture and sale of barcode application magnetic card and reader	6,670	6,670	331	0.37	5,393	( 1,448)	( 3)	
Shinfox Energy Co., Ltd.	Foxwell Energy Corporation Ltd.	Taiwan	Energy service management	672,000	672,000	67,200	100	851,545	2,958	2,958	
Shinfox Energy Co., Ltd.	Shinfox Natural Gas Co., Ltd.	Taiwan	Energy service management	120,000	120,000	12,000	80	101,001	( 2,517)	( 2,014)	
Shinfox Energy Co., Ltd.	Foxwell Power Co., Ltd.	Taiwan	Energy service management	99,000	99,000	9,900	99	96,315	( 3,177)	( 3,145)	
Shinfox Energy Co., Ltd.	浚喆股份有限公司	Taiwan	Dredging industry	134,000	-	13,400	100	133,950	( 50)	( 50)	
SYSCOM DEVELOPMENT CO., LTD	PQI CORPORATION	USA	Sales of electronic telecommunication components	199,745	199,360	7,000	100	( 492,601)	( 3)	( 3)	
SYSCOM DEVELOPMENT CO., LTD	Foxlink Powerbank International Technology Private Limited	INDIA	Sales of electronic telecommunication components	95,963	95,778	21,790	99.27	85,943	( 116)	( 115)	
Apix LIMITED	Sinocity Industries Limited	HONG KONG	Sales of electronic telecommunication components	2,477,250	2,479,275	6,000	100	891,630	1,616	1,616	
Apix LIMITED	Perennial Ace Limited	British Virgin IS	Specialized investments holding	607,796	606,624	No shares were issued	100	224,377	4,343	4,343	
Sinocity Industries Limited	DG Lifestyle Store Limited	Macau	Sales of electronic telecommunication components	356	357	100	100	( 907)	( 1,536)	( 1,536)	
Perennial Ace Limited	Studio A Technology Limited	HONG KONG	Sales of electronic telecommunication components	4,998	4,998	1,225	24.50	97,457	16,108	3,946	
Foxlink Powerbank International Technology Private Limited	TEGNA ELECTRONICS PRIVATE LIMITED	INDIA	Manufacture	11,783	11,649	3,001	10	13,068	1,505	-	

Cheng Uei Precision Industry Co., Ltd.  
Information on investments in Mainland China  
Three months ended March 31, 2021

Table 9

Expressed in thousands of NTD  
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2021	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the three months ended March 31, 2021		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2021	Net income of investee as of March 31, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the three months ended March 31, 2021 (Note 2)	Book value of investments in Mainland China as of March 31, 2021	Accumulated amount of investment income remitted back to Taiwan as of three months ended March 31, 2021	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Fugang Electronic (Dongguan) Co., Ltd.	Manufacture and sale of electronic telecommunication components	\$ 1,239,755	Investment through an existing company in the third area	\$ 1,239,755	\$ -	\$ -	\$ 1,239,755	(\$ 24,995)	100	(\$ 24,995)	\$ 5,649,426	\$ -	
Culink Tianjin Co., Ltd.	"	114,140	"	28,535	-	-	28,535	812	100	812	232,112	-	
Fugang Electric (Kunshan) Co., Ltd.	"	3,467,003	"	3,467,003	-	-	3,467,003	( 155,284)	100	( 155,284)	3,412,063	-	
Dong Guan Fu Shi Chang Co., Ltd.	"	3,435	"	3,435	-	-	3,435	-	100	-	2,436	-	
Dongguan Fuqiang Electronics Co., Ltd.	"	3,390,243	Investment through an existing company in the third area and the investee company in Mainland China	2,819,543	-	-	2,819,543	( 227,413)	100	( 227,413)	8,088,152	-	
Foxlink Automotive Technology (Kunshan) Co., Ltd.	"	190,628	"	85,605	-	-	85,605	19,786	100	19,786	319,761	-	
Foxlink Energy (Tianjin) Ltd.	"	114,140	Investment through an existing company in the third area	114,140	-	-	114,140	679	100	679	173,271	-	
Fushineng Electronics (Kunshan) Co., Ltd.	"	342,420	"	342,420	-	-	342,420	49,501	100	49,501	1,070,025	-	
Fu Shi Xiang Research & Development Center (Kunshan) Co., Ltd.	"	128,408	"	128,408	-	-	128,408	( 2,627)	100	( 2,627)	77,731	-	
Fu Gang Electronic (Nan Chang) Co., Ltd.	"	1,426,750	Investment through an existing company in the third area and the investee company in Mainland China	1,426,750	-	-	1,426,750	2,320	100	2,320	1,140,986	-	
Fugang Electric (YANCHENG) Co., Ltd.	"	85,605	Investment through an existing company in the third area	68,484	-	-	68,484	20	80	16	49,413	-	
FUQIANG ELECTRIC (YANCHENG) Co., Ltd.	"	285,350	"	285,350	-	-	285,350	( 1,924)	100	( 1,924)	( 21,040)	-	
Foxlink Tianjin Co., Ltd.	"	513,630	"	149,086	-	-	149,086	( 19,325)	100	( 19,325)	2,279,400	-	
Kunshan Fugang Investment Co., Ltd.	Reinvestment business	\$ 856,050	Investment through the investee company in Mainland China	\$ 856,050	-	-	856,050	(\$ 48,385)	100	( 48,385)	1,520,157	-	
FUGANG ELECTRIC (MAANSHAN) Co., Ltd.	Manufacture and sale of electronic telecommunication components	868,353	Investment through an existing company in the third area and the investee company in Mainland China	285,350	-	-	285,350	( 59,516)	100	( 59,516)	68,036	-	
Fuzhan Electronics (Shanghai) Co., Ltd.	"	227,139	Investment through the investee company in Mainland China	227,139	-	-	227,139	2	100	2	31,327	-	
Kunshan Fugang Electric Trading Co., Ltd.	Sale of electronic telecommunication components	169,612	"	-	-	-	-	6,494	51	3,312	9,268	-	
Kunshan Fu Shi You Trading Co., Ltd.	"	60,816	"	-	-	-	-	( 9)	51	( 5)	13,215	-	



Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2021	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the three months ended March 31, 2021		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2021	Net income of investee as of March 31, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the three months ended March 31, 2021 (Note 2)	Book value of investments in Mainland China as of March 31, 2021	Accumulated amount of investment income remitted back to Taiwan as of three months ended March 31, 2021	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Shanghai Fugang Electric Trading Co., Ltd.	Sale of electronic telecommunication components	8,688	Investment through the investee company in Mainland China	\$ -	\$ -	\$ -	\$ -	\$ 8,271	51	\$ 2,891	(\$ 90,412)	\$ -	
Shanghai Standard Information Technology Co., Ltd.	"	4,344	"	-	-	-	-	(1,816)	51	(926)	(3,558)	-	
Sharetronic Data Technology Co., Ltd.	Manufacture and sale of electronic telecommunication components	672,965	"	220,005	-	-	220,005	119,578	19.94	28,122	1,041,998	-	
FUQIANG ELECTRIC (MAANSHAN) Co., Ltd.	"	142,675	Investment through the investee company in Mainland China	-	-	-	-	(290)	100	(290)	140,310	-	
FUGANG ELECTRIC (XUZHOU) Co., Ltd.	"	770,445	Investment through an existing company in the third area	770,445	-	-	770,445	62,252	100	62,252	1,167,250	-	
Dongguan Banrin Robot Technology Co., Ltd.	Manufacture and sale of automated equipment	130,320	Investment through the investee company in Mainland China	-	-	-	-	(3,439)	31.03	(1,067)	121,936	-	
Suzhou Keyu Rui Automobile Technology Co., Ltd.	Manufacture	10,860	"	-	-	-	-	(1,086)	55.56	(603)	24,744	-	
Changzhou Xinwei Vehicle Energy Venture Capital Co., Ltd.	General investments holding	434,400	Investment through an existing company in the third area	-	-	-	-	186	50	93	427,871	-	
Changde Fubo Intelligent Technology Co., Ltd.	Manufacture and sale of automated equipment	30,408	Investment through the investee company in Mainland China	30,408	-	-	30,408	(18,091)	70	(12,663)	9,531	-	
Dong Guan HanYang Computer Co., Ltd.	Manufacture of image scanners and multifunction printers and investment of real estate	\$ 174,685	Investment through an existing company in the third area	\$ 174,685	\$ -	\$ -	\$ 174,685	\$ 5,822	100	\$ 5,822	\$ 251,488	\$ -	
Dong Guan Fu Zhang Precision Industry Co.,Ltd.	Mould development and moulding tool manufacture	231,483	"	170,225	-	-	170,225	(7,622)	100.00	(7,622)	251,486	-	
Wei Hai Fu Kang Electric Co., Ltd.	Manufacture and sale of parts and moulds of photocopiers and scanners	228,280	"	142,675	-	-	142,675	1,791	100	1,791	250,325	-	
Dongguan Fu Wei Electronics Co., Ltd.	Manufacture and sale of image scanners, multifunction and parts printers	171,210	"	151,473	-	-	151,473	16,720	100	16,720	526,397	-	
Glorytek (Suzhou) Co., Ltd.	Manufacture	399,490	"	399,490	-	-	399,490	(41,188)	100	(41,188)	432,778	-	
Glorytek (Yancheng) Co., Ltd.	"	256,815	"	256,815	-	-	256,815	(30,159)	100	(30,159)	(331,998)	-	
Yancheng Yaowei Technology Co., Ltd.	"	43,440	Investment through the investee company in Mainland China	-	-	-	-	(105)	100	(105)	142,236	-	
Glorytek (Yancheng) Co., Ltd.	"	937,292	Investment through an existing company in the third area and the investee company in Mainland China	326,960	-	-	326,960	(66,218)	100	(66,218)	560,588	-	
POWER QUOTIENT TECHNOLOGY (YANCHENG) Co., Ltd.	Manufacture and sale of electronic telecommunication components	570,700	Investment through an existing company in the third area	Note 1	-	-	-	602	100	602	690,407	-	
PQI (Xuzhou) New Energy Co., Ltd.	Manufacture and sale of electronic telecommunication components	43,440	"	Note 2	-	-	-	(9)	100	(9)	43,444	-	
Kunshan Jiuwei Info Tech Co., Ltd.	Supply chain finance energy service management	1,427	Direct investment	1,424	-	-	1,424	(1,336)	100	(1,336)	12,284	-	

Note 1: The financing amount remitted to PQI's indirect investment of POWER QUOTIENT TECHNOLOGY (YANCHENG) Co., Ltd. was through an existing company in the third area.

Note 2: The financing amount remitted to PQI's indirect investment of PQI (Xuzhou) New Energy Co., Ltd. were through POWER QUOTIENT TECHNOLOGY (YANCHENG) Co., Ltd.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2021	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Cheng Uei Precision Industry Co., Ltd.	\$ 12,547,910	\$ 13,507,354	The Company's investment in Mainland China is not subject to an upper limit as the Company obtained the certificate of scope of operations issued by Industrial Development Bureau, MOEA in accordance with the Regulations Governing the Examination of Investment or Technical Cooperation in Mainland China amended on August 29, 2008.
Foxlink Image Technology Co., Ltd.	772,944	924,501	1,582,107
Glory Science Co., Ltd.	983,265	1,197,043	387,761
Power Quotient International Co., Ltd.	1,427	623,347	1,868,844

Note 1: The investment was approved by the Investment Commission of MOEA.

Note 2: Recognition of investment income (loss), except for Fugang Electronic (Dongguan) Co., Ltd., Dongguan Fuqiang Electronics Co., Ltd., Fugang Electric (Kunshan) Co., Ltd., Fugang Electric (Xuzhou) Co., Ltd., Dongguan Fu Wei Electronics Co., Ltd., Glorytek (Suzhou) Co., Ltd., Glory Optics(Yancheng) Co., Ltd., Glorytek (Yancheng) Co., Ltd. and Yancheng Yaowei Technology Co., Ltd. for the three months ended March 31, 2021 were recognised based on the financial statements that were reviewed by independent auditors, remaining subsidiaries were recognised based on the financial statements that were not reviewed by the independent auditors.

Note 3: The Company's investment in Mainland China is not subject to an upper limit as the Company obtained the scope of operations certificate of being qualified for operating headquarters issued by Industrial Development Bureau, MOEA in accordance with the Regulations Governing the Examination of Investment or Technical Cooperation in Mainland China amended on August 29, 2008.

Note 4: The investments through the investee company in Mainland China of the Company including: Dongguan Fuqiang Electronics Co., Ltd., Fugang Electric (MAANSHAN) Co., Ltd., Fuzhan Electronics (Shanghai) Co., Ltd., Fu Gang Electronic (Nan Chang) Co., Ltd., Foxlink Automotive Technology (Kunshan) Co., Ltd., Kunshan Fugang Electric Trading Co., Ltd., Kunshan Fu Shi You Trading Co., Ltd., Shanghai Fugang Electric Trading Co., Ltd., Fuqiang Electric (MAANSHAN) Co., Ltd., Dongguan Banrin Robot Technology Co., Ltd., Suzhou Keyu Rui Automobile Technology Co., Ltd., and Changde Fubo Intelligent Technology Co., Ltd., except for the investment via the holding companies in Mainland China, other investments shall not be approved by Investment Commission of MOEA.

Cheng Uei Precision Industry Co., Ltd.

Major shareholders information

March 31, 2021

Table 10

Number of major shareholders	Shares	
	Name of shares held	Ownership (%)
HSIN HUNG International Investment Co., Ltd.	100,535,228	19.62%
CENTRAL MOTION PICTURE CORPORATION	32,584,000	6.36%
Foxlink Image Technology Co., Ltd.	27,503,000	5.36%