

**NISHOKU TECHNOLOGY INC.
AND ITS SUBSIDIARIES**

CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2020 and 2019
(With Independent Auditors' Review Report Thereon)

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

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Independent Auditors' Review Report

To the Board of Directors of Nishoku Technology Inc.:

Introduction

We have reviewed the consolidated financial statements of Nishoku Technology Inc. and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as of June 30, 2020 and 2019, and the consolidated statements of comprehensive income, changes in equity and cash flows for the three months and six months ended June 30, 2020 and 2019. Management are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued by the Financial Supervisory Commission of the Republic of China. Our responsibility is to issue a report on these consolidated interim financial statements based on our review.

Scope of Review

Except as described in basis of opinion, we conducted our reviews in accordance with Statement on Auditing Standard 65, "Engagements to Review Financial Statements". A review consists principally of inquiries of the Group's personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with the generally accepted auditing standards, the objective of which is the expression of an opinion regarding the consolidated interim financial statements taken as a whole. Accordingly, we do not express such an opinion.

Basis of opinion

Included in the accompanying consolidated interim financial statements are the financial statements of certain consolidated subsidiaries, which were not reviewed by independent accountants. These consolidated subsidiaries had total assets of \$620,094 thousand and \$590,413 thousand constituting 8% of the Group's consolidated total assets as of June 30, 2020 and 2019, respectively; total liabilities of \$244,162 thousand and \$330,176 thousand constituting 7% and 9% of the Group's consolidated total liabilities as of June 30, 2020 and 2019, respectively; comprehensive income of \$20,050 thousand and \$26,291 thousand and \$48,838 thousand and \$60,891 thousand constituting 19% and 11% and 11% and 19% of the Group's consolidated comprehensive income for the three months and six months ended June 30, 2020 and 2019, respectively.

Conclusion

Based on our reviews, except for the effects of the adjustments, if any, as might have been determined to be necessary had the financial statements of some equity method investees as described in basis of opinion above been reviewed by independent accountants, we are not aware of any material modifications that should be made to the consolidated interim financial statements referred to in the first paragraph in order for them to be in conformity with the Regulations Governing the

Notes to Readers

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

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

Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34 “ Interim Financial Reporting” endorsed by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the review resulting in this independent auditor’s report are Cheng-Chien Chen and Sheng-Ho Yu.

KPMG

Taipei, Taiwan (Republic of China)

Jul. 30, 2020

Notes to Readers

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

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Reviewed only, not audited in accordance with generally accepted auditing standards as of June 30, 2020 and 2019
NISHOKU TECHNOLOGY INC. AND ITS SUBSIDIARIES

Consolidated Balance Sheets

June 30, 2020, December 31, 2019 and June 30, 2019

(Expressed in Thousands of New Taiwan Dollars)

Assets		June 30, 2020		December 31, 2019		June 30, 2019		Liabilities and Equity		June 30, 2020		December 31, 2019		June 30, 2019	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
Current assets:								Current liabilities:							
1100	Cash and cash equivalents (note 6(a))	\$ 2,723,190	37	3,539,799	46	3,247,342	44	2100	Short-term borrowings (note 6(h))	\$ 743,335	10	824,790	10	708,480	9
1110	Financial assets at fair value through profit or loss (note 6(b))	478,393	6	449,429	6	629,985	9	2111	Short term notes and bills payable (note 6(i))	49,993	1	149,994	2	99,964	1
1170	Accounts notes and receivable, net (note 6(c))	1,200,339	16	1,395,940	18	1,190,684	16	2170	Notes and Accounts payable	436,134	6	604,378	8	497,788	7
130X	Inventories (note 6(d))	379,701	5	475,628	6	468,226	6	2216	Dividend payable	249,185	3	-	-	186,889	3
1470	Other current assets	30,329	1	35,229	-	34,749	-	2280	Current lease liabilities (note 6(k))	48,502	1	59,531	1	40,331	1
1476	Other current financial assets (note 8)	8,142	-	11,567	-	8,125	-	2300	Other current liabilities	318,136	4	334,256	4	334,139	4
		<u>4,820,094</u>	<u>65</u>	<u>5,907,592</u>	<u>76</u>	<u>5,579,111</u>	<u>75</u>			<u>1,845,285</u>	<u>25</u>	<u>1,972,949</u>	<u>25</u>	<u>1,867,591</u>	<u>25</u>
Non-current assets:								Non-Current liabilities:							
1535	Non-current financial assets at amortized cost (note 6(e),8)	906,382	13	-	-	-	-	2540	Long-term borrowings (note 6(j))	1,000,000	14	1,000,000	13	1,000,000	13
1600	Property, plant and equipment (note 6(f))	1,425,994	19	1,531,841	20	1,623,847	22	2570	Deferred tax liabilities and others	616,117	8	788,926	10	754,583	10
1755	Right-of-use assets(note 6(g))	102,322	1	134,970	2	53,833	1	2580	Non-current lease liabilities (note 6(k))	54,198	1	75,586	1	13,663	-
1840	Deferred tax assets	40,242	1	96,553	1	78,083	1			<u>1,670,315</u>	<u>23</u>	<u>1,864,512</u>	<u>24</u>	<u>1,768,246</u>	<u>23</u>
1915	Prepayments for equipment	1,027	-	15,555	-	35,416	-	Total liabilities		<u>3,515,600</u>	<u>48</u>	<u>3,837,461</u>	<u>49</u>	<u>3,635,837</u>	<u>48</u>
1985	Long-term prepaid rents	67,956	1	70,173	1	74,139	1	Equity attributable to owners of parent (note 6(o)):							
1990	Other non-current assets	22,531	-	24,237	-	28,059	-	3100	Ordinary share	622,962	8	622,962	8	622,962	8
		<u>2,566,454</u>	<u>35</u>	<u>1,873,329</u>	<u>24</u>	<u>1,893,377</u>	<u>25</u>	3200	Capital surplus	959,946	13	959,124	12	958,055	13
								Retained earnings:							
								3310	Legal reserve	538,129	7	504,367	6	504,367	7
								3320	Special reserve	337,817	5	199,839	3	199,839	3
								3350	Unappropriated retained earnings	1,847,840	25	1,994,985	26	1,700,337	23
										<u>2,723,786</u>	<u>37</u>	<u>2,699,191</u>	<u>35</u>	<u>2,404,543</u>	<u>33</u>
								3400	Other equity interest	(435,746)	(6)	(337,817)	(4)	(148,909)	(2)
								Total equity		<u>3,870,948</u>	<u>52</u>	<u>3,943,460</u>	<u>51</u>	<u>3,836,651</u>	<u>52</u>
Total assets		<u>\$ 7,386,548</u>	<u>100</u>	<u>7,780,921</u>	<u>100</u>	<u>7,472,488</u>	<u>100</u>	Total liabilities and equity		<u>\$ 7,386,548</u>	<u>100</u>	<u>7,780,921</u>	<u>100</u>	<u>7,472,488</u>	<u>100</u>

Reviewed only, not audited in accordance with generally accepted auditing standards
NISHOKU TECHNOLOGY INC. AND ITS SUBSIDIARIES
Consolidated Statements of Comprehensive Income

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For the three months and six months ended June 30, 2020 and 2019

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

	Three months ended June 30,				Six months ended June 30,			
	2020		2019		2020		2019	
	Amount	%	Amount	%	Amount	%	Amount	%
4110 Operation Revenues (notes 6(r))	\$ 1,118,395	101	1,026,769	101	1,763,754	102	1,679,135	102
4170 Less: Sales returns and allowance	11,460	1	14,991	1	31,801	2	29,339	2
Net Operating revenues	1,106,935	100	1,011,778	100	1,731,953	100	1,649,796	100
5000 Operating costs (notes 6(d), (g), (m), 13)	755,488	68	796,338	79	1,267,955	73	1,386,019	84
Gross profit from operations	351,447	32	215,440	21	463,998	27	263,777	16
6000 Operating expenses (notes 6(c), (g), (m) , (p) , (s) and 12)								
6100 Selling expenses	11,058	1	15,400	2	26,503	2	29,760	2
6200 Administrative expenses	74,730	7	79,994	8	147,739	9	150,134	9
6300 Research and development expenses	21,256	2	31,597	3	39,599	2	54,330	3
6450 Expected credit loss	974	-	4,765	-	1,244	-	5,526	-
	108,018	10	131,756	13	215,085	13	239,750	14
Net operating income	243,429	22	83,684	8	248,913	14	24,027	2
Non-operating income and expenses:								
7010 Other income (notes 6(t))	24,043	2	20,911	2	48,512	3	37,800	2
7020 Other gains and losses, net (notes 6(u))	(29,000)	(3)	19,187	2	82	-	(3,007)	-
7050 Finance costs, net	(4,885)	-	(6,426)	(1)	(11,062)	-	(13,031)	(1)
Total non-operating income and expenses	(9,842)	(1)	33,672	3	37,532	3	21,762	1
7900 Profit from continuing operations before tax	233,587	21	117,356	11	286,445	17	45,789	3
7950 Less: Tax expense (note 6(n))	(1,367)	-	14,464	1	12,665	1	2,815	-
Profit	234,954	21	102,892	10	273,780	16	42,974	3
8300 Other comprehensive income:								
8360 Components of other comprehensive income that will be reclassified to profit or loss								
8361 Exchange differences on translation	(91,944)	(8)	(32,717)	(3)	(122,411)	(7)	63,663	4
8399 Income tax related to components of other comprehensive income that will be reclassified to profit	18,389	2	6,543	1	24,482	1	(12,733)	(1)

See accompanying notes to consolidated financial statements.

	or loss (note 6(n))								
8300	Other comprehensive income, net	<u>(73,555)</u>	<u>(6)</u>	<u>(26,174)</u>	<u>(2)</u>	<u>(97,929)</u>	<u>(6)</u>	<u>50,930</u>	<u>3</u>
8500	Total comprehensive income	<u>\$ 161,399</u>	<u>15</u>	<u>76,718</u>	<u>8</u>	<u>175,851</u>	<u>10</u>	<u>93,904</u>	<u>6</u>
	Profit, attributable to:								
8610	Profit, attributable to owners of parent	<u>\$ 234,954</u>	<u>21</u>	<u>102,892</u>	<u>10</u>	<u>273,780</u>	<u>16</u>	<u>42,974</u>	<u>3</u>
	Comprehensive income attributable to:								
8710	Comprehensive income, attributable to owners of parent	<u>\$ 161,399</u>	<u>15</u>	<u>76,718</u>	<u>8</u>	<u>175,851</u>	<u>10</u>	<u>93,904</u>	<u>6</u>
	Basic earnings per share								
9750	Basic earnings per share (NT dollars) (note 6(q))	<u>\$ 3.77</u>		<u>1.65</u>		<u>4.39</u>		<u>0.69</u>	
9850	Diluted earnings per share (NT dollars) (note 6(q))	<u>\$ 3.76</u>		<u>1.65</u>		<u>4.37</u>		<u>0.69</u>	

See accompanying notes to consolidated financial statements.

Reviewed only, not audited in accordance with generally accepted auditing standards
NISHOKU TECHNOLOGY INC. AND ITS SUBSIDIARIES
Consolidated Statements of Changes in Equity
For the six months ended June 30, 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent							Total equity
	Share capital		Retained earnings			Total other equity interest	Total equity attributable to owners of parent	
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of Treasury stock		
Balance at January 1, 2019	\$ 622,962	955,989	480,192	181,708	1,886,558	(199,839)	3,927,570	3,927,570
Profit for the period	-	-	-	-	42,974	-	42,974	42,974
Other comprehensive income	-	-	-	-	-	50,930	50,930	50,930
Total comprehensive income	-	-	-	-	42,974	50,930	93,904	93,904
Appropriation and distribution of retained earnings								
Legal Reserve Appropriated			24,175		(24,175)			
Special Reserve Appropriated	-	-		18,131	(18,131)	-	-	-
Cash Dividends of Common Stock	-	-	-		(186,889)	-	(186,889)	(186,889)
Stock Option Compensation Cost	-	2,066	-	-	-	-	2,066	2,066
Balance at June 30, 2019	\$ 622,962	958,055	504,367	199,839	1,700,337	(148,909)	3,836,651	3,836,651
Balance at January 1, 2020	\$ 622,962	959,124	504,367	199,839	1,994,985	(377,817)	3,943,460	3,943,460
Profit for the period	-	-	-	-	273,780	-	273,780	273,780
Other comprehensive income	-	-	-	-	-	(97,929)	(97,929)	(97,929)
Total comprehensive income	-	-	-	-	273,780	(97,929)	175,851	175,851
Appropriation and distribution of retained earnings								
Legal Reserve Appropriated	-	-	33,762	-	(33,762)	-	-	-
Special Reserve Appropriated	-	-	-	137,978	(137,978)	-	-	-
Cash Dividends of Common Stock	-	-	-	-	(249,185)	-	(249,185)	(249,185)
Stock Option Compensation Cost	-	822	-	-	-	-	822	822
Balance at June 30, 2020	\$ 622,962	959,946	538,129	337,817	1,847,840	(435,746)	3,870,948	3,870,948

See accompanying notes to consolidated financial statements.

Reviewed only, not audited in accordance with generally accepted auditing standards
NISHOKU TECHNOLOGY INC. AND ITS SUBSIDIARIES
Consolidated Statements of Cash Flows

For the six months ended June 30, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

	For the six months ended June 30,	
	2020	2019
Cash flows from (used in) operating activities:		
Profit before tax	\$ 286,445	45,789
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation and amortization	144,476	162,482
Expected credit loss	1,244	5,526
Interest expense	11,062	13,031
Interest income	(40,191)	(29,761)
Stock option compensation cost	822	2,066
Net loss (gain) on financial assets at fair value through profit or loss	1,182	(1,341)
Gain on disposal of property, plant and equipment	(3,507)	(844)
Recognition losses (reversal of provision) on inventory valuation and obsolescence	12,057	29,267
other	750	-
Total adjustments to reconcile profit :	<u>127,895</u>	<u>180,426</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Financial assets at fair value through profit or loss	(30,146)	(364,754)
Accounts notes and receivable	194,357	152,464
Inventories	83,870	1,027
Other current assets and other financial assets	(1,838)	(1,791)
Total changes in operating assets	<u>246,243</u>	<u>(213,054)</u>
Changes in operating liabilities:		
Notes and accounts payable	(168,244)	(103,515)
Other current liabilities	(25,467)	44,796
Total changes in operating liabilities	<u>(193,711)</u>	<u>(58,719)</u>
Total adjustments	<u>180,427</u>	<u>(91,347)</u>
Cash inflow(outflow) generated from operations	466,872	(45,558)
Interest received	41,536	29,761
Interest paid	(11,514)	(12,496)
Income taxes paid	(91,138)	(5,054)
Net cash flows from operating activities	<u>405,756</u>	<u>(33,347)</u>
Cash flows from (used in) investing activities:		
Acquisition of Non-current financial assets at amortized cost	(906,382)	-
Acquisition of property, plant and equipment	(23,981)	(92,636)
Proceeds from disposal of property, plant and equipment	5,833	4,116
Increase Refundable deposits	10,248	6,765
Decrease in other financial assets	(1,843)	(2,734)
Net cash flows used in investing activities	<u>(916,125)</u>	<u>(84,489)</u>
Cash flows from (used in) financing activities:		
Decrease in short-term loans	(81,455)	(97,240)
Proceeds from (Repayments of) long-term borrowings	(100,000)	-
Increase (decrease) in guarantee deposits received and others	-	100,000
Payment of lease liabilities	(315)	456
Treasury stock acquired	(30,104)	(28,768)
Net cash flows used in financing activities	<u>(211,874)</u>	<u>(25,552)</u>
Effect of exchange rate changes on cash and cash equivalents	(94,366)	47,687
Net Increase (decrease) in cash and cash equivalents	(816,609)	(95,701)
Cash and cash equivalents at beginning of period	3,539,799	3,343,043
Cash and cash equivalents at end of period	<u>\$ 2,723,190</u>	<u>3,247,342</u>

See accompanying notes to consolidated financial statements.

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

NISHOKU TECHNOLOGY INC. AND ITS SUBSIDIARIES

Notes to the Consolidated Financial Statements

June 30, 2020 and 2019

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

(1) Company history

NISHOKU TECHNOLOGY INC. (the “Company”) was incorporated in year 1980, as a company limited by shares and registered under the Ministry of Economic Affairs, ROC. The Company conducted an IPO on the Taiwan Stock Exchange (TWSE) on October 5, 2011. The Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”) primarily are involved in the manufacture and sale of plastic injection mold, tooling manufacturing and general import and export trade, please refer to note 14.

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

These consolidated interim financial statements were authorized for issuance by the board of directors on July 30, 2020.

(3) New standards, amendments and interpretations adopted:

- a. Impact of the International Financial Reporting Standards (“IFRSs”) endorsed by the Financial Supervisory Commission, R.O.C. (“FSC”) which have already taken effect.

The following new standards, interpretations and amendments have been endorsed by the FSC and are effective for annual periods beginning on or after January 1, 2020:

<u>New, Revised or Amended Standards and Interpretations</u>	<u>Effective date per IASB</u>
Amendments to IFRS 3 “Definition of a Business”	January 1, 2020
Amendments to IFRS 9, IAS39 and IFRS7 “Interest Rate Benchmark Reform”	January 1, 2020
Amendments to IAS 1 and IAS 8 “Definition of Material”	January 1, 2020
Amendments to IFRS 16 “Covid-19-Related Rent Concessions”	June 1, 2020

The Group assesses that the adoption of the abovementioned standards would not have any material impact on its consolidated financial statements.

- b. The impact of IFRS issued by IASB but not yet endorsed by the FSC

As of the date, the following IFRSs that have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC

(Continued)

New, Revised or Amended Standards and Interpretations	Effective date per IASB
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”	Effective date to be determined by IASB
IFRS 17 “Insurances Contracts”	January 1, 2023
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	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
Amendments to IFRS 17 “Insurances Contracts”	January 1, 2023

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

(4) Summary of significant accounting policies:

a. Statement of compliance

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

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

Except the following accounting policies mentioned below, the significant accounting policies adopted in the consolidated interim financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2019. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2019.

b. Basis of consolidation

Principles of preparation of the consolidated interim financial statements are the same as those of the consolidated financial statements for the year ended December 31, 2019. For the related information, please refer to note 4(c) of the consolidated financial statements for the year ended December 31, 2019. The financial statements of insignificant consolidated subsidiaries, NISHOKU BOUEKI and NISHOKU VIETNAM, were not reviewed by independent accountants, and the financial statements of insignificant consolidated subsidiaries, SAME SRART (Anguilla), were reviewed by independent accountants.

c. Income Tax

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

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period by the effective annual tax rate as forecasted by the management. This should be

recognized fully as tax expense for the current period (and allocated to current and deferred taxes based on its proportionate size).

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

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

The preparation of the consolidated interim financial statements in conformity with the Regulations and IFRSs (in accordance with IAS 34 “Interim Financial Reporting” and endorsed by the FSC) requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing the consolidated financial statements, critical accounting judgments and key sources of estimation uncertainty used by management in the application of accounting policies are consistent with those described in note 5 of the consolidated financial statements for the year ended December 31, 2019.

(6) Explanation of significant accounts:

In addition to the following, there is no significant difference between the notes on the significant accounting items of the consolidated interim financial statements and the consolidated financial statements for the year ended December 31, 2019. For the related information, please refer to note 6 of the consolidated financial statements for the year ended December 31, 2019.

(a) Cash and cash Equivalents

	June 30, 2020	December 31, 2019	June 30, 2019
Cash, and demand deposits	\$ 1,901,477	1,528,284	1,120,323
Time deposits	355,448	1,321,955	1,931,035
Bond acquired under repurchase agreement	466,265	689,560	195,984
Cash and cash equivalents in the consolidated statement of cash flows	<u>\$ 2,723,190</u>	<u>3,539,799</u>	<u>3,247,342</u>

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

	June 30, 2020	December 31, 2019	June 30, 2019
Financial assets mandatorily measured at FVTPL:			
Fund	\$ 11,315	12,666	13,139
Principal guaranteed financial instruments	460,865	430,513	610,515
Bond of oversea	6,213	6,250	6,331
Total	<u>\$ 478,393</u>	<u>449,429</u>	<u>629,985</u>

As of June 30, 2020, and December 31, 2019, and June 30, 2019, the Group did not provide any financial assets as collateral for its loans.

(c) Notes and accounts receivable

	June 30, 2020	December 31, 2019	June 30, 2019
Notes receivable	\$ 12,945	19,343	24,765
Accounts receivable	1,189,391	1,395,696	1,191,546
Less : allowance for impairment	(1,997)	(19,099)	(25,627)
	<u>\$ 1,200,339</u>	<u>1,395,940</u>	<u>1,190,684</u>

The Group measures the loss allowance for notes and accounts receivable using the simplified approach with the lifetime expected credit losses. To measure the expected credit losses, notes and accounts receivables have been grouped based on shared credit risk characteristics and the days past due, as well as incorporate forward-looking information.

Analysis of expected credit losses was as follows:

	June 30, 2020		
	Carrying amount of accounts receivable	Weighted-average loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 1,119,382	-%	-
Past due less than 120 days	69,113	0%~1%	1,295
Past due 121~270 days	282	0%~30%	88
Past due 271~365 days	614	0%~100%	614
Total	<u>\$ 1,189,391</u>		<u>1,997</u>

	December 31, 2019		
	Carrying amount of accounts receivable	Weighted-average loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 1,339,320	-%	-
Past due less than 120 days	37,523	0%~1%	247
Past due 121~270 days	1	0%~30%	-
Past due over 1 year	18,852	100%	18,852
Total	<u>\$ 1,395,696</u>		<u>19,099</u>

	June 30, 2019		
	Carrying amount of accounts receivable	Weighted-average loss rate	Loss allowance for lifetime expected credit losses
Not past due	\$ 1,079,201	-%	-
Past due less than 120 days	65,851	0%~1%	354
Past due 121~270 days	26,461	0%~30%	5,240
Past due 271~365 days	77	0%~100%	77
Past due over 1 year	<u>3,887</u>	100%	<u>3,887</u>
Total	<u>\$ 1,175,477</u>		<u>9,558</u>

As of June 30, 2019, after assessment, there is default risk on individual customer, and the gross carrying amount and loss allowance provision of the customer amounted to \$16,069 thousand.

The movement of the loss allowance for notes and accounts receivable was as follows:

	Six months ended June 30,	
	2020	2019
Beginning balance	\$ 19,099	23,892
Impairment loss	1,244	5,526
Amounts written off	<u>(18,346)</u>	<u>(3,791)</u>
Ending balance	<u>\$ 1,997</u>	<u>25,627</u>

(d) Inventories

	June 30, 2020	December 31, 2019	June 30, 2019
Raw materials	\$ 134,355	144,663	156,508
Work in process	168,584	219,691	213,756
Finished goods	76,762	111,274	97,962
	<u>\$ 379,701</u>	<u>475,628</u>	<u>468,226</u>

For the three months ended June 30, 2020 and June 30, 2019, and for the six months ended June 30, 2020 and June 30, 2019, raw material, consumables, and changes in the finished goods and work in progress recognized as cost of sale amounted to \$755,488 thousand and \$796,338 thousand, and \$1,267,955 thousand, and \$1,386,019 thousand, respectively. For the three months ended June 30, 2020 and June 30, 2019, and for the six months ended June 30, 2020 and June 30, 2019 the Group recognized the losses (reversal) on inventory valuation and obsolescence as cost of goods sold amounting to 7,971 thousand and (1,076) thousand, and \$12,057 thousand and 29,267 thousand, respectively.

As of June 30, 2020, December 31, 2019, and June 30, 2019, the Group did not provide any inventories as collateral.

(e) Non-current financial assets at amortized cost

	June 30, 2020	December 31, 2019	June 30, 2019
Restricted bank deposit	\$ 906,382	-	-

In May, 2020, the Group applied to IRS for the application of “The Management, Utilization, and Taxation of Repatriated Offshore Funds Act” (hereinafter referred to as the “Act”), and the remittance was approved within one month. According to the Act, the funds need to be deposited in a special-purpose account for five years, and 5% of the funds can be used without restriction, 25% can be used on financial investment, and 70%, at least, can be used for substantive investment; Otherwise, the funds can only be redeemed within 3 consecutive years on average after the five years maturity.

(f) Property, plant and equipment

The cost, depreciation and impairment loss of the property, plant and equipment of the Group for the years ended June 30, 2020 and 2019, were as follows.

	Land	Building	Machinery and equipment	Office and other equipment	Construction in progress and testing equipment	Total
Cost or deemed cost:						
Balance on January 1, 2020	\$ 179,672	920,762	2,016,688	476,633	101,928	3,695,683
Additions	-	586	12,383	7,461	14,554	34,984
Reclassifications	-	122,845	-	1,061	(124,656)	(750)
Disposals	-	-	(49,900)	(19,485)	-	(69,385)
Effect of movements in exchange rates	-	(18,495)	(45,586)	(11,964)	12,157	(63,888)
Balance on June 30, 2020	\$ 179,672	1,025,698	1,933,585	453,706	3,983	3,596,644
Balance on January 1, 2019	\$ 179,672	927,427	2,099,866	478,594	73,046	3,758,605
Additions	-	394	13,788	20,121	57,433	91,736
Reclassifications	-	1,364	32,645	11,893	(44,564)	1,338
Disposals	-	(1,295)	(59,032)	(11,247)	-	(71,574)
Effect of movements in exchange rates	-	7,975	22,617	5,162	1,573	37,327
Balance on June 30, 2019	\$ 179,672	935,865	2,109,884	504,523	87,488	3,817,432
Depreciation and impairments loss:						
Balance on January 1, 2020	\$ -	391,905	1,413,474	358,463	-	2,163,842
Depreciation for the period	-	24,010	63,756	23,277	-	111,043

Disposals	-	-	(49,279)	(17,779)	-	(67,058)
Effect of movements in exchange rates	-	4,988	(34,096)	(8,069)	-	(37,177)
Balance on June 30, 2020	<u>\$ -</u>	<u>420,903</u>	<u>1,393,855</u>	<u>355,892</u>	<u>-</u>	<u>2,170,650</u>
Balance on January 1, 2019	\$ -	354,265	1,406,257	348,728	-	2,109,250
Depreciation for the period	-	25,992	78,912	24,075	-	128,979
Reclassifications	-	-	585	753	-	1,338
Disposals	-	(1,295)	(57,459)	(9,548)	-	(68,302)
Effect of movements in exchange rates	-	3,058	15,475	3,787	-	22,320
Balance on June 30, 2019	<u>\$ -</u>	<u>382,020</u>	<u>1,443,770</u>	<u>367,795</u>	<u>-</u>	<u>2,193,585</u>
Carrying amounts:						
Balance on June 30, 2020	<u>\$ 179,672</u>	<u>604,795</u>	<u>539,730</u>	<u>97,814</u>	<u>3,983</u>	<u>1,425,994</u>
Balance on January 1, 2020	<u>\$ 179,672</u>	<u>528,857</u>	<u>603,214</u>	<u>118,170</u>	<u>101,928</u>	<u>1,531,841</u>
Balance on June 30, 2019	<u>\$ 179,672</u>	<u>553,845</u>	<u>666,114</u>	<u>136,728</u>	<u>87,488</u>	<u>1,623,847</u>

As of June 30, 2020, December 31, 2019 and June 30, 2020, the property, plant and equipment of the Group had not been pledged as collateral.

(g) Right-of-use assets

The Group leases many assets including land and buildings, vehicles and machinery equipment. Information about leases for which the Group as a lessee was presented below

Carrying amount:	Buildings	Machinery	Transportat	Total
	and structures	and equipment	ion equipment	
Balance on June 30, 2020	<u>\$ 91,509</u>	<u>7,566</u>	<u>3,247</u>	<u>102,322</u>
Balance on January 1, 2020	<u>\$ 114,456</u>	<u>15,550</u>	<u>4,964</u>	<u>134,970</u>

The amounts of depreciation expense for the six months ended June 30, 2020 and 2019 were \$29,623 thousand and \$28,505 thousand, respectively.

(h) Short-term borrowings

The details were as follows:

	June 30, 2020	December 31, 2019	June 30, 2019
Credit loans, no pledge	<u>\$ 743,335</u>	<u>824,790</u>	<u>708,480</u>
Interest rate range	<u>0.78%~1.51%</u>	<u>0.90%~2.80%</u>	<u>0.88%~3.06%</u>

(i) Short-term notes and bills payable

The details were as follows:

	<u>June 30, 2020</u>	<u>December 31, 2019</u>	<u>June 30 , 2019</u>
Commercial paper payable	\$ 50,000	150,000	100,000
Less: Discount on short-term notes and bills payable	(7)	(6)	(36)
Total	<u>\$ 49,993</u>	<u>149,994</u>	<u>99,964</u>
Interest rate range	<u>0.602%</u>	<u>0.732%</u>	<u>0.732%</u>

(j) Long-term borrowings

The details were as follows:

	<u>June 30, 2020</u>	<u>December 31, 2019</u>	<u>June 30, 2020</u>
Unsecured loans	<u>\$ 1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Interest rate range	<u>0.94%~1.09%</u>	<u>1.00%~1.19%</u>	<u>1.15%~1.19%</u>

(k) Lease liabilities

The details were as follows:

	<u>June 30, 2020</u>	<u>December 31, 2019</u>	<u>June 30, 2019</u>
Lease liabilities - Current	<u>\$ 48,502</u>	<u>59,531</u>	<u>40,331</u>
Lease liabilities -Non-current	<u>\$ 54,198</u>	<u>75,586</u>	<u>13,663</u>

For the maturity analysis, please refer to note 6(v).

The amounts recognized in profit or loss during the lease term were as follows:

	<u>Three months ended June 30,2020</u>	<u>Three months ended June 30,2019</u>	<u>Six months ended June 30,2020</u>	<u>Six months ended June 30,2019</u>
Interests of lease liabilities	<u>\$ 334</u>	<u>192</u>	<u>719</u>	<u>426</u>
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	<u>\$ 152</u>	<u>139</u>	<u>307</u>	<u>279</u>

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

	Six months ended June 30, 2020	Six months ended June 30, 2019
Total cash out flow of lease	\$ 31,130	29,473

(l) Operating lease

There were no significant changes in operating lease for the six months ended June 30, 2019. Please refer to Note 6(k) of the consolidated financial statements for the year ended December 31, 2019 for other related information.

(m) Employee benefits

The pension costs incurred from the contributions to the Labor Insurance were as follows:

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Operating Costs	\$ 2,990	6,457	7,811	13,821
Operating Expenses	1,139	1,214	2,670	3,137
Total	\$ 4,129	7,671	10,481	16,958

(n) Income tax

(i) The amounts of income tax expense (profit) for the three months and six months ended June 30, 2020 and 2019 were (\$1,367) thousand, \$14,464 thousand, \$12,665 thousand and \$2,815 thousand respectively.

(ii) The amounts of income tax expense (profit) under other comprehensive income or loss for the three months and six months ended June 30, 2020 and 2019 were as follows:

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Foreign currency translation differences for foreign operations	\$ (18,389)	(6,543)	(24,482)	12,733

- (iii) The Company and NISHOKU BOUEKI income tax returns have been examined by the tax authority through the years up to 2016 and 2018, respectively.

(o) Capital and other equity

In addition to the following, there is no material change in capital and other equity of the Group for the six months ended June 30, 2020 and 2019. For the related information, please refer to Note 6(n) of the consolidated financial statements for the year ended December 31, 2019.

(i) Capital surplus

The balances of capital surplus as of June 30, 2020 and 2019 were as follows:

	June 30, 2020	December 31, 2019	June 30, 2019
Additional paid-capital	\$ 949,944	949,944	949,944
Employee share options	10,002	9,180	8,111
Total	<u>\$ 959,946</u>	<u>959,124</u>	<u>958,055</u>

(ii) Retained earnings

The Company's article of incorporation stipulate that, when allocating the profit for each fiscal year, the Company shall first reserve the taxes to be paid, offset its losses in previous years. Of the remaining profit, 10% is to be appropriated as legal reserve until the accumulated legal reserve equals the Company's paid-in capital. Aside from the aforesaid legal reserve, the Company shall appropriate or reverse another sum as special earnings reserve in accordance with relevant laws or regulations or requested by the authorities in charge. The remaining profit together with any undistributed retained earnings shall be distributed according to the distribution plan proposed by the Board of Directors and submitted to the stockholders' meeting for approval.

According to the amendment of the of Article 240 and Article 241 of the ROC Company Act, the Company authorized the distributable dividends and bonuses in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

Before the distribution of dividends, the Company shall first take into consideration its operating environment, industry developments, and the long-term interests of stockholders, as well as its programs to maintain operating efficiency and meet its capital expenditure budget and financial goals in determining the stock or cash dividends to be paid. The dividend to be distributed shall be no less than 10% of the current-year retained earnings available for distribution only if the current-year retained earnings available for distribution does not reach \$0.5 per share, the Company may decide not to distribute dividend. The dividend to be distributed may be in the form of cash and stock, and cash portion of the dividend, should not be less than 30% of the total distributed dividend.

Earnings distribution for 2019 and 2018 were decided via board of directors held on June 16, 2020, and June 18, 2019, respectively, and the approval of shareholders' meeting. The relevant dividend distributions to shareholders were as follow:

	2019		2018	
	Payout per share	Amount	Payout per share	Amount
Dividend to shareholders:				
Cash	\$ 4.0	<u>249,185</u>	\$ 3.0	<u>186,889</u>

(p) Share-based payment

For the six months ended June 30, 2020 and 2019, there were no significant changes in share-based payment except for the following: (Please refer to note 6(o) of the consolidated financial statements for the year ended December 31, 2019 for other related information).

(i) Information about the Company's outstanding employee stock options is described as follows:

	Six months ended June 30, 2020		Six months ended June 30, 2019	
	Weighted-average Exercise Price(NT\$)	Number of Stock Options	Weighted-average Exercise Price(NT\$)	Number of Stock Options
Outstanding at beginning of the period	\$ 70.80(note)	440	75.40(note)	560
Options granted	-	-	-	-
Options forfeited	-	-	-	-
Options exercised	-	-	-	-
Outstanding at end of the period	70.80(note)	<u>440</u>	70.80(note)	<u>560</u>
Exercisable at end of the period		<u>-</u>		<u>-</u>
The weighted average price of the stock options		<u>\$ 18.15</u>		<u>18.15</u>

(Note) The Company adjusted the exercise price of stock options according to its requirements for issuance stock options due to the reduction of ordinary shares by cash this year.

The details of the stock options of the Group were as follows:

	June 30, 2020	December 31, 2019	June 30 2019
Weighted average of remaining contractual period (years)	2.07	2.57	3.07

(ii) The fair value of stock options granted is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

	2017
Exercise price (in dollars)	81.80

Stock price of grant date (in dollars)	81.80
Expected dividends	-%
Expected price volatility	26.78%~27.89%
Risk-free interest rate	0.67%~0.73%
Exercise option life	5 years

(iii) For the three months and six months ended June 30, 2020 and 2019, the expenses attributable to share based payment amounted to \$411 thousand and \$1,033 thousand and \$822 thousand, and \$2,066 thousand, respectively.

(q) Earnings per share

The calculation of basic earnings per share for the three months and six months ended June 30, 2020 and 2019 were calculated as follows:

	<u>Three months ended June 30,</u>		<u>Six months ended June 30,</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Basic earnings per share:				
Profit attributable to ordinary shareholders of the Company	<u>\$ 234,954</u>	<u>102,892</u>	<u>273,780</u>	<u>42,974</u>
Weighted-average number of ordinary shares (thousand shares)	<u>62,296</u>	<u>62,296</u>	<u>62,296</u>	<u>62,296</u>
Basic earnings per share (NTD)	<u>\$ 3.77</u>	<u>1.65</u>	<u>4.39</u>	<u>0.69</u>
Diluted earnings per share:				
Profit attributable to ordinary shareholders of the Company	<u>\$ 234,954</u>	<u>102,892</u>	<u>273,780</u>	<u>42,974</u>
Weighted-average number of ordinary shares (basic, thousand shares)	62,296	62,296	62,296	62,296
Effect of employee stock bonuses	<u>190</u>	<u>116</u>	<u>349</u>	<u>213</u>
Weighted-average number of ordinary shares (diluted, thousand shares)	<u>62,486</u>	<u>62,412</u>	<u>62,645</u>	<u>62,509</u>
Diluted earnings per share (NTD)	<u>\$ 3.76</u>	<u>1.65</u>	<u>4.37</u>	<u>0.69</u>

(r) Revenue from contracts with customers

(i) Details of revenue

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
<u>Primary geographical markets</u>				
United States	\$ 425,308	440,461	717,374	706,731
Asia	134,676	228,935	260,318	412,347
Euro	546,951	342,382	754,261	530,718
	\$ 1,106,935	1,011,778	1,731,953	1,649,796
<u>Primary productions</u>				
Plastic injection mold	\$ 950,637	933,377	1,525,382	1,527,894
Tooling mold	155,178	78,239	204,914	121,600
Others	1,120	162	1,657	302
	\$ 1,106,935	1,011,778	1,731,953	1,649,796

(ii) Contract balances

For details on accounts receivable, please refer to note 6 (c).

	June 30,	December 31,	June 30
	2020	2019	2019
Contract liabilities	\$ 51,099	31,622	65,361

The major change in the balance of contract liabilities is the advance consideration received from customers for the contracts, in which revenue is recognized when products are delivered to customers. The amount of revenue recognized for the years ended June 30, 2020 and 2019, which was included in the contract liability balance at the beginning of the period, was \$31,622 thousand and \$29,530 thousand, respectively.

(s) Employee, board of directors', and supervisors' compensation

In accordance with the Articles of incorporation the Company should contribute no less than 1% of the profit as employee compensation and not exceed 5% as directors' and supervisors' remuneration when there is profit for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit. The amount of remuneration of each director and supervisor and of compensation for employees entitled to receive the abovementioned employee compensation is approved by the board of directors. The recipients of shares and cash may include the employees of the Company's affiliated companies who meet certain conditions.

For the three months and six months ended June 30, 2020 and 2019, the Company estimated its employee remuneration amounting to \$6,188 thousand, \$5,700 thousand, \$12,376 thousand and \$5,700 thousand, directors' and supervisors' remuneration amounting to \$2,000 thousand, \$1,710

thousand, \$4,000 thousand and \$1,710 thousand, respectively. The estimated amounts mentioned above are calculated based on the net profit before tax, excluding the remuneration to employees, directors and supervisors of each period, multiplied by the percentage of remuneration to employees, directors and supervisors as specified in the Company's articles. These remunerations were expensed under operating costs or operating. If the actual amount of the annual distribution and the estimated amount of differences, according to the changes in accounting estimates, and the difference recognized as the next year annual profit (loss). Such as the resolution of the board of directors to take the stock of employee compensation, the stock of the number of shares based on the calculation of the basis of the board of directors based on the calculation of the day before the calculation.

For the year ended December 31, 2019 and 2018, the Company estimated its employee remuneration amounting to \$22,100 thousand and \$17,513 thousand, respectively, and directors' and supervisors' remuneration amounting to \$7,925 thousand and \$6,140 thousand respectively. There is no difference in the actual distribution situation, please refer to Market Observation Post System for further information.

(t) Other revenue

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Interest income	\$ 20,280	15,582	40,191	29,761
Others	3,763	5,329	8,321	8,039
Total other income	\$ 24,043	20,911	48,512	37,800

(u) Other gains and losses

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Foreign exchange gain (losses), net	\$ (33,002)	24,407	(1,399)	(844)
Gain (Losses) on financial assets at fair value through profit or loss	1,548	(74)	(1,182)	1,341
Gain on disposal of property, plant and equipment	2,821	(1,227)	3,507	844
Others	(367)	(3,919)	(844)	(4,348)
Net gains and losses	\$ (29,000)	19,187	82	(3,007)

(v) Financial Instruments

In addition to the following, there is no material change in financial instruments of the Group for the six months ended June 30, 2020 and 2019. For the related information, please refer to note 6(u) of the consolidated financial statements for the year ended December 31, 2019.

(i) Credit risk

1) Credit risk exposure

As of June 30, 2020 and 2019, the Group's maximum exposure to credit risk was mainly from the carrying amount of financial assets recognized in the consolidated statements of financial position and amounted to \$5,316,446 thousand and \$5,076,136 thousand, respectively. The Groups had deposited these bank deposits in different financial institutions,

and the Group believes that there is no significant credit risk from the above mentioned financial institutions.

2) Concentration of credit risk

The credit risk exposure of the Group comes from the credit of individual customers, and the industry of the customer also have effect on credit risk. For the years ended June 30, 2020 and 2019, sales to the individual customers whose revenue constituting over 10% of net revenue are 30% and 28% of total revenues respectively. As of June 30, 2020 and 2019, 30% and 31%, respectively, of accounts receivable were for those customers.

(ii) Liquidity risk

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

	Carrying amount	Contractual cash flows	within 1year	1-2 years	2-5 years
June 30, 2020					
Non-derivative financial liabilities					
Short-term borrowings	\$ 743,335	744,003	744,003	-	-
Short-term notes and bills payable	49,993	50,000	50,000	-	-
Long-term borrowings	1,000,000	1,015,087	10,063	1,005,024	-
Notes and accounts payable	436,134	436,134	436,134	-	-
Lease liabilities	102,700	102,700	48,502	54,198	-
Other financial liabilities	282,494	282,494	282,494	-	-
	\$ 2,614,656	2,630,418	1,571,196	1,059,222	-
December 31, 2019					
Non-derivative financial liabilities					
Short-term borrowings	\$ 824,790	830,154	830,154	-	-
Short-term notes and bills payable	149,994	150,000	150,000	-	-
Long-term borrowings	1,000,000	1,018,915	10,730	1,008,185	-
Notes and accounts payable	604,378	604,378	604,378	-	-
Lease liabilities	135,117	135,117	59,531	75,586	-
Other financial liabilities	45,748	45,748	45,748	-	-
	\$ 2,760,027	2,784,312	1,700,541	1,083,771	-
June 30, 2019					
Non-derivative financial liabilities					
Short-term borrowings	\$ 708,480	709,762	709,762	-	-
Short-term notes and bills payable	99,964	100,000	100,000	-	-
Long-term borrowings	1,000,000	1,018,630	11,739	1,006,891	-
Notes and accounts payable	497,788	497,788	497,788	-	-
Lease liabilities	53,994	53,994	40,331	13,663	-
Other financial liabilities	227,301	227,301	227,301	-	-
	\$ 2,587,527	2,607,475	1,586,921	1,020,554	-

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

(iii) Market risk

1) Exchange rate risk

The Group significant exposure to foreign currency risk on financial assets and liabilities was as follows:

	June 30, 2020			December 31, 2019			June 30, 2019		
	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD
<u>Financial assets</u>									
<u>Monetary Items</u>									
USD	\$ 115,654	29.63	3,426,814	81,104	29.980	2,431,483	77,891	31.060	2,419,306
CNY	3,848	4.191	16,125	16,029	4.305	69,005	15,701	4.521	70,986
<u>Financial liabilities</u>									
<u>Monetary Items</u>									
USD	2,280	29.63	67,563	1,394	29.980	41,795	1,023	31.060	31,775

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, trade and other receivables, and trade and other payables that are denominated in foreign currency.

A weakening (strengthening) of 1% of the NTD against the USD and CNY at June 30, 2020 and 2019, would have increased or decreased the net profit before tax by \$33,754 thousand and \$24,585 thousand, respectively. The analysis assumes that all other variables remain constant and ignores any impact of forecasted sales and purchases. The analysis is performed on the same basis for both periods.

Since the Group has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. For the six months ended June 30, 2020 and 2019, foreign exchange gain (including realized and unrealized portions) amounted to \$1,399 thousand and \$844 thousand, respectively.

2) Interest rate analysis

The interest risk exposure from financial assets and liabilities has been disclosed in the note of liquidity risk management.

The following sensitivity analysis is based on the exposure to interest rate risk of the non-derivative financial instruments on the reporting date. If the interest rate had increased or decreased by 0.25%, the net profit before tax would have decreased or increased by \$1,626 thousand and \$64 thousand for the six months ended June 30, 2020 and 2019, respectively, assuming all other variable factors were constant. This mainly resulted from borrowings and bank deposits at variable interest rates.

(iv) Fair value of financial instruments

1) Fair value of financial instruments

The carrying amount and fair value of the Group's financial assets and liabilities, including

the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and for equity investments that has no quoted prices in the active markets and whose fair value cannot be reliably measured, disclosure of fair value information is not required:

		June 30, 2020			
		Fair Value			
	Carrying amounts	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	\$ 478,393	11,315	6,213	460,865	478,393
Financial assets carried at amortized cost					
Cash and cash equivalents	\$ 2,723,190				
Notes and accounts receivable, net	1,200,339				
Other financial assets-current	8,142				
Refundable deposits	15,242				
Non-current financial assets at amortized cost	906,382				
	<u>\$ 4,853,295</u>				
Financial liabilities carried at amortized cost					
Long and short term borrowings	\$ 1,743,335				
Short-term notes and bills payable	49,993				
Notes and accounts payable	436,134				
Lease liability	102,700				
Other payables	282,494				
	<u>\$ 2,614,656</u>				
		December 31, 2019			
		Fair Value			
	Carrying amounts	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	\$ 449,429	12,666	6,250	430,513	449,429
Financial assets carried at amortized cost					
Cash and cash equivalents	\$ 3,539,799				
Notes and accounts receivable, net	1,395,940				
Other financial assets-current	11,567				
Refundable deposits	25,490				
	<u>\$ 4,972,796</u>				
Financial liabilities carried at amortized cost					
Long and short term borrowings	\$ 1,824,790				
Short-term notes and bills payable	149,994				
Notes and accounts payable	604,378				
Lease liability	135,117				
Other payables	45,748				
	<u>\$ 2,760,027</u>				

	June 30, 2019				
	Carrying amounts	Fair Value			Total
	Level 1	Level 2	Level 3		
Financial assets at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	<u>\$ 629,985</u>	<u>13,139</u>	<u>6,331</u>	<u>610,515</u>	<u>629,985</u>
Financial assets carried at amortized cost					
Cash and cash equivalents	\$ 3,247,342				
Notes and accounts receivable, net	1,190,684				
Other financial assets-current	8,125				
Refundable deposits	<u>17,714</u>				
	<u>\$ 4,463,865</u>				
Financial liabilities carried at amortized cost					
Long and short term borrowings	\$ 1,708,480				
Short-term notes and bills payable	99,964				
Notes and accounts payable	497,788				
Lease liability	53,994				
Other payables	<u>227,301</u>				
	<u>\$ 2,587,527</u>				

2) Valuation techniques for financial instruments measured at fair value

a) Non-derivative financial instruments

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's-length basis. Whether transactions are taking place 'regularly' is a matter of judgment and depends on the facts and circumstances of the market for the instrument.

Quoted market prices may not be indicative of the fair value of an instrument if the activity in the market is infrequent, the market is not well-established, only small volumes are traded, or bid-ask spreads are very wide. Determining whether a market is active involves judgment.

b) Derivative financial instruments

Measurement of the fair value of derivative instruments is based on the valuation techniques generally accepted by market participants. Fair value of forward currency is usually determined by the forward currency exchange rate.

3) Reconciliation of Level 3 fair values

The following table shows a reconciliation of the beginning balances to the ending balances for the fair value measurements in Level 3 of the fair value hierarchy:

	At fair value through profit or loss	
	Derivative financial assets mandatorily measured at fair value through profit or loss	Non-derivative financial assets mandatorily measured at fair value through profit or loss
Balance on January 1, 2020	\$430,513	245,966
Recognized in profit or loss	16,910	3,530
Purchase	879,833	700,962
Disposal	(866,391)	(339,943)
Balance on June 30, 2020	<u>\$ 460,865</u>	<u>610,515</u>

The aforementioned total gains and losses were recognized in “other income”.

There have been no transfers from each level for the six months ended June 30, 2020 and 2019.

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

The Group’s financial instruments that use Level 3 inputs to measure fair value are financial instrument” and derivative financial assets. The financial assets’ fair value are using the prior transaction price before adjustments or third-party pricing information. The unobservable inputs are not set up as the Group measures fair value, therefore the quantified information of significant unobservable inputs are not disclosed.

- (v) Financial risk management

The Group’s risk management policies are no material change in financial instruments of the Group for the six months ended June 30, 2020 and 2019. For the related information, please refer to note 6(v) of the consolidated financial statements for the year ended December 31, 2019.

- (w) Capital management

As of June 30, 2020, there were no changes in the Group’s approach to capital management. For the related information, please refer to Note 6(w) of the consolidated financial statements for the year ended December 31, 2019.

- (x) Investing and financing activities not affecting current cash flow

The Group’s investing and financing activities which did not affect the current cash flow in the six months ended June 30, 2020 and 2019, were as follows:

	January 1,2020	Cash flows	Foreign exchange movement and others	June30,2020
Short term borrowings	\$ 824,790	(81,455)	-	743,335
Short-term notes and bills payable	149,994	(100,000)	(1)	49,993

Long term borrowings	1,000,000	-	-	1,000,000
Lease liability	135,117	(30,104)	(2,313)	102,7000
Total liabilities from financing activities	\$ 2,109,901	(211,559)	(2,314)	1,896,028

	January 1,2019	Cash flows	Foreign exchange movement and others	June 30,2019
Short term borrowings	\$ 805,720	(97,240)	-	708,480
Short-term notes and bills payable	99,985	-	(21)	99,964
Long term borrowings	900,000	100,000	-	1,000,000
Lease liability	80,887	(28,768)	1,875	53,994
Total liabilities from financing activities	\$ 1,887,592	(26,008)	1,854	1,862,438

(7) Related-party transactions:

(a) Key management personnel compensation

Key management personnel compensation comprised:

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Short-term employee benefits	\$ 10,473	9,393	21,567	15,603
Post-employment benefits	54	54	108	108
Termination benefits	-	-	-	-
Other long-term benefits	-	-	-	-
Share-based payments	-	-	-	-
	\$ 10,527	9,447	21,675	15,711

(8) Pledged assets:

The carrying values of pledged assets were as follows:

Pledged assets	Object	June 30, 2020	December 31, 2019	June 30, 2019
Demand deposits (classified under other current financial assets)	Guarantee for Carbon emission	\$ 24	25	26
"	Guarantee for litigation	1,644	4,703	3,166
		\$ 1,668	4,728	3,192

(9) Significant Commitments and Contingencies:

(a) Unrecognized contractual commitments:

(i) The Group's unrecognized contractual commitments to the purchase of equipments were as follows:

	<u>June 30, 2020</u>	<u>December 31, 2019</u>	<u>June 30, 2019</u>
Acquisition of property, plant and equipment	<u>\$ 68,068</u>	<u>75,657</u>	<u>21,368</u>

(ii) For the necessary to bank loan and operating capital, the Company and its subsidiaries provide guarantee and endorsement for other parties were as follows:

	<u>June 30, 2020</u>	<u>December 31, 2019</u>	<u>June 30, 2019</u>
Outstanding guarantee notes	\$ 1,353,349	1,628,960	1,685,120
Purchase guarantee	<u>14,815</u>	<u>14,990</u>	<u>15,530</u>
	<u>\$ 1,368,164</u>	<u>1,643,950</u>	<u>1,700,650</u>
Actual usage amount	<u>\$ 148,150</u>	<u>329,780</u>	<u>264,010</u>

(10) Losses Due to Major Disasters: None.**(11) Subsequent Events: None.****(12) Other:**

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

By item	For the three-month periods ended June 30					
	2020			2019		
	Operating cost	Operating expenses	Total	Operating cost	Operating expenses	Total
Employee benefit expenses						
Salaries	171,251	51,319	222,570	195,462	40,225	235,687
Labor and health insurance	3,771	1,845	5,616	4,869	955	5,824
Pension	2,990	1,139	4,129	6,457	1,214	7,671
Others	4,246	6,798	11,044	4,830	4,712	9,542
Depreciation	55,744	13,212	68,956	62,793	15,554	78,347
Amortization	882	948	1,830	1,113	1,119	2,232

By item	By function	For the six-month periods ended June 30					
		2020			2019		
		Operating cost	Operating expenses	Total	Operating cost	Operating expenses	Total
Employee benefit expenses							
Salaries		297,905	99,788	397,693	330,422	88,318	418,740
Labor and health insurance		8,312	4,199	12,511	10,359	3,218	13,577
Pension		7,811	2,670	10,481	13,821	3,137	16,958
Others		9,547	13,492	23,039	8,797	9,242	18,039
Depreciation		113,708	26,958	140,666	126,524	30,960	157,484
Amortization		1,824	1,986	3,810	2,841	2,157	4,998

(13) Other disclosures:

(a) Information on significant transactions:

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

(i) Loans to other parties:

No.	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period (Note 3)	Ending balance (Note 3)	Actual usage amount during the period	Interest rate	Nature of financing	Transaction amounts	Reason for short-term financing	Allowance for bad debt	Collateral		Financing limit for each borrowing company	Maximum financing limit for the lender
													Item	Value		
0	The Company	NISHOKU VIETNAM	Other accounts receivable	Yes	296,300	296,300	-	0.95%	Necessary to loan other parties	-	Operating capital	-	-	-	387,095 (Note 1)	3,870,948 (Note 1)
1	SAME START (Anguilla)	NISHOKU VIETNAM	Other accounts receivable	Yes	242,000	237,040	207,410	1.03%-1.4%	Necessary to loan other parties	-	Operating capital	-	-	-	617,667 (Note 1)	617,667 (Note 1)

Note 1: The individual amount and the total amount for lending to a company shall not exceed 10% and 40% of the lending company’s net worth in the latest financial statement, respectively. The Company for lending to the Company directly or indirectly holds 100% of their shares, with the loan amount not limited and the total amounts not exceeding the lending company’s net worth in the last financial statement.

Note 2: Related transaction have been eliminated during the preparation of the consolidated financial statements.

Note 3: Amount actually draw in foreign currencies were translated based on the exchange rate at the reporting date.

(ii) Guarantees and endorsements for other parties:

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period (Note 3)	Balance of guarantees and endorsements as of reporting date (Note 3)	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company (Note 2)										
0	The Company	SAME START (Anguilla)	3	1,161,285	514,250	118,520	-	-	3.06%	3,870,948	Y	N	N
"	"	NISHOKU VIETNAM	2	1,161,285	1,075,569	1,075,569	133,335	-	27.79%	3,870,948	"	"	"
"	"	NISHOKU BOUEKI	2	1,161,285	159,260	159,260	-	-	4.11%	3,870,948	"	"	"

1	NISHOKU KUNSHAN PLASTIC	SAME START (Anguilla)	1	771,573	15,125	14,815	14,815	-	0.58%	2,571,911	N	"	"
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Note 1: The amount and the total amount of the guarantee to a company shall not exceed 30% and 100%, respectively, of the Company net worth in the latest financial statements. The total amount of the guarantee that the Company and its subsidiaries to a company shall not exceed 100%, of the Company's net worth in the latest financial statement. The Company directly or indirectly holds 100% of their shares, the guarantee amounts not limited by the Company's net worth in the latest financial statement.

Note 2: The relationship of guarantor and endorsements to related parties were as follows:

- 1) Business relationship between the Company
- 2) The Company directly or indirectly holds over 50% of subsidiaries' shares;
- 3) The parent company and its subsidiaries hold over 50% of investees' shares;
- 4) A subsidiary jointed owned over 50% by the Company and the Company's directly-owned subsidiary.

Note 3: Amount actually draw in foreign currencies were translated based on the exchange rate at the reporting date.

(iii) Securities held as of June 30, 2020 (excluding investment in subsidiaries, associates and joint ventures):

Name of holder	Nature and name of securities	Relationship with the securities issuer	Account name	Ending balance				Note
				Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value	
SAME START (Anguilla)	Bond of oversea	None	Financial assets at fair value through profit or loss	-	6,213	- %	6,213	
"	PineBridge preferred income fund	"	"	-	11,315	- %	11,315	
NISHOKU SHENZHEN	Principal guaranteed financial instruments	"	"	"	251,381	- %	251,381	
NISHOKU KUNSHAN PLASTIC	Principal guaranteed financial instruments	"	"	-	209,484	- %	209,484	

(iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT\$300 million or 20% of the capital stock:

Name of company	Category and name of security	Account name	Name of counter-party	Relationship with the company	Beginning Balance		Purchases		Sales				Ending Balance	
					Shares	Amount	Shares	Amount	Shares	Price	Cost	Gain (loss) on disposal	Shares	Amount
NISHOKU KUNSHAN PLASTIC	Principal guaranteed financial product	Financial assets at fair value through profit or loss	Agriculture Bank of China	None	-	86,103	-	167,587	-	255,083	253,690	1,393	-	-
"	"	"	Wells Fargo Asset Management (Shanghai)	"	-	215,256	-	290,484	-	221,960	215,256	6,704	-	209,484
NISHOKU SHENZHEN	Principal guaranteed financial product	Financial assets at fair value through profit or loss	Wells Fargo Asset Management (Shanghai)	"	-	129,154	-	251,381	-	263,080	254,845	8,235	-	125,690
"	"	"	Bank of China	"	-	-	-	251,381	-	126,268	125,690	578	-	125,691

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

- (vi) Disposal of individual real estate with amount exceeding the lower of NT\$300 million or 20% of the capital stock: None.
- (vii) Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$100 million or 20% of the capital stock:

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance (Note 1)	Percentage of total notes/accounts receivable (payable)	
SAME START (Anguilla)	NISHOKU KUNSHAN PLASTIC	Associate	(Sale)	(334,903)	(68)%	Note 1	Note 1	Note 1	185,595	65%	Note 2
NISHOKU KUNSHAN PLASTIC	SAME START (Anguilla)	"	Purchase	334,903	55%	"	"	"	(185,595)	(37)%	"
NISHOKU KUNSHAN PLASTIC	SAME START (Anguilla)	"	(Sale)	(121,281)	(9)%	"	"	"	84,735	8%	"
SAME START (Anguilla)	NISHOKU KUNSHAN PLASTIC	"	Purchase	121,281	37%	"	"	"	(84,735)	(48)%	"

Note 1: The subsidiaries did not purchase or sale same product from third parties, so the purchase (sale) price cannot be compared. In addition, the receipt terms of related parties were not significant different to third parties.

Note 2: Transactions within the Group were eliminated in the consolidated financial statements.

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

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
SAME START (Anguilla)	NISHOKU KUNSHAN PLASTIC	Associate	185,595	3.10	-	-	82,285	-

Note 1: Until July 24, 2020.

Note 2: Transactions within the Group were eliminated in the consolidated financial statements

- (ix) Trading in derivative instruments: None.
- (x) Business relationships and significant intercompany transactions:

The following is the information for the six months ended June 30, 2020, business relationships and significant intercompany transactions with the amounts exceeding NT\$ 10 million:

(In Thousands of New Taiwan Dollars)

No. (Note 1)	Name of company	Name of counter-party	Nature of relationship (Note 2)	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	The Company	SAME START (Anguilla)	1	Purchase	99,286	Note 3	6%
"	"	"	1	Account Payable	75,977	"	1%
1	NISHOKU BOUEKI	"	3	Sales	82,999	"	5%
"	"	"	3	Account receivable	63,827	"	1%
2	SAME START (Anguilla)	NISHOKU KUNSHAN PLASTIC	3	Purchase	121,281	"	7%
"	"	"	3	Account Payable	84,735	"	1%

"	"	"	3	Sales	334,903	"	19%
"	"	"	3	Account receivable	185,595	"	3%
2	SAME START (Anguilla)	NISHOKU VIETNAM	3	Sales	43,959	"	2%
"	"	"	3	Account receivable	20,319	"	-%
"	"	"	3	Other receivables	208,037	Loans and interests	3%

Note 1: "0" represents the parent company, and the others represent the subsidiaries.

Note 2: "1" represents the transactions from parent company to subsidiary.

"2" represents the transactions from subsidiary to parent company.

"3" represents the transactions between subsidiaries.

Note 3: The trading price and product that purchase or sale from related parties that did not purchase or sale from third parties, so cannot be compared, the receive (payment) term of related parties is net 90 days.

(b) Information on investees:

The following is the information on investees for the six months ended June 30, 2020 (excluding information on investees in Mainland China):

(In Thousands of New Taiwan Dollars)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of September 30, 2018			Net income (losses) of investee	Share of profits/losses of investee	Note
				June 30, 2020	December 31, 2019	Shares (thousands)	Percentage of ownership	Carrying value			
The Company	SUN NICE (SAMOA)	SAMOA	Holding	1,096,194	1,096,194	34,468	100%	4,373,983	296,162	279,709	
"	NISHOKU BOUEKI	Taiwan	Purchase and sales of plastic raws and parts	1,000	1,000	6,300	100%	120,045	17,006	16,005	
"	NISHOKU VIETNAM	Vietnam	Manufacture and sale of tooling and plastic products	508,434 (USD 16,500 thousands)	267,314 (USD 8,500 thousands)	-	100%	84,589	(31,831)	(31,677)	
SUN NICE (SAMOA)	SAME START (Anguilla)	Anguilla	Purchase and sale of mold and plastic products	-	-	-	100%	617,667	188,384	188,384	
"	NISHOKU HK	HK	Holding	1,800,361 (USD 57,915 thousands)	1,800,361 (USD 57,915 thousands)	62,298	100%	3,018,654	77,214	77,214	
"	SUNNICE (BVI)	BVI	"	585,292 (USD 17,948 thousands)	585,292 (USD 17,948 thousands)	15,697	100%	735,885	30,483	30,483	

Note: Transactions within the Group were eliminated in the consolidated financial statements.

(c) Information on investment in mainland China:

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

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2018	Investment flows		Accumulated outflow of investment from Taiwan as of June 30, 2020	Net income (losses) of the investee	Percentage of ownership	Investment income (losses) (Note 1)	Book value (Note 1)	Accumulated remittance of earnings in current period
					Outflow	Inflow						
NISHOKU SHENZHEN	Manufacture and sale of mold and plastic products	USD23,288 thousands	Indirect investment through third area	703,870 (USD22,939 thousands)	-	-	703,870 (USD22,939 thousands)	595	100.00%	595	1,151,476	475,841
NISHOKU KUNSHAN PLASTIC	Manufacture and sale of mold and plastic products	USD53,310 thousands	"	1,674,270 (USD52,524 thousands)	-	-	1,674,270 (USD52,524 thousands)	107,109	100.00%	107,109	2,571,911	473,544

(ii) Limitation on investment in Mainland China:

Accumulated Investment in Mainland China as of June 30, 2020	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
2,378,140	2,378,140	(Note 2)

Note 1: The above investment income (loss) in mainland China was based on financial statements audited by the Company's auditors.

Note 2: The Company has received the certificate issue by the Industrial Development Bureau, Ministry of Economic Affairs, allowing it to start operating of its headquarters.

Note 3: Amount actually draw in foreign currencies were translated based on the exchange rate at the reporting date.

(iii) Significant transactions:

The significant inter-company transactions with the subsidiary in Mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in "Information on significant transactions" .

(d) Major shareholders :

Shareholder's Name	Shareholding	Shares	Percentage
Ji Teng Investment Limited		4,500,000	7.22%
CTBC Bank Trusted Custody investment account _Gold		3,897,856	6.25%
Talent Co., Ltd.			
Jin Hong Investment Limited		3,600,000	5.77%
Chang ,Wen-Hsien		3,517,309	5.64%

Note 1: This table is based on the last business day at the end of each quarter, and calculates that the total number of ordinary shares and special shares registration of non-physical securities (including treasury shares) that have been reached more than 5%. As for the share capital recorded in the company's financial report and the number of shares registration of non-physical securities may be have variance due to different calculation basis.

Note 2: The information that shareholders deliver shares to trust is disclosed by the individual trustee who set up the trust account. As for shareholders who handle the declaration of insider equity holdings of more than 10% of their shares in accordance with the Securities Exchange Act, their shareholdings include the shares held by them plus their delivery to the trust and have the right to make decisions on trust property, etc. For information on insider equity declaration, please refer to Market Observation Post.

(14) Segment information:

The Group's identifies its operating segments based on decision of the chief operating decision marker (CODM). The Group's operating segments are in United States, Asia and Europe, etc. Those operating segments are reportable segments. The Revenue from manufacture and supply electronic parts to clients. Since the strategy of each segment is different, it is necessary to separate them for management.

The operating segment accounting policies are similar to those described in note 4 "significant accounting policies".

The Group's product revenues from geographical clients were as follows:

		Three months ended June 30, 2020				
		United States	Asia	Europe	Elimination	Total
Revenue from external customers		\$ 425,308	134,676	546,951	-	1,106,935
Reportable segment profit or loss		\$ 156,762	19,888	66,779	-	243,429
		Three months ended June 30, 2019				
		United States	Asia	Europe	Elimination	Total
Revenue from external customers		\$ 440,461	228,935	342,382	-	1,011,778
Reportable segment profit or loss		\$ 65,493	5,029	13,162	-	83,684
		Six months ended June 30, 2020				
		United States	Asia	Europe	Elimination	Total
Revenue from external customers		\$ 717,374	260,318	754,261	-	1,731,953
Reportable segment profit or loss		\$ 195,296	9,926	43,691	-	248,913
		Six months ended June 30, 2019				
		United States	Asia	Europe	Elimination	Total
Revenue from external customers		\$ 706,731	412,347	530,718	-	1,649,796
Reportable segment profit or loss		\$ 58,288	(24,744)	(9,517)	-	24,027