WPG HOLDINGS LIMITED AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

REPORT OF INDEPENDENT ACCOUNTANTS

DECEMBER 31, 2013 AND 2012

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.

REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of WPG Holdings Limited

We have audited the accompanying consolidated balance sheets of WPG Holdings Limited and its subsidiaries as of December 31, 2013, December 31, 2012 and January 1, 2012, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years ended December 31, 2013 and 2012. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of WPG Holdings Limited and its subsidiaries as of December 31, 2013, December 31, 2012 and January 1, 2012, and their financial performance and cash flows for the years ended December 31, 2013 and 2012 in conformity with the "Rules Governing the Preparations of Financial Statements by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

We have also audited the parent company only financial statements of WPG Holdings Limited as of and for the years ended December 31, 2013 and 2012, and have expressed an unqualified opinion on such financial statements.

PricewaterhouseCoopers, Taiwan

March 25, 2014

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.

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2013, DECEMBER 31, 2012, AND JANUARY 1, 2012
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

ASSETS	Notes	December 31, 2013 Amount	%	December 31, 2012 Amount	%	January 1, 2012 Amount	%
Current Assets							
Cash and cash equivalents	6(1)	$ 9,458,603	7	$ 8,872,178	7	$ 7,785,974	7
Financial assets at fair value through profit or loss - current	6(2)	30,818	-	48,814	-	134,526	-
Available-for-sale financial assets - current	6(3)	94,158	-	20,919	-	19,442	-
Financial assets carried at cost - current		6,897	-	10,193	-	12,871	-
Notes receivable, net	6(4)	2,894,722	2	1,760,655	2	1,696,082	2
Accounts receivable, net	6(5) and 8	68,544,814	51	57,685,623	48	45,446,076	42
Accounts receivable - related parties, net	7	265,060	-	146,198	-	23,457	-
Other receivables	6(5)	1,743,264	1	1,329,020	1	3,573,617	3
Other receivables - related parties	7	399,546	-	4,627	-	1,348	-
Current income tax assets		10,497	-	13,726	-	2,400	-
Inventories, net	6(6)	35,056,488	26	33,338,625	28	34,032,124	31
Prepayments	7	1,744,650	1	1,687,021	2	1,746,867	2
Other current assets	8	527,461	1	1,507,871	1	3,311,431	3
		120,776,978	89	106,425,470	89	97,786,215	90
Non-current Assets							
Available-for-sale financial assets - non-current	6(7) and 8	186,547	-	153,176	-	171,584	-
Financial assets carried at cost - non-current	6(8)	467,581	1	396,104	-	304,609	-
Investments in bonds without active market - non-current		5,000	-	5,000	-	5,000	-
Investments accounted for under the equity method	6(9)	1,039,601	1	1,107,950	1	617,000	1
Property, plant and equipment	6(10) and 8	5,055,011	4	5,222,839	5	4,131,992	4
Investment property, net	6(11)	1,018,200	1	-	-	-	-
Intangible assets	6(12)	5,842,880	4	5,958,801	5	5,335,584	5
Deferred income tax assets	6(29)	313,067	-	339,120	-	327,927	-
Other non-current assets	6(14) and 8	400,976	-	277,814	-	531,487	-
		14,328,863	11	13,460,804	11	11,425,183	10
TOTAL ASSETS		$135,105,841	100	$119,886,274	100	$109,211,398	100

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WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2013, DECEMBER 31, 2012, AND JANUARY 1, 2012
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		December 31, 2013		December 31, 2012		January 1, 2012	
LIABILITIES AND STOCKHOLDERS' EQUITY	Notes	Amount	%	Amount	%	Amount	%
Current Liabilities							
Short-term borrowings	6(5)(15)	$ 38,865,842	29	$ 31,690,834	26	$ 27,235,857	25
Commercial papers payable	6(16)	4,879,919	4	4,001,703	3	3,213,292	3
Financial liabilities at fair value through profit or loss - current	6(2)	6,885	-	2,010	-	1,346	-
Notes payable		456,174	-	344,101	-	224,517	-
Accounts payable		37,855,857	28	32,895,578	28	28,325,790	26
Accounts payable - related parties	7	11,252	-	15,377	-	885	-
Other payables		3,908,939	3	4,045,097	3	4,983,881	5
Current income tax liabilities		511,258	-	623,807	1	566,961	-
Other current liabilities	6(17)	4,645,833	3	861,055	1	2,216,651	2
		91,141,959	67	74,479,562	62	66,769,180	61
Non-current Liabilities							
Long-term borrowings	6(17)	3,224,738	3	6,441,227	5	3,977,619	4
Deferred income tax liabilities	6(29)	356,865	-	346,311	-	297,389	-
Other non-current liabilities	6(18)	445,641	-	536,294	1	536,300	1
		4,027,244	3	7,323,832	6	4,811,308	5
Total Liabilities		95,169,203	70	81,803,394	68	71,580,488	66
Equity Attributable to Owners of Parent							
Capital							
Common stock	6(19)	16,557,092	12	16,557,092	14	15,838,501	14
Capital reserve	6(20)						
Capital reserve		14,951,793	11	14,937,606	12	13,319,208	12
Retained earnings	6(21)						
Legal reserve		2,414,390	2	1,967,819	2	1,459,776	1
Special reserve		2,943,004	2	1,485,407	1	2,728,889	3
Undistributed earnings		4,950,399	4	6,029,167	5	5,050,372	5
Other equity interest							
Other equity interest	6(22)	(1,937,752)	(1)	(2,947,804)	(2)	(1,462,722)	(1)
Total equity attributable to owners of parent		39,878,926	30	38,029,287	32	36,934,024	34
Non-controlling interests		57,712	-	53,593	-	696,886	-
Total equity		39,936,638	30	38,082,880	32	37,630,910	34
Commitments and contingent liabilities	9						
Significant events after the balance sheet date	11						
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		$135,105,841	100	$119,886,274	100	$109,211,398	100

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

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE DATA)

		For the years ended December 31,			
		2013		2012	
Items	Notes	Amount	%	Amount	%
Operating revenues	6(23) and 7	$406,256,031	100	$360,614,159	100
Operating costs	6(6)(27) and 7	(387,717,718)	(96)	(342,519,548)	(95)
Gross profit		18,538,313	4	18,094,611	5
Operating expenses	6(27)(28)				
Selling and marketing		(8,091,641)	(2)	(8,225,459)	(3)
General and administrative		(4,157,264)	(1)	(3,632,063)	(1)
Total operating expenses		(12,248,905)	(3)	(11,857,522)	(4)
Operating income		6,289,408	1	6,237,089	1
Non-operating income and expenses					
Other income	6(24)	161,390	-	287,017	-
Other gains or losses	6(25)	217,550	-	(18,500)	-
Financial costs	6(26)	(900,220)	-	(894,542)	-
Share of profit of associates and joint ventures accounted for under equity method		38,257	-	29,582	-
Total non-operating income and expenses		(483,023)	-	(596,443)	-
Income before income tax		5,806,385	1	5,640,646	1
Income tax expense	6(29)	(1,046,653)	-	(1,092,115)	-
Consolidated net income		$ 4,759,732	1	$ 4,548,531	1
Other comprehensive income / (loss)					
Financial statements translation differences of foreign operations		$ 960,699	-	($ 1,438,683)	-
Unrealized gain (loss) on available-for-sale financial assets		53,277	-	(14,234)	-
Actuarial gain (loss) on defined benefit plan	6(18)	54,815	-	(8,903)	-
Share of other comprehensive income (loss) of associates and joint venture accounted for under equity method		13,203	-	(13,812)	-
Income tax relating to the components of other comprehensive income	6(29)	(24,566)	-	9,305	-
Total other comprehensive income / (loss)		$ 1,057,428	-	($ 1,466,327)	-
Total comprehensive income		$ 5,817,160	1	$ 3,082,204	1
Consolidated net income (loss) attributable to:					
Owners of parent		$ 4,756,306	1	$ 4,556,020	1
Non-controlling interests		3,426	-	(7,489)	-
		$ 4,759,732	1	$ 4,548,531	1
Comprehensive income attributable to:					
Owners of parent		$ 5,812,296	1	$ 3,063,118	1
Non-controlling interests		4,864	-	19,086	-
		$ 5,817,160	1	$ 3,082,204	1
Earnings per share (In dollars)	6(30)				
Basic earnings per share		$ 2.87		$ 2.77	
Diluted earnings per share		$ 2.87		$ 2.77	

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

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		Attributable to owners of the Company											
			Capital Reserve			Retained Earnings			Other Equity Adjustments				
	Notes	Common stock	Additional paid-in capital	Treasury stock transactions	Changes in share of other comprehensive income of associates and joint ventures accounted for under equity method	Legal reserve	Special reserve	Undistributed earnings	Financial statements translation differences of foreign operations	Unrealized gain or loss on available-for-sale financial assets	Total	Non-controlling interests	Total equity
For the year ended December 31, 2012													
Balance at January 1, 2012		$ 15,838,501	$ 13,270,105	$ 45,083	$ 4,020	$ 1,459,776	$ 2,728,889	$ 5,050,372	($ 1,513,078)	$ 50,356	$ 36,934,024	$ 696,886	$ 37,630,910
Mergers and issuance of new shares	6(19)(20)	718,591	1,616,829	-	-	-	-	-	-	-	2,335,420	-	2,335,420
Changes in share of other comprehensive income of associates and joint ventures accounted for under equity method	6(20)	-	-	-	1,569	-	-	-	-	-	1,569	-	1,569
Appropriations of 2011 net income:													
Provision for legal reserve	6(21)	-	-	-	-	508,043	-	(508,043)	-	-	-	-	-
Reversal of special reserve	6(21)	-	-	-	-	-	(1,243,482)	1,243,482	-	-	-	-	-
Distribution of cash dividends	6(21)	-	-	-	-	-	-	(4,304,844)	-	-	(4,304,844)	-	(4,304,844)
Net income		-	-	-	-	-	-	4,556,020	-	-	4,556,020	(7,489)	4,548,531
Net other comprehensive loss		-	-	-	-	-	-	(7,820)	(1,468,952)	(16,130)	(1,492,902)	26,575	(1,466,327)
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	-	(662,379)	(662,379)
Balance at December 31, 2012		$ 16,557,092	$ 14,886,934	$ 45,083	$ 5,589	$ 1,967,819	$ 1,485,407	$ 6,029,167	($ 2,982,030)	$ 34,226	$ 38,029,287	$ 53,593	$ 38,082,880

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WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		Attributable to owners of the Company											
			Capital Reserve			Retained Earnings			Other Equity Adjustments				
	Notes	Common stock	Additional paid-in capital	Treasury stock transactions	Changes in share of other comprehensive income of associates and joint ventures accounted for under equity method	Legal reserve	Special reserve	Undistributed earnings	Financial statements translation differences of foreign operations	Unrealized gain or loss on available-for-sale financial assets	Total	Non-controlling interests	Total equity
For the year ended December 31, 2013													
Balance at January 1, 2013		$ 16,557,092	$ 14,886,934	$ 45,083	$ 5,589	$ 1,967,819	$ 1,485,407	$ 6,029,167	($ 2,982,030)	$ 34,226	$ 38,029,287	$ 53,593	$ 38,082,880
Changes in share of other comprehensive income of associates and joint ventures accounted for under equity method	6(20)	-	-	-	14,187	-	-	-	-	-	14,187	-	14,187
Appropriations of 2012 net income:													
Provision for legal reserve	6(21)	-	-	-	-	446,571	-	(446,571)	-	-	-	-	-
Provision for special reserve	6(21)	-	-	-	-	-	1,457,597	(1,457,597)	-	-	-	-	-
Distribution of cash dividends	6(21)	-	-	-	-	-	-	(3,973,703)	-	-	(3,973,703)	-	(3,973,703)
Difference between consideration and carrying amount of subsidiaries acquired or disposed		-	-	-	-	-	-	(3,141)	-	-	(3,141)	-	(3,141)
Net income		-	-	-	-	-	-	4,756,306	-	-	4,756,306	3,426	4,759,732
Net other comprehensive income		-	-	-	-	-	-	45,938	954,901	55,151	1,055,990	1,438	1,057,428
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	-	(745)	(745)
Balance at December 31, 2013		$ 16,557,092	$ 14,886,934	$ 45,083	$ 19,776	$ 2,414,390	$ 2,943,004	$ 4,950,399	($ 2,027,129)	$ 89,377	$ 39,878,926	$ 57,712	$ 39,936,638

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

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	For the years ended December 31, 2013	2012
Cash flows from operating activities			
Income before income tax		$ 5,806,385	$ 5,640,646
Adjustments to reconcile consolidated net income to net cash (used in) provided by operating activities:			
Non-cash flows from income and expenses			
Depreciation	6(27)	233,829	242,477
Amortization	6(27)	124,938	117,440
Bad debts expense		483,254	144,576
Interest expense	6(26)	786,926	768,924
Net gain on financial assets or liabilities at fair value through profit or loss		(15,696)	(443)
Interest income	6(24)	(22,292)	(36,794)
Dividend income		(8,869)	(8,977)
Share of profit of associates and joint ventures accounted for under equity method		(38,257)	(29,582)
Loss on disposal of property, plant and equipment and investment property	6(25)	13,044	8,956
Gain on disposal of investments	6(25)	(176,226)	(68,479)
Impairment loss	6(25)	81,417	78,667
Changes in assets/liabilities relating to operating activities			
Changes in assets relating to operating activities			
Financial assets at fair value through profit or loss - current		38,567	86,819
Notes receivable, net		(1,133,091)	(1,521,130)
Accounts receivable, net		(11,344,677)	(10,861,494)
Accounts receivable - related parties, net		(118,862)	(171,027)
Other receivables		(423,301)	1,933,377
Other receivables - related parties		(394,919)	(3,279)
Inventories		(1,751,309)	623,461
Prepayments		(58,050)	21,015
Other current assets		(71,741)	149,719
Changes in operating liabilities			
Notes payable		112,073	123,593
Accounts payable		4,962,212	5,138,661
Accounts payable - related parties		(4,125)	14,492
Other payables		(79,290)	(263,573)
Other current liabilities		104,527	(283,326)
Other non-current liabilities		(31,106)	(7,586)
Cash (used in) generated from operations		(2,924,639)	1,837,133
Interest paid		(785,612)	(758,303)
Income tax paid		(1,075,870)	(984,076)
Interest received		31,183	43,852
Dividends received		45,595	83,674
Net cash (used in) provided by operating activities		(4,709,343)	222,280

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WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	For the years ended December 31, 2013	2012
Cash flows from investing activities			
Proceeds from disposal of available-for-sale financial assets - current		$ 54,881	$ 6,098
Proceeds from disposal of available-for-sale financial assets - non-current		4,027	16,576
Increase in financial assets carried at cost - non-current		(105,739)	(154,853)
Refund of capital received from financial assets carried at cost - non-current		984	3,508
Proceeds from disposal of financial assets carried at cost - non-current		2,990	-
Decrease in other financial assets		1,051,139	960,246
Acquisition of investments accounted for under equity method		(119,904)	(78,377)
Proceeds from disposal of investments accounted for under equity method		292,354	14,400
Proceeds from disposal of property, plant and equipment		17,507	32,877
Acquisition of property, plant and equipment and intangible assets		(1,147,503)	(2,150,974)
Disposal of subsidiaries		(6,391)	(507,334)
Acquisition of subsidiaries		-	427,845
(Increase) decrease in deposits out		(38,365)	273,800
Increase in prepayments for investment		(40,851)	-
Increase in other non-current assets		(45,510)	(23,067)
Net cash used in investing activities		(80,381)	(1,179,255)
Cash flows from financing activities			
Increase in short-term borrowings		354,070,024	334,408,081
Decrease in short-term borrowings		(346,895,016)	(328,400,832)
Increase in commercial papers payable		878,216	893,221
Increase in long-term borrowings (including current portion of long-term liabilities)		10,790,339	25,217,306
Decrease in long-term borrowings (including current portion of long-term liabilities)		(10,325,735)	(24,157,221)
Distribution of cash dividends		(3,973,703)	(4,304,844)
Decrease in non-controlling interests		(745)	(43,916)
Net cash provided by financing activities		4,543,380	3,611,795
Effect of exchange rate changes on cash and cash equivalents		832,769	(1,568,616)
Net increase in cash and cash equivalents		586,425	1,086,204
Cash and cash equivalents at beginning of year		8,872,178	7,785,974
Cash and cash equivalents at end of year		$ 9,458,603	$ 8,872,178

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated March 25, 2014.

WPG HOLDINGS LIMITED AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2013, DECEMBER 31, 2012, AND JANUARY 1, 2012

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

1. HISTORY AND ORGANIZATION

   (1) WPG Holdings Limited (the Company) was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China, and as a holding company of World Peace Industrial Co., Ltd. and Silicon Application Corporation by exchanging shares of common stock on November 9, 2005. The Company's shares were listed on the Taiwan Stock Exchange (TSE) and approved by the Financial Supervisory Commission, Executive Yuan, Securities and Futures Bureau on the same date. After restructuring, Richpower Electronic Devices Co., Ltd. became the Company's subsidiary on January 1, 2008. The Company acquired Pernas Electronics Co., Ltd., Asian Information Technology Inc., Yosun Industrial Corp. and AECO Technology Co., Ltd. by exchanging shares of common stock on July 16, 2008, February 6, 2009, November 15, 2010 and March 1, 2012, respectively.

   (2) The Company was organized to create the management mechanism of the group, supervise the subsidiaries, integrate the whole group and improve operational efficiency. The Company's subsidiaries are mainly engaged in the distribution and sales of electronic / electrical components, sales of computer software and electrical products and sales of electronic / electrical components.

   (3) In accordance with the Company's Articles of Incorporation, the total shares of authorized common stock was 2,000,000,000 shares (including 200,000,000 shares of warrant, warrant preferred stock and warrant bond conversion). The Company and the subsidiaries included in these consolidated financial statements are collectively referred as the "Group". As of December 31, 2013, the Company had issued capital of $16,557,092 with a par value of $10 (in dollars) per share.

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

   These consolidated financial statements were authorised for issuance by the Board of Directors on March 25, 2014.

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")

   Not applicable as it is the first-time adoption of IFRSs by the Group this year.

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

   A. IFRS 9, 'Financial Instruments: Classification and measurement of financial assets'

a) The International Accounting Standards Board ("IASB") published IFRS 9, 'Financial Instruments', in November, 2009, which will take effect on January 1, 2013 with early application permitted (Through the amendments to IFRS 9 published on November 19, 2013, the IASB has removed the previous mandatory effective date, but the standard is available for immediate application). Although the FSC has endorsed IFRS 9, FSC does not permit early application of IFRS 9 when IFRSs are adopted in R.O.C. in 2013. Instead, enterprises should apply International Accounting Standard No. 39 ("IAS 39"), 'Financial Instruments: Recognition and Measurement' reissued in 2009.

b) IFRS 9 was issued as the first step to replace IAS 39. IFRS 9 outlines the new classification and measurement requirements for financial instruments, which might affect the accounting treatments for financial instruments of the Group.

c) The Group has not evaluated the overall effect of the IFRS 9 adoption. However, based on preliminary evaluation, it was noted that the IFRS 9 adoption might have an impact on those instruments classified as 'available-for-sale financial assets' held by the Group, as IFRS 9 specifies that the fair value changes in the equity instruments that meet certain criteria may be reported in other comprehensive income, and such amount that has been recognised in other comprehensive income should not be reclassified to profit or loss when such assets are derecognised. The Group recognised gain (or loss) on debt instruments and on equity instruments amounting to $0 and $53,277, respectively, in other comprehensive income for the year ended December 31, 2013 (excluding other comprehensive income of associates and joint venture accounted for under equity method).

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

The following are the assessment of new standards, interpretations and amendments issued by IASB that are effective but not yet endorsed by the FSC and have not been adopted by the Group (application of the new standards, interpretations and amendments should follow the regulations of the FSC):

New Standards, Interpretations and Amendments	Main Amendments	IASB Effective Date
Limited exemption from comparative IFRS 7 disclosures for first-time adopters (amendment to IFRS 1)	The amendment provides first-time adopters of IFRSs with the same transition relief that existing IFRS preparer received in IFRS 7, 'Financial Instruments: Disclosures' and exempts first-time adopters from providing the additional comparative disclosures.	July 1, 2010

New Standards, Interpretations and Amendments	Main Amendments	IASB Effective Date
Improvements to IFRSs 2010	Amendments to IFRS 1, IFRS 3, IFRS 7, IAS 1, IAS 34 and IFRIC 13.	January 1, 2011
IFRS 9, ‘Financial instruments: Classification and measurement of financial liabilities’	IFRS 9 requires gains and losses on financial liabilities designated at fair value through profit or loss to be split into the amount of change in the fair value that is attributable to changes in the credit risk of the liability, which shall be presented in other comprehensive income, and cannot be reclassified to profit or loss when derecognising the liabilities; and all other changes in fair value are recognised in profit or loss. The new guidance allows the recognition of the full amount of change in the fair value in the profit or loss only if there is reasonable evidence showing on initial recognition that the recognition of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch (inconsistency) in profit or loss. (That determination is made at initial recognition and is not reassessed subsequently.)	November 19, 2013 (Not mandatory)
Disclosures - transfers of financial assets (amendment to IFRS 7)	The amendment enhances qualitative and quantitative disclosures for all transferred financial assets that are not derecognised and for any continuing involvement in transferred assets, existing at the reporting date.	July 1, 2011
Severe hyperinflation and removal of fixed dates for first-time adopters (amendment to IFRS 1)	When an entity’s date of transition to IFRSs is on, or after, the functional currency normalisation date, the entity may elect to measure all assets and liabilities held before the functional currency normalisation date at fair value on the date of transition to IFRSs. First-time adopters shall apply the derecognition requirements in IAS 39, ‘Financial instruments: Recognition and measurement’, prospectively from the date of transition to IFRSs, and they are allowed not to retrospectively recognise related gains on the date of transition to IFRSs.	July 1, 2011

New Standards, Interpretations and Amendments	Main Amendments	IASB Effective Date
Deferred tax: recovery of underlying assets (amendment to IAS 12)	The amendment gives a rebuttable presumption that the carrying amount of investment properties measured at fair value is recovered entirely by sale, unless there exists any evidence that could rebut this presumption. The amendment also replaces SIC 21, 'Income taxes - recovery of revalued non-depreciable assets'.	January 1, 2012
IFRS 10, 'Consolidated financial statements'	The standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where it is difficult to assess.	January 1, 2013
IFRS 11, 'Joint arrangements'	Judgments applied when assessing the types of joint arrangements-joint operations and joint ventures, the entity should assess the contractual rights and obligations instead of the legal form only. The standard also prohibits the proportional consolidation for joint ventures.	January 1, 2013
IFRS 12, 'Disclosure of interests in other entities'	The standard requires the disclosure of interests in other entities including subsidiaries, joint arrangements, associates and unconsolidated structured entities.	January 1, 2013
IAS 27, 'Separate Financial Statements' (as amended in 2011)	The standard removes the requirements of consolidated financial statements from IAS 27 and those requirements are addressed in IFRS 10, 'Consolidated Financial Statements'.	January 1, 2013
IAS 28, 'Investments in Associates and Joint Ventures' (as amended in 2011)	As consequential amendments resulting from the issuance of IFRS 11, 'Joint Arrangements', IAS 28 (revised) sets out the requirements for the application of the equity method when accounting for investments in joint ventures.	January 1, 2013

New Standards, Interpretations and Amendments	Main Amendments	IASB Effective Date
IFRS 13, 'Fair value measurements'	IFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs.	January 1, 2013
IAS 19 revised, 'Employee benefits' (as amended in 2011)	The revised standard eliminates corridor approach and requires actuarial gains and losses to be recognised immediately in other comprehensive income. Past service costs will be recognised immediately in the period incurred. Net interest expense or income, calculated by applying the discount rate to the net defined benefit asset or liability, replace the finance charge and expected return on plan assets. The return of plan assets, excluding net interest expense, is recognised in other comprehensive income.	January 1, 2013
Presentation of items of other comprehensive income (amendment to IAS 1)	The amendment requires profit or loss and other comprehensive income (OCI) to be presented separately in the statement of comprehensive income. Also, the amendment requires entities to separate items presented in OCI into two groups based on whether or not they may be recycled to profit or loss subsequently.	July 1, 2012
IFRIC 20, 'Stripping costs in the production phase of a surface mine'	Stripping costs that meet certain criteria should be recognised as the 'stripping activity asset'. To the extent that the benefit from the stripping activity is realised in the form of inventory produced, the entity shall account for the costs of that stripping activity in accordance with IAS 2, 'Inventories'.	January 1, 2013
Disclosures-Offsetting financial assets and financial liabilities (amendment to IFRS 7)	The amendment requires disclosures to include quantitative information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements.	January 1, 2013

New Standards, Interpretations and Amendments	Main Amendments	IASB Effective Date
Offsetting Financial Assets and Financial Liabilities (Amendment to IAS 32)	The amendments clarify the requirements for offsetting financial instruments on the statement of financial position: (i) the meaning of 'currently has a legally enforceable right to set off the recognised amounts'; and (ii) that some gross settlement mechanisms with certain features may be considered equivalent to net settlement.	January 1, 2014
Government loans (amendment to IFRS 1)	The amendment provides exception to first-time adopters to apply the requirements in IFRS 9, "Financial instruments", and IAS 20, "Accounting for government grants and disclosure of government assistance", prospectively to government loans that exist at the date of transition to IFRSs; and first-time adopters should not recognise the corresponding benefit of the government loan at a below-market rate of interest as a government grant.	January 1, 2013
Improvements to IFRSs 2009-2011	Amendments to IFRS 1 and IAS 1, IAS 16, IAS 32 and IAS 34.	January 1, 2013
Consolidated financial statements, joint arrangements and disclosure of interests in other Entities: Transition guidance (amendments to IFRS 10, IFRS 11 and IFRS 12)	The amendment clarifies that the date of initial application is the first day of the annual period in which IFRS 10, 11 and 12 is adopted.	January 1, 2013
Investment entities (amendments to IFRS 10, IFRS 12 and IAS 27)	The amendments define 'Investment Entities' and their characteristics. The parent company that meets the definition of investment entities should measure its subsidiaries using fair value through profit or loss instead of consolidating them.	January 1, 2014
IFRIC 21, 'Levies'	The interpretation addresses the accounting for levies imposed by governments in accordance with legislation (other than income tax). A liability to pay a levy shall be recognised in accordance with IAS 37, 'Provisions, contingent liabilities and contingent assets'.	January 1, 2014

New Standards, Interpretations and Amendments	Main Amendments	IASB Effective Date
Recoverable amount disclosures for non-financial assets (amendments to IAS 36)	The amendments remove the requirement to disclose recoverable amount when a cash generating unit (CGU) contains goodwill or intangible assets with indefinite useful lives that were not impaired.	January 1, 2014
Novation of derivatives and continuation of hedge accounting (amendments to IAS 39)	The amendment states that the novation of a hedging instrument would not be considered an expiration or termination giving rise to the discontinuation of hedge accounting when the hedging instrument that is being novated complies with specified criteria.	January 1, 2014
IFRS 9, "Financial assets: hedge accounting" and amendments to IFRS 9, IFRS 7 and IAS 39	1. IFRS 9 relaxes the requirements for hedged items and hedging instruments and removes the bright line of effectiveness to better align hedge accounting with the risk management activities of an entity. 2. An entity can elect to early adopt the requirement to recognise the changes in fair value attributable to changes in an entity's own credit risk from financial liabilities that are designated under the fair value option in 'other comprehensive income'.	November 19, 2013 (Not mandatory)
Services related contributions from employees or third parties (amendments to IAS 19R)	The amendment allows contributions from employees or third parties that are linked to service, and do not vary with the length of employee service, to be deducted from the cost of benefits earned in the period that the service is provided. Contributions that are linked to service, and vary according to the length of employee service, must be spread over the service period using the same attribution method that is applied to the benefits.	July 1, 2014
Improvements to IFRSs 2010-2012	Amendments to IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24 and IAS 38.	July 1, 2014

New Standards, Interpretations and Amendments	Main Amendments	IASB Effective Date
Improvements to IFRSs 2011-2013	Amendments to IFRS 1, IFRS 3, IFRS 13 and IAS 40.	July 1, 2014

The Group is assessing the potential impact of the new standards, interpretations and amendments above and has not yet been able to reliably estimate their impact on the consolidated financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(1) Compliance statement

A. These consolidated financial statements are the first consolidated financial statements prepared by the Group in accordance with the "Rules Governing the Preparation of Financial Statements by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the "IFRSs").

B. In the preparation of the balance sheet as of January 1, 2012 (the Group's date of transition to IFRSs) ("the opening IFRS balance sheet"), the Group has adjusted the amounts that were reported in the consolidated financial statements in accordance with previous R.O.C. GAAP. Please refer to Note 15 for the impact of transitioning from R.O.C. GAAP to IFRSs on the Group's financial position, financial performance and cash flows.

(2) Basis of preparation

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

a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

b) Available-for-sale financial assets measured at fair value.

c) Defined benefit liabilities recognised based on the net amount of pension fund assets plus unrecognised past period's service cost less present value of defined benefit obligation.

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

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

a) All subsidiaries are included in the Group's consolidated financial statements.

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies. In general, control is presumed to exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. The existence and effect of potential voting rights that are currently exercisable or convertible have been considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.

e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss, on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

			Ownership (%)		
Name of investment company	Name of subsidiaries	Main activities	December 31, 2013	December 31, 2012	Note
WPG Holdings Limited	World Peace Industrial Co., Ltd.	Sales of electronic components	100.00	100.00	
WPG Holdings Limited	Silicon Application Corporation	Sales of computer software and electronic products	100.00	100.00	

Name of investment company	Name of subsidiaries	Main activities	Ownership (%) December 31, 2013	Ownership (%) December 31, 2012	Note
WPG Holdings Limited	Richpower Electronic Devices Co., Ltd.	Sales of electronic / electrical components	100.00	100.00	
WPG Holdings Limited	Pernas Electronics Co., Ltd.	〃	100.00	100.00	
WPG Holdings Limited	WPG Korea Co., Ltd.	〃	100.00	100.00	
WPG Holdings Limited	WPG Electronic Ltd.	〃	100.00	100.00	
WPG Holdings Limited	WPG International (CI) Limited	Holding company	100.00	100.00	
WPG Holdings Limited	Asian Information Technology Inc.	Sales of electronic / electrical components	100.00	100.00	
WPG Holdings Limited	Yosun Industrial Corp.	〃	100.00	100.00	
WPG Holdings Limited	WPG Investment Co., Ltd.	Investment company	100.00	100.00	
WPG Holdings Limited	AECO Technology Co., Ltd.	Sales of electronic / electrical components	100.00	100.00	
World Peace Industrial Co., Ltd.	World Peace International (BVI) Ltd.	Holding company	100.00	100.00	
World Peace Industrial Co., Ltd.	WPI Investment Holding (BVI) Company Ltd.	〃	100.00	100.00	
World Peace Industrial Co., Ltd.	Longview Technology Inc.	Sales of electronic components	100.00	100.00	
World Peace International (BVI) Ltd.	Prime Future Technology Limited	Holding company	100.00	100.00	
Prime Future Technology Limited	World Peace International Pte. Ltd.	〃	100.00	100.00	
World Peace International Pte. Ltd.	Genuine C&C (IndoChina) Pte., Ltd.	Sales of electronic / electrical components	80.00	80.00	Note 10
World Peace International Pte. Ltd.	WPG Americas Inc.	〃	5.10	6.73	Note 2
World Peace International Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	〃	100.00	100.00	

Name of investment company	Name of subsidiaries	Main activities	Ownership (%) December 31, 2013	Ownership (%) December 31, 2012	Note
World Peace International Pte. Ltd.	Genuine C&C (South Asia) Pte., Ltd.	Sales of electronic / electrical components	100.00	100.00	
World Peace International Pte. Ltd.	WPG SCM Limited	〃	100.00	100.00	Note 7
World Peace International (South Asia) Pte Ltd.	World Peace International (India) Pvt., Ltd.	〃	100.00	100.00	
World Peace International (South Asia) Pte Ltd.	WPG Electronics (Philippines) Inc.	〃	-	100.00	Notes 5 and 25
World Peace International (South Asia) Pte Ltd.	WPG C&C (Malaysia) Sdn. Bhd	〃	100.00	-	Note 30
World Peace International (South Asia) Pte Ltd.	WPG C&C (Thailand) Co., Ltd.	Agent and sales of information products	100.00	-	Note 30
World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	Sales of electronic / electrical components	100.00	-	Note 30
Genuine C&C (South Asia) Pte., Ltd.	WPG C&C (Malaysia) Sdn. Bhd	〃	-	100.00	Note 30
Genuine C&C (South Asia) Pte., Ltd.	WPG C&C (Thailand) Co., Ltd.	Agent and sales of information products	-	100.00	Notes 15 and 30
Genuine C&C (South Asia) Pte., Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	Sales of electronic / electrical components	-	100.00	Note 30
WPI Investment Holding (BVI) Company Ltd.	WPI International (Hong Kong) Limited	Sales of electronic / electrical components	100.00	100.00	
WPI Investment Holding (BVI) Company Ltd.	Gain Tune Ltd.	〃	100.00	100.00	
WPI Investment Holding (BVI) Company Ltd.	WPI International Trading (Shenzhen) Ltd.	〃	100.00	100.00	

Name of investment company	Name of subsidiaries	Main activities	Ownership (%) December 31, 2013	Ownership (%) December 31, 2012	Note
WPI Investment Holding (BVI) Company Ltd.	TEKSEL WPG Limited	Sales of electrical components	50.00	50.00	
WPI Investment Holding (BVI) Company Ltd.	World Peace International (Asia) Limited	〃	100.00	100.00	
WPI International (Hong Kong) Limited	WPI International Trading (Shanghai) Ltd.	Agent and sales of information products	100.00	100.00	
WPI International (Hong Kong) Limited	WPG C&C Limited	〃	100.00	100.00	
WPI International (Hong Kong) Limited	AIO Components Company Limited	Sales of electronic / electrical components	100.00	100.00	
AIO Components Company Limited	AIO (Shanghai) Components Company Limited	〃	100.00	100.00	
Longview Technology Inc.	Longview Technology GC Limited	Holding company	100.00	100.00	Note 13
Longview Technology Inc.	Long-Think International Co., Ltd	Sales of electronic components	100.00	100.00	Note 17
Longview Technology GC Limited	Long-Think International (Hong Kong) Limited	〃	100.00	100.00	Note 8
Long-Think International (Hong Kong) Limited	Long-Think International (Shanghai) Limited	〃	100.00	100.00	Note 23
Silicon Application Corporation	Silicon Application (BVI) Corp.	Holding company	100.00	100.00	
Silicon Application Corporation	Win-Win Systems Ltd.	〃	100.00	100.00	
Silicon Application Corporation	SAC Components (South Asia) Pte. Ltd.	Sales of computer software and electronic products	100.00	100.00	Note 14
Silicon Application Corporation	Win-Win Electronic Corp.	〃	100.00	100.00	

Name of investment company	Name of subsidiaries	Main activities	Ownership (%) December 31, 2013	Ownership (%) December 31, 2012	Note
Silicon Application (BVI) Corp.	Silicon Application Company Limited	Sales of computer software and electronic products	100.00	100.00	
Silicon Application (BVI) Corp.	Alliance Broadcast Vision Pte. Ltd.	Sales and design of electronic components	-	-	Note 18
Silicon Application Company Limited	Dstar Electronic Company Limited	Sales of computer software and electronic products	100.00	100.00	
Richpower Electronic Devices Co., Ltd.	Mec Technology Co., Ltd.	Sales of electronic / electrical products	100.00	100.00	
Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Co., Limited	〃	100.00	100.00	
Mec Technology Co., Ltd.	Mec Technology Co., Limited	〃	100.00	100.00	
Mec Technology Co., Ltd.	Richpower Electronic Devices Pte., Ltd.	〃	100.00	100.00	
Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	Sales of electronic components	100.00	100.00	
Pernas Electronics Co., Ltd.	Pernas Enterprise (Samoa) Limited	International investment	100.00	100.00	
Pernas Enterprise (Samoa) Limited	World Components Agent (Shanghai) Inc.	Sales of electronic / electrical products	100.00	100.00	
WPG Korea Co., Ltd.	Apache Communication Inc.	Investment company	100.00	100.00	
Apache Communication Inc.	Apache Korea Corp.	Sales of electronic / electrical products	100.00	100.00	
WPG International (CI) Limited	WPG International (Hong Kong) Limited	Holding company	100.00	100.00	
WPG International (CI) Limited	WPG Americas Inc.	Sales of electronic / electrical components	94.90	93.27	Note 2
WPG International (CI) Limited	WPG South Asia Pte. Ltd.	〃	100.00	100.00	Note 19
WPG International (CI) Limited	WPG Cloud Service Limited	General trading	100.00	100.00	Note 22

Name of investment company	Name of subsidiaries	Main activities	Ownership (%) December 31, 2013	Ownership (%) December 31, 2012	Note
WPG International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	Sales of electronic / electrical components	100.00	100.00	
WPG International (Hong Kong) Limited	WPG China Inc.	〃	100.00	100.00	
WPG International (Hong Kong) Limited	WPG China (SZ) Inc.	Sales of computer software and electronic products	100.00	100.00	
WPG Americas Inc.	Dynamic Image Technologies, LLC	Sales of electronic /electrical products	100.00	100.00	
WPG South Asia Pte. Ltd.	WPG Malaysia Sdn. Bhd	〃	100.00	100.00	Notes 3 and 4
WPG South Asia Pte. Ltd.	WPG (Thailand) Co., Ltd.	〃	100.00	100.00	Notes 3 and 6
WPG South Asia Pte. Ltd.	WPG India Electronics Pvt. Ltd.	〃	99.99	99.99	Note 11
WPG South Asia Pte. Ltd.	WPG Electronics (Philippines) Inc.	〃	100.00	-	Notes 5 and 25
WPG Malaysia Sdn. Bhd	WPG India Electronics Pvt. Ltd.	〃	0.01	0.01	Note 11
Asian Information Technology Inc.	Apache Communication Inc.	〃	100.00	100.00	
Asian Information Technology Inc.	Henshen Electric Trading Co., Ltd.	〃	100.00	100.00	
Asian Information Technology Inc.	Adivic Technology Co., Ltd.	Sale of RF device	-	100.00	Notes 9 and 26
Asian Information Technology Inc.	Frontek Technology Corporation	Sales of electronic / electrical products	100.00	100.00	
Asian Information Technology Inc.	Fame Hall International Co., Ltd.	Investment company	100.00	100.00	
Asian Information Technology Inc.	AITG Holding Corp.	〃	100.00	100.00	
Adivic Technology Co., Ltd.	Advance Digital Communication Co., Ltd.	Sales of electronic / electrical products	-	100.00	Note 9
Frontek Technology Corporation	Jarek International Corp.	Investment company	-	-	Note 20

Name of investment company	Name of subsidiaries	Main activities	Ownership (%) December 31, 2013	Ownership (%) December 31, 2012	Note
Frontek Technology Corporation	Frontek International Limited	Investment company	100.00	100.00	
Fame Hall International Co., Ltd.	Fame Hall International Co., Ltd.	Sales of electronic / electrical products	-	100.00	Note 27
Fame Hall International Co., Ltd.	AIT Japan Inc.	〃	100.00	100.00	
AITG Holding Corp.	Zheng Ding Technology (ShenZhen) Co., Ltd.	〃	-	100.00	Note 28
Frontek International Limited	AITG Electronic Limited	〃	100.00	100.00	
Yosun Industrial Corp.	Sertek Incorporated	〃	100.00	100.00	
Yosun Industrial Corp.	Suntop Investments Limited	Investment company	100.00	100.00	
Yosun Industrial Corp.	Suntek Investments Ltd.	〃	-	100.00	Note 29
Yosun Industrial Corp.	Lipers Enterprise Co., Ltd	Sales of electronic / electrical products	-	-	Note 16
Sertek Incorporated	Digital Computer System Co., Ltd.	〃	100.00	100.00	
Sertek Incorporated	Sertek Limited	〃	100.00	100.00	
Suntop Investments Limited	Yosun Hong Kong Corp. Ltd.	〃	100.00	100.00	
Suntop Investments Limited	Yosun Singapore Pte Ltd.	〃	100.00	100.00	
Suntek Investments Ltd.	Siltrontech Electronics Corp.	〃	-	-	Notes 16 and 29
Sertek Limited	Sertek (Shanghai) Limited	〃	100.00	100.00	
Yosun Hong Kong Corp. Ltd.	Giatek Corp. Ltd.	〃	100.00	100.00	
Yosun Hong Kong Corp. Ltd.	Yosun South China Corp. Ltd.	〃	100.00	100.00	

Name of investment company	Name of subsidiaries	Main activities	Ownership (%) December 31, 2013	Ownership (%) December 31, 2012	Note
Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	Warehouse business and sales of electronic components	100.00	100.00	
Yosun Hong Kong Corp. Ltd.	Sunwise Technology Ltd.	Sales of electronic / electrical products	-	100.00	Note 31
Yosun Singapore Pte Ltd.	Yosun Industrial (Thailand) Co., Ltd.	〃	100.00	100.00	
Yosun Singapore Pte Ltd.	Yosun Industrial (Malaysia) SDN. BHD.	〃	100.00	100.00	
Yosun Singapore Pte Ltd.	Yosun India Private Ltd.	〃	100.00	100.00	
Siltrontech Electronics Corp.	Lipers Enterprise Co., Ltd	〃	-	-	Note 16
Siltrontech Electronics Corp.	Siltrontech Electronics (HK) Corp., Limted	Import and export business	-	-	Note 16
Siltrontech Electronics (HK) Corp. Limited	Xiang Mao Electronics (SZ) Corp., Ltd.	Sales of electronic equipment products	-	-	Note 16
Siltrontech Electronics (HK) Corp. Limited	Siltrontech Electronics (SH) Corp., Ltd.	〃	-	-	Note 16
Lipers Enterprise Co., Ltd.	Lipers (Hong Kong) Enterprise Co., Ltd.	〃	-	-	Note 16
Lipers Enterprise Co., Ltd.	Scope Technology Co., Ltd.	〃	-	-	Note 16
Lipers Enterprise Co., Ltd.	Hatsushiba Tech Co., Ltd.	〃	-	-	Note 16
Lipers Enterprise Co., Ltd.	Advance Electronics Supply Inc.	〃	-	-	Note 16
Lipers Enterprise Co., Ltd.	Advance Electronics Supply Co., Ltd.	Sales of electronic / equipment products	-	-	Note 16
Lipers (Hong Kong) Enterprise Co., Ltd.	Dongguan Lipers Electronics Co., Ltd.	Manufacturing	-	-	Note 16
Lipers (Hong Kong) Enterprise Co., Ltd.	Lipers Electronic (SZ) Co., Ltd.	Sales of electronic / electrical products	-	-	Notes 16 and 21

Name of investment company	Name of subsidiaries	Main activities	Ownership (%) December 31, 2013	Ownership (%) December 31, 2012	Note
WPG Investment Co., Ltd.	Hatsushiba Tech Co., Ltd.	Sales of electronic / electrical products	-	-	Notes 16 and 24
AECO Technology Co., Ltd.	TECO Enterprise Holding (BVI) Co., Ltd.	Investment company	100.00	100.00	Note 12
TECO Enterprise Holding (BVI) Co., Ltd.	AECO Electronic Co., Ltd.	Distribution of semiconductor products	100.00	100.00	Note 12
AECO Electronic Co., Ltd.	AECO Electronic (Ningbo) Co., Ltd.	Trading of electronic / electrical products	100.00	100.00	Note 12

Name of investment company	Name of subsidiaries	Main activities	Ownership (%) January 1, 2012	Note
WPG Holdings Limited	World Peace Industrial Co., Ltd.	Sales of electronic components	100.00	
WPG Holdings Limited	Silicon Application Corporation	Sales of computer software and electronic products	100.00	
WPG Holdings Limited	Richpower Electronic Devices Co., Ltd.	Sales of electronic / electrical components	100.00	
WPG Holdings Limited	Pernas Electronics Co., Ltd.	〃	100.00	
WPG Holdings Limited	WPG Korea Co., Ltd.	〃	100.00	
WPG Holdings Limited	WPG Electronic Ltd.	〃	100.00	
WPG Holdings Limited	WPG International (CI) Limited	Holding company	100.00	
WPG Holdings Limited	Asian Information Technology Inc.	Sales of electronic / electrical components	100.00	
WPG Holdings Limited	Yosun Industrial Corp.	〃	100.00	
WPG Holdings Limited	WPG Investment Co., Ltd.	Investment company	100.00	
World Peace Industrial Co., Ltd.	World Peace International (BVI) Ltd.	Holding company	100.00	
World Peace Industrial Co., Ltd.	WPI Investment Holding (BVI) Company Ltd.	〃	100.00	
World Peace Industrial Co., Ltd.	Longview Technology Inc.	Sales of electronic components	100.00	
World Peace International (BVI) Ltd.	Prime Future Technology Limited	Holding company	100.00	
Prime Future Technology Limited	World Peace International Pte. Ltd.	〃	100.00	
World Peace International Pte. Ltd.	Genuine C&C (IndoChina) Pte., Ltd.	Sales of electronic / electrical components	100	Note 10
World Peace International Pte. Ltd.	WPG Americas Inc.	〃	6.73	Note 2

Name of investment company	Name of subsidiaries	Main activities	Ownership (%) January 1, 2012	Note
World Peace International Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	Sales of electronic / electrical components	100.00	
World Peace International Pte. Ltd.	Genuine C&C (South Asia) Pte., Ltd.	〃	100.00	
World Peace International Pte. Ltd.	WPG SCM Limited	〃	100.00	Note 7
World Peace International (South Asia) Pte Ltd.	WPG Malaysia Sdn. Bhd	〃	100.00	Notes 3 and 4
World Peace International (South Asia) Pte Ltd.	World Peace International (India) Pvt., Ltd.	〃	100.00	
World Peace International (South Asia) Pte Ltd.	WPG Electronics (Philippines) Inc.	〃	100.00	Note 5
World Peace International (South Asia) Pte Ltd.	WPG (Thailand) Co., Ltd.	〃	100.00	Notes 3 and 6
Genuine C&C (South Asia) Pte., Ltd.	WPG C&C (Malaysia) Sdn Bhd	〃	100.00	
Genuine C&C (South Asia) Pte., Ltd.	WPG C&C (Thailand) Co., Ltd.	Agent and sales of information products	100.00	Note 15
Genuine C&C (South Asia) Pte., Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	Sales of electronic / electrical components	100.00	
WPI Investment Holding (BVI) Company Ltd.	WPI International (HK) Limited	〃	100.00	
WPI Investment Holding (BVI) Company Ltd.	Gain Tune Ltd.	〃	100.00	
WPI Investment Holding (BVI) Company Ltd.	WPI International Trading (Shenzhen) Ltd.	〃	100.00	

Name of investment company	Name of subsidiaries	Main activities	Ownership (%) January 1, 2012	Note
WPI Investment Holding (BVI) Company Ltd.	TEKSEL WPG Limited	〃	50.00	
WPI Investment Holding (BVI) Company Ltd.	Long-Think International (Hong Kong) Limited	〃	100.00	Note 8
WPI Investment Holding (BVI) Company Ltd.	World Peace International (Asia) Limited	〃	100.00	
WPI International (HK) Limited	WPI International Trading (Shanghai) Ltd.	Agent and sales of information products	100.00	
WPI International (HK) Limited	WPG C&C Limited	〃	100.00	
WPI International (HK) Limited	AIO Components Company Limited	Sales of electronic / electrical components	100.00	
AIO Components Company Limited	AIO (Shanghai) Components Company Limited	〃	100.00	
Silicon Application Corporation	Silicon Application (BVI) Corp.	Holding company	100.00	
Silicon Application Corporation	Win-Win Systems Ltd.	〃	100.00	
Silicon Application Corporation	Win-Win Electronic Corp.	Sales of computer software and electronic products	100.00	
Silicon Application (BVI) Corp.	Silicon Application Company Limited	〃	100.00	
Silicon Application (BVI) Corp.	Alliance Broadcast Vision Pte. Ltd.	Sales and design of electronic components	51.28	Note 18
Silicon Application Company Limited	Dstar Electronic Company Limited	Sales of computer software and electronic products	100.00	
Richpower Electronic Devices Co., Ltd.	Mec Technology Co., Ltd.	Sales of electronic / electrical products	100.00	
Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Co., Limited	〃	100.00	
Mec Technology Co., Ltd.	Mec Technology Co., Limited	〃	100.00	

Name of investment company	Name of subsidiaries	Main activities	Ownership (%) January 1, 2012	Note
Mec Technology Co., Ltd.	Richpower Electronic Devices Pte., Ltd.	Sales of electronic components	100.00	
Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	〃	100.00	
Pernas Electronics Co., Ltd.	Pernas Enterprise (Samoa) Limited	International investments	100.00	
Pernas Enterprise (Samoa) Limited	World Components Agent (Shanghai) Inc.	Sales of electronic / electrical products	100.00	
WPG Korea Co., Ltd.	Apache Communication Inc.	Investment company	100.00	
Apache Communication Inc.	Apache Korea Corp.	Sales of electronic / electrical products	100.00	
WPG International (CI) Limited	WPG International (Hong Kong) Limited	Holding company	100.00	
WPG International (CI) Limited	WPG Americas Inc.	Sales of electronic / electrical components	93.27	
WPG International (CI) Limited	WPG South Asia Pte. Ltd.	〃	100.00	Note 19
WPG International (Hong Kong) Limited	WPG Electronics (HK) Limited	〃	100.00	
WPG International (Hong Kong) Limited	WPG China Inc.	〃	100.00	
WPG International (Hong Kong) Limited	WPG China (SZ) Inc.	Sales of computer software and electronic products	100.00	
WPG Americas Inc.	Dynamic Image Technologies, LLC	Sales of electronic / electrical products	100.00	
WPG South Asia Pte. Ltd.	WPG India Electronics Pvt. Ltd.	〃	99.99	Note 11
WPG Malaysia Sdn. Bhd	WPG India Electronics Pvt. Ltd.	〃	0.01	Note 11
Asian Information Technology Inc.	Apache Communication Inc.	〃	100.00	
Asian Information Technology Inc.	Henshen Electric Trading Co., Ltd.	〃	100.00	
Asian Information Technology Inc.	Adivic Technology Co., Ltd.	Sale of RF device	100.00	

Name of investment company	Name of subsidiaries	Main activities	Ownership (%) January 1, 2012	Note
Asian Information Technology Inc.	Frontek Technology Corporation	Sales of electronic / electrical products	100.00	
Asian Information Technology Inc.	Fame Hall International Co., Ltd.	Investment company	100.00	
Asian Information Technology Inc.	AITG Holding Corp.	〃	100.00	
Adivic Technology Co., Ltd.	Advance Digital Communication Co., Ltd.	Sales of electronic / electrical products	100.00	
Frontek Technology Corporation	Jarek International Corp.	Investment company	100.00	Note 20
Frontek Technology Corporation	Frontek International Limited	〃	100.00	
Fame Hall International Co., Ltd.	Fame Hall International Co., Ltd.	Sales of electronic / electrical products	100.00	
Fame Hall International Co., Ltd.	AIT Japan Inc.	〃	100.00	
AITG Holding Corp.	Zheng Ding Technology (ShenZhen) Co., Ltd.	Sales of electronic / electrical products	100.00	
Frontek International Limited	AITG Electronic Limited	〃	100.00	
Yosun Industrial Corp.	Sertek Incorporated	〃	100.00	
Yosun Industrial Corp.	Suntop Investments Limited	Investment company	100.00	
Yosun Industrial Corp.	Suntek Investments Ltd.	〃	100.00	
Yosun Industrial Corp.	Lipers Enterprise Co., Ltd.	Sales of electronic / electrical products	28.37	Note 16
Sertek Incorporated	Digital Computer System Co., Ltd.	〃	100.00	
Sertek Incorporated	Sertek Limited	〃	100.00	
Suntop Investments Limited	Yosun Hong Kong Corp. Ltd.	〃	100.00	
Suntop Investments Limited	Yosun Singapore Pte Ltd.	〃	100.00	
Suntek Investments Ltd.	Siltrontech Electronics Corp.	〃	32.22	Note 16

Name of investment company	Name of subsidiaries	Main activities	Ownership (%) January 1, 2012	Note
Sertek Limited	Sertek (Shanghai) Limited	Sales of electronic / electrical products	100.00	
Yosun Hong Kong Corp. Ltd.	Giatek Corp. Ltd.	〃	100.00	
Yosun Hong Kong Corp. Ltd.	Yosun South China Corp. Ltd.	〃	100.00	
Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	Warehouse business and sales of electronic components	100.00	
Yosun Hong Kong Corp. Ltd.	Sunwise Technology Ltd.	Sales of electronic / electrical products	100.00	
Yosun Singapore Pte Ltd.	Yosun Industrial (Thailand) Co., Ltd.	〃	100.00	
Yosun Singapore Pte Ltd.	Yosun Industrial (Malaysia) SDN. BHD.	〃	100.00	
Yosun Singapore Pte Ltd.	Yosun India Private Ltd.	Sales of electronic / electrical products	100.00	
Siltrontech Electronics Corp.	Lipers Enterprise Co., Ltd.	〃	45.64	Note 16
Siltrontech Electronics Corp.	Siltrontech Electronics (HK) Corp., Limted	Import and export business	100.00	Note 16
Siltrontech Electronics (HK) Corp. Limited	Xiang Mao Electronics (SZ) Corp., Ltd.	Sales of electronic equipment products	100.00	Note 16
Siltrontech Electronics (HK) Corp. Limited	Siltrontech Electronics (SH) Corp., Ltd.	〃	100.00	Note 16
Lipers Enterprise Co. Ltd.	Lipers (Hong Kong) Enterprise Co., Ltd.	〃	100.00	Note 16
Lipers Enterprise Co. Ltd.	Scope Technology Co., Ltd.	〃	100.00	Note 16
Lipers Enterprise Co. Ltd.	Hatsushiba Tech Co., Ltd.	〃	55.00	Notes 16 and 24
Lipers Enterprise Co. Ltd.	Advance Electronics Supply Inc.	〃	100.00	Note 16
Lipers Enterprise Co. Ltd.	Advance Electronics Supply Co., Ltd.	〃	100.00	Note 16

Name of investment company	Name of subsidiaries	Main activities	Ownership (%) January 1, 2012	Note
Lipers (Hong Kong) Enterprise Co., Ltd.	Dongguan Lipers Electronics Co., Ltd.	Manufacturing	100.00	Note 16
Lipers (Hong Kong) Enterprise Co., Ltd.	Lipers Electronic (SZ) Co., Ltd.	Sales of electronic / electrical products	-	Notes 16 and 21
WPG Investment Co., Ltd.	Hatsushiba Tech Co., Ltd.	〃	30.00	Notes 16 and 24

Note 1: The combined ownership percentage of common shares held by the Company and its subsidiaries is more than 50% or has control power.

Note 2: WPG International (CI) Limited increased its capital in WPG Americas Inc. by cash in August, 2013. World Peace Industrial Co., Ltd. did not subscribe new shares proportionately to the cash capital increase. World Peace Industrial Co., Ltd. totally held 5.1%, 6.73% and 6.73% of shares of WPG Americas Inc. through World Peace International Pte Ltd. and WPI International (Hong Kong) Limited as of December 31, 2013, December 31, 2012 and January 1, 2012, respectively.

Note 3: Due to restructuring, the subsidiary was sold to WPG South Asia Pte. Ltd. by World Peace International (South Asia) Pte Ltd.

Note 4: The subsidiary was formerly named WPG Electronics (Malaysia) SDN BHD. The name was changed in March, 2012.

Note 5: Due to the restriction of local regulations, the Company holds 62% ownership which is under the name of other individuals. The substantial ownership held by the Company was 100%.

Note 6: Due to the restriction of local regulations, the Company holds 61% ownership which is under the name of other individuals. The substantial ownership held by the Company was 100%. The subsidiary was formerly named WPG Electronics (Thailand) Co., Ltd. The name was changed in April, 2012.

Note 7: The subsidiary was formerly named World Peace International (China) Limited. The name was changed in November, 2012.

Note 8: The subsidiary was formerly named World Peace Industrial (Hong Kong) Limited. The name was changed in April, 2012. Due to restructuring, the subsidiary was sold to Longview Technology GC Limited by WPI Investment Holding (BVI) Company Ltd. in June, 2012.

Note 9: Asian Information Technology Inc. did not participate in the capital increase of Adivic Technology Co., Ltd. As a result, the Company’s ownership percentage of the subsidiary decreased from 100% to 49% and lost control in February 2013.

Note 10: World Peace International Pte. Ltd. did not participate in the capital increase of

Genuine C&C (IndoChina) Pte., Ltd. As a result, the ownership percentage decreased from 100% to 80% in February 2012..

Note 11: The subsidiary was formerly named Da&Da Components (India) Pvt., Ltd. The name was changed in July, 2012.

Note 12: The Company acquired 100% ownership of AECO Technology Co., Ltd. by exchanging shares of common stock on March 1, 2012 and has control over the subsidiaries of AECO Technology Co., Ltd.

Note 13: The subsidiary was established in May, 2012.

Note 14: The subsidiary was established in June, 2012.

Note 15: Due to restriction of local regulations, the Company holds 51% ownership which is under the name of other individuals. The substantial ownership held by the Company was 100%.

Note 16: Due to the re-election of Board members of Siltrontech Electronics Corp. on June 27, 2011, Yosun Industrial Corp. acquired majority control over Siltrontech Electronics Corp. and its subsidiaries. Accordingly, the Company has effective control over Lipers Enterprise Co., Ltd. Due to the re-election of the Board of Directors of Siltrontech Electronics Corp., Yosun Industrial Corp. no longer holds majority control over Siltrontech Electronics Corp. since June 5, 2012. Accordingly, the Company has no effective control over Siltrontech Electronics Corp. and its subsidiaries and Lipers Enterprise Co., Ltd. and its subsidiaries, and gain on disposal incurred was $53,253. Starting from June 5, 2012, the Company held the entity as an investment under equity method. Suntek Investments Ltd. sold out Siltrontech Electronics Corp.'s common stock on April 10, 2013. Accordingly, the Company lost significant influence over Siltrontech Electronics Corp. and its subsidiaries. Therefore, it has been reclassified to available-for-sale financial assets - non-current from that date.

Note 17: The subsidiary was acquired in July 2012.

Note 18: The subsidiary was liquidated in April, 2012.

Note 19: The subsidiary was formerly named Da&Da Electronics Pte. Ltd. The name was changed in July, 2012.

Note 20: It was liquidated in August, 2012.

Note 21: The subsidiary was established in February, 2012.

Note 22: The subsidiary was established in September, 2012.

Note 23: The subsidiary was acquired in October, 2012.

Note 24: The Company's comprehensive percentage of ownership of Hatsushiba Tech Co., Ltd. in October, 2011 through the subsidiary - WPG Investment Co., Ltd. and Lipers Enterprise Co., Ltd. is 53.69%. However, the Company held the entity as an investment under equity method starting from June 5, 2012 as discussed in

Note 16.

Note 25: Due to restructuring, the subsidiary was sold to WPG South Asia Pte. Ltd. by World Peace International (South Asia) Pte Ltd. in May, 2013.

Note 26: The Company's subsidiary, Asian Information Technology Inc., did not subscribe new shares proportionately to the cash capital increase of Adivic Technology Co., Ltd. in February 2013. As a result, the Group lost control over it and investment retained in the former subsidiary was measured at its fair value at the date when control was lost, resulting to a gain of $11,906.

Note 27: It was liquidated in July, 2013.

Note 28: It was liquidated in August, 2013.

Note 29: The Company's subsidiary - Yosun Industrial Corp. and its 100% owned subsidiary, Suntek Investments Ltd., merged in accordance with the Business Mergers and Acquisitions Act on July 1, 2013. The surviving company was Yosun Industrial Corp.

Note 30: Due to restructuring, the subsidiary was sold to World Peace International (South Asia) Pte Ltd. by Genuine C&C (South Asia) Pte Ltd. in August, 2013.

Note 31: It was liquidated in November, 2013.

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

D. Different accounting periods and accounting principles adopted by subsidiaries: None.

E. Special operating risk of foreign subsidiaries: None.

(4) Foreign currency translation

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

A. Foreign currency transactions and balances

a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.

b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

d) All foreign exchange gains and losses are presented in the statement of comprehensive income within other gains or losses.

B. Translation of foreign operations

a) The operating results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognised in other comprehensive income.

b) When a foreign operation partially disposed of or sold is an associate, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, if the Group retains partial interest in the former foreign associate after losing significant influence over the former foreign associate, such transactions should be accounted for as disposal of all interest in these foreign operations.

c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, if the Group retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in these foreign operations.

d) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at the balance sheet date.

(5) <u>Classification of current and non-current items</u>

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;

b) Assets held mainly for trading purposes;

c) Assets that are expected to be realised within twelve months from the balance sheet date;

d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

a) Liabilities that are expected to be paid off within the normal operating cycle;

b) Liabilities arising mainly from trading activities;

c) Liabilities that are to be paid off within twelve months from the balance sheet date;

d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date.

(6) Cash equivalents

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

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

A. Financial assets at fair value through profit or loss are financial assets held for trading. Financial assets are classified in this category of held for trading if acquired principally for the purpose of selling in the short-term. Derivatives are also categorized as financial assets held for trading unless they are designated as hedges.

B. On a regular way purchase or sale basis, financial assets held for trading are recognised and derecognised using trade date accounting. Derivatives are recognised and derecognised using settlement date accounting.

C. Financial assets at fair value through profit or loss are initially recognised at fair value. Related transaction costs are expensed in profit or loss. These financial assets are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial assets are recognised in profit or loss.

(8) Available-for-sale financial assets

A. Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

B. On a regular way purchase or sale basis, available-for-sale financial assets are recognised and derecognised using trade date accounting.

C. Available-for-sale financial assets are initially recognised at fair value plus transaction costs. These financial assets are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial assets are recognised in other comprehensive income. Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured or derivatives that are linked to and must be settled by delivery of such unquoted equity instruments are presented in 'financial assets measured at cost'.

(9) Loans and receivables

A. Accounts receivable

Accounts receivable are loans and receivables originated by the entity. They are created by the entity by selling goods or providing services to customers in the ordinary course of business. Accounts receivable are initially recognized at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. However short-term accounts receivable without bearing interest are subsequently measured at initial invoice amount as effect of discounting is immaterial.

B. Bond investments without active market

a) Bond investments without active market are loans and receivables not originated by the entity. They are bond investments with fixed or determinable payments that are not quoted in an active market, and also meet all of the following conditions:

i. Not designated on initial recognition as at fair value through profit or loss;

ii. Not designated on initial recognition as available-for-sale;

iii. Not for which the holder may not recover substantially all of its initial investment, other than because of credit deterioration.

b) On a regular way purchase or sale basis, bond investments without active market are recognised and derecognised using trade date accounting.

c) Bond investments without active market are initially recognised at fair value on the trade date plus transaction costs and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Amortisation of a premium or a discount on such assets is recognised in profit or loss.

(10) Impairment of financial assets

A. The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

B. The criteria that the Group uses to determine whether there is objective evidence of an impairment loss is as follows:

a) Significant financial difficulty of the issuer or debtor;

b) The Group, for economic or legal reasons relating to the borrower's financial difficulty, granted the borrower a concession that a lender would not otherwise consider;

c) It becomes probable that the borrower will enter bankruptcy or other financial reorganisation;

d) The disappearance of an active market for that financial asset because of financial difficulties;

e) Observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial asset in the group, including adverse changes in the payment status of borrowers in the group or national or local economic conditions that correlate with defaults on the assets in the group;

f) Information about significant changes with an adverse effect that have taken place in the technology, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in the equity instrument may not be recovered; or

g) A significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

C. When the Group assesses that there has been objective evidence of impairment and an impairment loss has occurred, accounting for impairment is made as follows according to the category of financial assets:

a) Financial assets measured at amortised cost

The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate, and is recognised in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset does not exceed its amortised cost that would have been at the date of reversal had the impairment loss not been recognised previously. Impairment loss is recognised and reversed by adjusting the carrying amount of the asset through the use of an impairment allowance account.

b) Financial assets measured at cost

The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at current market return rate of similar financial asset, and is recognised in profit or loss. Impairment loss recognised for this category shall not be reversed subsequently. Impairment loss is recognised by adjusting the carrying amount of the asset through the use of an impairment allowance account.

c) Available-for-sale financial assets

The amount of the impairment loss is measured as the difference between the asset's acquisition cost less any principal repayment and amortisation and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss, and is reclassified from ‘other comprehensive income’ to ‘profit or loss’. Impairment loss of an investment in an equity instrument recognised in profit or loss shall not be reversed through profit or loss. Impairment loss is recognised and reversed by adjusting the carrying amount of the asset through the use of an impairment allowance account.

(11) Derecognition of financial assets

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

A. The contractual rights to receive cash flows from the financial asset expire.

B. The contractual rights to receive cash flows from the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.

C. The contractual rights to receive cash flows from the financial asset have been transferred; however, the Group has not retained control of the financial asset.

(12) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the moving-average method. The item by item approach is used in applying the lower of cost and net realisable value. The calculation of net realizable value is based on the estimated selling price in the normal course of business, net of estimated costs of estimated selling expenses.

(13) Investments accounted for using the equity method / associates

A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 per cent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.

B. The Group’s share of its associates’ post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Group’s share of losses in an associate equals or exceeds the Group’s interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred statutory/constructive obligations or made payments on behalf of the associate.

C. When changes in an associate’s equity that are not recognised in profit or loss or other comprehensive income of the associate and such changes not affecting the Group’s ownership percentage of the associate, the Group recognises change in ownership interests in the associate in ‘capital surplus’ in proportion to its ownership.

D. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group’s interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

F. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognised in profit or loss.

G. When the Group disposes its investment in an associate, and it loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

H. When the Group disposes its investment in an associate, and it loses significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss proportionately.

(14) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost.

B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change.

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

Buildings	10 ~ 55 years
Leasehold improvements	2 ~ 5 years
Miscellaneous equipment	5 ~ 10 years
Remaining property, plant and equipment	3 ~ 10 years

(15) Leases

If substantially all the significiant risks and rewards of rental object remain to lessor, the Group accounts for this kind of leases as operating lease. Rental revenues and expenses made under an operating lease are recognised in profit or loss on a straight-line basis over the lease term.

(16) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 10~55 years.

(17) Intangible assets

A. Goodwill

Goodwill arises in a business combination accounted for by applying the acquisition method.

B. Intangible assets, other than goodwill, are software and business right which are amortised on a straight-line basis over their estimated useful lives of 3 ~ 5 years.

(18) Impairment of non-financial assets

A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

B. The recoverable amounts of goodwill shall be evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.

C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

(19) Borrowings

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

B. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

(20) Notes and accounts payable

Notes and accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. However, short-term accounts payable which are non-interest bearing are subsequently measured at initial invoice amount as effect of discounting is immaterial.

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

A. Financial liabilities at fair value through profit or loss are financial liabilities held for trading. Financial liabilities are classified in this category of held for trading except for derivatives which are categorized as financial liabilities held for trading unless they are designated as hedges.

B. Financial liabilities at fair value through profit or loss are initially recognised at fair value. Related transaction costs are expensed in profit or loss. These financial liabilities are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial liabilities are recognised in profit or loss.

(22) Derecognition of financial liabilities

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

(23) Offsetting financial instruments

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

(24) Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value and recognized in profit or loss.

(25) Employee benefits

A. Short-term employee benefits

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

B. Pensions

a) Defined contribution plans

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

b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised past service costs. The defined benefit net obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability; when there is no deep market in high-quality corporate bonds, the Group uses interest rates of government bonds (at the balance sheet date) instead.

ii. Actuarial gains and losses arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise.

iii. Past service costs are recognised immediately in profit or loss if vested immediately; if not, the past service costs are amortised on a straight-line basis over the vesting period.

C. Employees' bonus and directors' and supervisors' remuneration

Employees' bonus and directors' and supervisors' remuneration are recognised as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. However, if the accrued amounts for employees' bonus and directors' and supervisors' remuneration are different from the actual distributed amounts as resolved by the stockholders at their stockholders' meeting subsequently, the differences should be recognised based on the accounting for changes in estimates. The Group calculates the number of shares of employees' stock bonus based on the fair value per share at the previous day of the stockholders' meeting held in the year following the financial reporting year, and after taking into account the effects of ex-rights and ex-dividends.

(26) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional 10% tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred income tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred income tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

D. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred income tax assets are reassessed.

E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.

(27) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(28) Revenue recognition

The Group manufactures and sells computer software, electrical components products and so on. Revenue is measured at the fair value of the consideration received or receivable taking into account the value-added tax, returns, rebates and discounts for the sale of goods to external customers in the ordinary course of the Group's activities. Revenue arising from the sales of goods should be recognised when the Group has delivered the goods to the customer, the amount of sales revenue can be measured reliably and it is probable that the future economic benefits associated with the transaction will flow to the entity. The delivery of goods is completed when the significant risks and rewards of ownership have been transferred to the customer, the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and the customer has accepted the goods based on the sales contract or there is objective evidence showing that all acceptance provisions have been satisfied.

(29) Business combinations

A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

B. If the total of the fair value of the consideration of acquisition and any non-controlling interest in the acquiree as well as the acquisition-date fair value of any previous equity interest in the acquiree is higher than the fair value of the Group's share of the identifiable net assets acquired, the difference is recorded as goodwill; if the fair value of identifiable assets and obligations is higher than the total fair of the consideration of acquisition and non-controlling interest in the acquiree as well as the acquisition-date fair value of previous equity interest in the acquiree, the difference is recorded as profit or loss for the period.

(30) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments.

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

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

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

A. Financial assets-impairment of equity investments

The Group follows the guidance of IAS 39 to determine whether a financial asset-equity investment is impaired. This determination requires significant judgement. In making this judgement, the Group evaluates, among other factors, the duration and extent to which the fair value of an equity investment is less than its cost and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

If the decline of the fair value of an individual equity investment below cost was considered significant or prolonged, the Group would suffer an additional loss of $755,183 in its 2013 financial statements, being the transfer of the accumulated fair value adjustments recognised in other comprehensive income on the impaired available-for-sale financial assets to profit or loss or being the recognition of the impairment loss on the impaired financial assets measured at cost in profit or loss.

B. Revenue recognition on a net/gross basis

The determination of whether the Group is acting as principal or agent in a transaction is based on an evaluation of Group's exposure to the significant risks and rewards associated with the sale of goods or the rendering of service in accordance with the business model and substance of the transaction. Where the Group acts as a principal, the amount received or receivable from customer is recognised as revenue on a gross basis. Where the Group acts as an agent, net revenue is recognised representing commissions earned.

The following characteristics of a principal are used as indicators to determine whether the

Group shall recognise revenue on a gross basis:

a. The Group has primary responsibilities for the goods or services it provides;

b. The Group bears inventory risk;

c. The Group has the latitude in establishing prices for the goods or services, either directly or indirectly.

d. The Group bears credit risk of customers.

(2) Critical accounting estimates and assumptions

Impairment assessment of goodwill

The impairment assessment of goodwill relies on the Group's subjective judgement, including identifying cash-generating units, allocating assets and liabilities as well as goodwill to related cash-generating units, and determining the recoverable amounts of related cash-generating units. Please refer to Note 6(13) for the information of goodwill impairment.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	December 31, 2013	December 31, 2012	January 1, 2012
Cash on hand	$ 6,440	$ 5,820	$ 20,494
Checking accounts	1,577,187	1,988,654	1,386,247
Demand deposits	6,978,840	6,097,952	5,350,620
Time deposits	896,136	719,869	1,028,613
Short-term transaction instruments	-	59,883	-
Cash and cash equivalents as per consolidated balance sheet	$ 9,458,603	$ 8,872,178	$ 7,785,974

A. The Group associates 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. The Group's maximum exposure to credit risk at balance sheet date is the carrying amount of all cash and cash equivalents.

B. Details of deposits pledged as collateral that have been transferred to 'other current assets' by the Group are provided in Note 8.

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

Items	December 31, 2013	December 31, 2012	January 1, 2012
Current items:			
Financial assets held for trading			
Listed stocks	$ 13,650	$ 22,896	$ 120,073
Open-end mutual funds	-	30,800	29,500
Derivatives	22,606	2,035	928
	36,256	55,731	150,501
Valuation adjustment of financial assets held for trading	(5,438)	(6,917)	(15,975)
	$ 30,818	$ 48,814	$ 134,526

Items	December 31, 2013	December 31, 2012	January 1, 2012
Current items:			
Financial liabilities held for trading			
Derivatives	$ 6,885	$ 2,010	$ 1,346

A. The Group recognized net gain (loss) of ($35,488) and $11,540 on financial assets and liabilities held for trading for the years ended December 31, 2013 and 2012, respectively.

B. The counterparties of the Group's debt instrument investments are mostly listed companies or financial institutions which have good credit quality so the Group expects that the counterparties would not default on the contract. The maximum exposure to credit risk at balance sheet date is the carrying amount of financial assets at fair value through profit or loss.

C. The non-hedging derivative instruments transaction and contract information are as follows:

	December 31, 2013			December 31, 2012		
Derivative Instruments	Contract Amount (Notional Principal)		Contract Period	Contract Amount (Notional Principal)		Contract Period
Forward foreign exchange contracts						
- Sell	EUR	4,150	2013.10.23~ 2014.02.24	EUR	1,950	2012.10.31~ 2013.06.17
- Sell	USD	11,200	2013.11.12~ 2014.02.14	USD	12,990	2012.11.05~ 2013.02.25
- Sell-SWAP	USD	29,400	2013.11.29~ 2014.02.03	USD	15,301	2012.09.21~ 2013.03.07
- Buy	USD	12,117	2013.11.12~ 2014.03.31	USD	7,070	2012.11.30~ 2013.02.26
- Buy				EUR	100	2012.12.07~ 2013.01.14

	January 1, 2012		
Derivative Instruments	Contract Amount (Notional Principal)		Contract Period
Forward foreign exchange contracts			
- Sell	USD	18,100	2011.09.14~ 2012.02.17
- Sell-SWAP	USD	9,384	2011.11.07~ 2012.02.07
- Buy	USD	1,700	2011.12.21~ 2012.01.31

The Group entered into forward exchange contracts to manage exposures to foreign exchange rate fluctuations of import or export sales. However, the forward exchange contracts did not meet the criteria for hedge accounting. Therefore, the Group did not apply hedge accounting.

(3) Available-for-sale financial assets-current

Items	December 31, 2013	December 31, 2012	January 1, 2012
Listed stocks	$ 68,116	$ 214	$ 426
Bond funds	-	10,000	10,000
Adjustment of available-for-sale financial assets	26,042	10,705	9,016
	$ 94,158	$ 20,919	$ 19,442

A. The Group recognised $74,153 and ($5,674) in other comprehensive income (loss) for fair value change of current and noncurrent available-for-sale financial assets for the years ended December 31, 2013 and 2012, respectively.

B. The counterparties of the Group's debt instrument investments are mostly listed companies or financial institutions which have good credit quality so the Group expected the counterparties would not default on the contract. The maximum exposure to credit risk at balance sheet date is the carrying amount of available-for-sale financial assets.

(4) Notes receivable

	December 31, 2013	December 31, 2012	January 1, 2012
Notes receivable	$ 2,894,722	$ 1,761,631	$ 1,697,495
Less: Allowance for doubtful accounts	-	(976)	(1,413)
	$ 2,894,722	$ 1,760,655	$ 1,696,082

The notes receivable are mostly the checks collected from the counterparties or from financial institutions which have good credit quality so the Group does not expect any contract default. The maximum exposure to credit risk at balance sheet date is the carrying amount of notes receivable.

(5) Accounts receivable

	December 31, 2013	December 31, 2012	January 1, 2012
Accounts receivable	$ 70,026,174	$ 58,929,250	$ 46,622,901
Less: Allowance for doubtful accounts	(572,834)	(236,605)	(160,975)
Allowance for sales discounts and sales returns	(908,526)	(1,007,022)	(1,015,850)
	$ 68,544,814	$ 57,685,623	$ 45,446,076

A. The subsidiaries entered into factoring of accounts receivable with banks. In accordance with the contract requirements, subsidiaries shall only be liable for the losses incurred on any commercial dispute and did not assume the risk of uncollectible accounts receivable. The requirements are in line with the criteria of derecognition of financial assets. The derecognized amounts had already deducted the estimated commercial disputes. The commercial papers and time deposits pledged to the banks are for losses incurred on only commercial disputes or for the banks' practice of accounts receivable factoring. The pledged commercial papers and time deposits do not cover losses other than those arising from commercial disputes. As of December 31, 2013, December 31, 2012 and January 1, 2012, the balance of outstanding accounts receivable sold to the Bank was $16,927,407, $13,845,931 and $19,080,030, respectively and the reserve amounted to $1,312,080, $748,112, and $3,146,349, respectively, which was booked as other receivables.

B. The subsidiaries of Yosun Industrial Corp. entered into an agreement to sell its accounts receivable. Under the agreement, the Group is liable for the losses incurred if these accounts receivable are not collected. Therefore, the Group did not derecognise such accounts receivable sold to the bank which has recourse. The proceeds from the advance were included in 'short-term loans'. As of December 31, 2012 and January 1, 2012, the outstanding accounts receivable were as follows:

December 31, 2012				
Purchaser of accounts receivable	Accounts receivable sold	Amount retained	Collateral (Amount in thousands)	
Hang Seng Bank	$ 761,709	$ 189,141	Time deposits USD	2,696
Standard Chartered Bank	99,211	12,361	Time deposits USD	800
DBS Bank	57,427	6,875	Time deposits HKD	6,000

January 1, 2012				
Purchaser of accounts receivable	Accounts receivable sold	Amount retained	Collateral (Amount in thousands)	
Taishin International Bank	$ 611,605	$ 30,737	Time deposits USD	2,610
Hang Seng Bank	527,416	63,596	Time deposits USD	2,182
DBS Bank	125,931	16,172	Time deposits HKD	6,000

December 31, 2013: None.

(6) Inventories

	December 31, 2013		
	Cost	Allowance for valuation	Book value
Inventories	$ 34,257,385	($ 836,578)	$ 33,420,807
Inventories in transit	1,635,681	-	1,635,681
	$ 35,893,066	($ 836,578)	$ 35,056,488

	December 31, 2012		
	Cost	Allowance for valuation	Book value
Inventories	$ 32,540,064	($ 944,956)	$ 31,595,108
Inventories in transit	1,743,517	-	1,743,517
	$ 34,283,581	($ 944,956)	$ 33,338,625

	January 1, 2012		
	Cost	Allowance for valuation	Book value
Inventories	$ 33,786,046	($ 1,186,732)	$ 32,599,314
Inventories in transit	1,432,810	-	1,432,810
	$ 35,218,856	($ 1,186,732)	$ 34,032,124

Expenses and losses incurred on inventories for the years ended December 31, 2013 and 2012 were as follows:

	For the years ended December 31,	
	2013	2012
Cost of goods sold	$ 387,800,365	$ 342,708,064
Gain from price recovery of inventory	(84,351)	(195,663)
Loss on physical inventory	1,704	7,147
Cost of goods sold	$ 387,717,718	$ 342,519,548

Gain arose from price recovery of inventories and sales of obsolete and slow-moning inventories during the years ended December 31, 2013 and 2012.

(7) Available-for-sale financial assets - non-current

Investee company	December 31, 2013	December 31, 2012	January 1, 2012
Promaster Technology Corp.	$ 48,452	$ 48,452	$ 48,452
Apollo Electronics Group Ltd.	43,052	41,947	43,730
Kingpak Technology Inc.	25,197	25,197	31,496
Kingmac Technology Inc.	9,504	9,504	9,504
Others	18,464	20,757	11,892
	144,669	145,857	145,074
Add: valuation adjustment	48,526	10,587	26,510
Less: accumulated impairment	(6,648)	(3,268)	-
	$ 186,547	$ 153,176	$ 171,584

A. There is no investment in available-for-sale financial asset attributed to debt instruments.

B. As of December 31, 2013, December 31, 2012 and January 1, 2012, the Group's available-for-sale financial asset serve as security for purchase guarantee. Please refer to Note 8.

C. The amounts recognised in other comprehensive income for fair value change of current and noncurrent available-for-sale financial assets for the years ended December 31, 2013 and 2012 are described in Note 6(3).

(8) Financial assets measured at cost - non-current

Investee company	December 31, 2013	December 31, 2012	January 1, 2012
Ability I Venture Capital Corporation	$ 100,000	$ 100,000	$ 50,000
Centillion III Venture Capital Corp.	50,000	50,000	50,000
SUNRISE Technology Co., Ltd.	50,000	30,000	-
CDIB CME Fund Ltd.	50,000	-	-
M Cube Inc.	45,298	44,915	45,533
GCS Holdings, Inc.	30,535	29,444	29,192
Everrich Capital Co., Ltd.	29,387	29,387	29,387
Chlen Hwa Coating Technology Inc.	20,000	20,000	-
GEC Technology Hong Kong Company Limited	19,994	19,994	-
Bettery Energy Technology Inc.	18,000	18,000	18,000
Fantasy Story Inc.	15,047	-	-
Liefco Optical Inc.	15,000	15,000	-
Phostek Inc.	14,377	14,377	14,377
FineMat Applied Materials Co., Ltd. (Note)	11,941	11,941	11,941
PTR-Tech Technology Co., Ltd.	10,000	-	-
Hou Pang Venture Capital Corp.	7,887	7,887	12,372
Others	89,604	75,635	116,162
	577,070	466,580	376,964
Less: Accumulated impairment	(109,489)	(70,476)	(72,355)
	$ 467,581	$ 396,104	$ 304,609

Note: FineMat Applied Materials Co., Ltd. was formerly named AcroSense Technology Co., Ltd. The name was changed in November 2012.

A. As of December 31, 2013, December 31, 2012 and January 1, 2012, no financial assets measured at cost held by the Group were pledged to others.

B. Based on the Group's intention, its investment in stocks should be classified as 'available-for-sale financial assets'. However, as these stocks are not traded in active market, and sufficient industry information of companies similar to the investee or the investee's financial information cannot be obtained, the fair value of the investment in stocks cannot be measured reliably. The Group classified those stocks as 'financial assets measured at cost'.

(9) Investments accounted for under the equity method

A. Details of investments:

Investee company	December 31, 2013	December 31, 2012	January 1, 2012
Lipers Enterprise Co., Ltd.	$ 246,422	$ 211,637	$ -
ChainPower Technology Corp.	208,480	202,089	214,073
Genuine C&C, Inc.	172,771	177,810	193,343
Shenzhen HQPG Electronic Information Co., Ltd.	68,525	-	-
Eesource Corp.	63,912	59,886	71,151
Adivic Technology Co., Ltd.	50,917	-	-
Yosun Japan Corp.	43,693	12,963	13,618
Siltrontech Electronics Corp.	-	237,122	-
Suzhou Xinning Bonded Warehouse Co., Ltd.	39,902	35,870	38,391
Suzhou Xinning Logistics Co., Ltd.	39,376	32,089	30,233
Genuine Trading (Hong Kong) Company Limited	35,211	43,141	-
Yosun Green Technology Corp.	17,630	36,915	38,711
Gain Tune Logistics (Shanghai) Co., Ltd.	26,375	21,032	17,480
Others	26,387	37,396	-
	$ 1,039,601	$ 1,107,950	$ 617,000

Note: For information on impairment loss of investments accounted for under the equity method, please refer to Note (6)13.

B. The financial information of the Group's principal associates is summarized below:

	Total assets	Total liabilities	Total operating revenue	Net income (loss)	% of ownership
December 31, 2013					
ChainPower Technology Corp.	$ 1,053,398	$ 518,848	$ 1,583,573	$ 43,546	39.00%
Adivic Technology Co., Ltd.	120,325	16,412	29,116	(38,027)	49.00%
Genuine C&C, Inc.	2,502,406	1,357,137	9,945,494	4,265	16.29%
Yosun Green Technology Corp.	47,144	7,966	4,352	(441)	45.00%
Yosun Japan Corp.	495,810	408,424	768,029	21,431	50.00%
Eesource Corp.	262,724	102,944	519,402	37,230	40.00%
Suzhou Xinning Bonded Warehouse Co., Ltd.	106,640	48,248	126,516	4,451	49.00%
Gain Tune Logistics (Shanghai) Co., Ltd.	69,444	3,489	79,661	10,270	40.00%
Suzhou Xinning Logistics Co., Ltd.	151,382	22,107	194,193	23,246	29.40%
Lipers Enterprise Co., Ltd.	3,376,483	2,381,674	4,734,764	21,477	20.16%
Genuine Trading (Hong Kong) Company Limited	90,265	5,961	-	(24,919)	39.92$
Shenzhen HQPG Electronic Information Co., Ltd.	141,868	2,022	1,221	(7,597)	49.00%
Others	66,691	7,219	29,279	(37,481)	
	$ 8,484,580	$ 4,882,451	$ 18,015,600	$ 57,451	

December 31, 2012	Total assets	Total liabilities	Total operating revenue	Net income (loss)	% of ownership
ChainPower Technology Corp.	$ 909,510	$ 391,346	$ 1,567,240	$ 40,881	39.00%
Genuine C&C, Inc.	2,743,846	1,571,253	7,659,031	3,194	16.29%
Lipers Enterprise Co., Ltd.	3,085,812	2,466,316	4,709,477	11,438	28.37%
Yosun Green Technology Corp.	82,645	656	7,531	(4,312)	45.00%
Yosun Japan Corp.	90,772	64,845	222,359	2,712	50.00%
Eesource Corp.	257,748	106,012	517,578	31,979	40.00%
Siltrontech Electronics Corp.	1,983,107	1,290,136	4,971,827	(16,038)	32.22%
Genuine Trading (Hong Kong) Company Limited	206,132	98,065	-	(13,191)	39.92%
Suzhou Xinning Bonded Warehouse Co., Ltd.	95,792	22,588	376,642	(2,481)	49.00%
Suzhou Xinning Logistics Co., Ltd.	133,920	33,864	148,911	16,867	29.40%
Gain Tune Logistics (Shanghai) Co., Ltd.	65,112	12,532	78,457	10,087	40.00%
Others	49,665	15,559	16,904	(24,552)	
	$ 9,704,061	$ 6,073,172	$ 20,275,957	$ 56,584	

January 1, 2012	Total assets	Total liabilities	Total operating revenue	Net income (loss)	% of ownership
ChainPower Technology Corp.	$ 1,194,655	$ 645,764	$ 2,124,020	$ 61,569	39.00%
Genuine C&C, Inc.	2,340,007	1,119,464	6,519,207	(20,201)	16.29%
Yosun Green Technology Corp.	90,353	3,114	7,953	(11,178)	45.00%
Yosun Japan Corp.	71,913	44,678	182,765	1,248	50.00%
Eesource Corp.	275,117	97,239	654,968	64,580	40.00%
Suzhou Xinning Bonded Warehouse Co., Ltd.	116,667	38,317	127,398	(35)	49.00%
Gain Tune Logistics (Shanghai) Co., Ltd.	50,927	7,228	67,707	106	40.00%
Suzhou Xinning Logistics Co., Ltd.	139,682	44,165	122,765	4,400	29.40%
	$ 4,279,321	$ 1,999,969	$ 9,806,783	$ 100,489	

C. The Company’s investment in Genuine C&C Inc. has qouted market price. The fair value of Genuine C&C Inc. as at December 31, 2013, December 31, 2012 and January 1, 2012 was $175,015, $154,273 and $132,234, respectively.

(10) Property, plant and equipment

	Land	Buildings	Machinery and equipment	Transportation equipment	Furniture and fixtures	Leasehold improvements	Others	Construction in progress and equipment to be tested	Total
At January 1, 2013									
Cost	$2,748,394	$1,679,338	$ 92,632	$ 22,196	$ 483,316	$ 452,400	$ 91,226	$ 652,767	$6,222,269
Accumulated depreciation	-	(390,529)	(44,136)	(15,191)	(300,383)	(171,342)	(53,877)	-	(975,458)
Accumulated impairment	(1,582)	(10,765)	(2,214)	-	(2,457)	(2,051)	(4,903)	-	(23,972)
	$2,746,812	$1,278,044	$ 46,282	$ 7,005	$ 180,476	$ 279,007	$ 32,446	$ 652,767	$5,222,839
For the year ended December 31, 2013									
Opening net book amount	$2,746,812	$1,278,044	$ 46,282	$ 7,005	$ 180,476	$ 279,007	$ 32,446	$ 652,767	$5,222,839
Additions	20,422	194,026	9,117	-	94,369	27,601	14,776	752,338	1,112,649
Effect of consolidated entity's movement	-	-	(5,036)	-	(11)	-	-	-	(5,047)
Disposals	-	(99)	-	(2,981)	(16,194)	(9,027)	(2,250)	-	(30,551)
Transfer	(215,610)	610,382	2,025	-	(4,558)	6,388	2,672	(1,419,498)	(1,018,199)
Depreciation charge	-	(85,393)	(15,327)	(1,596)	(72,818)	(44,393)	(14,302)	-	(233,829)
Effect due to changes in exchange rates	(13,686)	873	1,329	62	3,614	1,136	(572)	14,393	7,149
Closing net book amount	$2,537,938	$1,997,833	$ 38,390	$ 2,490	$ 184,878	$ 260,712	$ 32,770	$ -	$5,055,011
At December 31, 2013									
Cost	$2,539,520	$2,393,148	$ 97,563	$ 12,707	$ 444,461	$ 452,865	$ 105,077	$ -	$6,045,341
Accumulated depreciation	-	(384,551)	(56,959)	(10,217)	(257,351)	(190,103)	(67,404)	-	(966,585)
Accumulated impairment	(1,582)	(10,764)	(2,214)	-	(2,232)	(2,050)	(4,903)	-	(23,745)
	$2,537,938	$1,997,833	$ 38,390	$ 2,490	$ 184,878	$ 260,712	$ 32,770	$ -	$5,055,011

	Land	Buildings	Machinery and equipment	Transportation equipment	Furniture and fixtures	Leasehold improvements	Others	Construction in progress and equipment to be tested	Total
At January 1, 2012									
Cost	$2,506,229	$1,640,049	$ 83,549	$ 26,701	$ 476,252	$ 279,643	$ 132,426	$ 2,177	$5,147,026
Accumulated depreciation	-	(373,696)	(45,645)	(22,308)	(268,481)	(196,472)	(84,069)	-	(990,671)
Accumulated impairment	(12,346)	-	(2,214)	-	(2,849)	(2,051)	(4,903)	-	(24,363)
	$2,493,883	$1,266,353	$ 35,690	$ 4,393	$ 204,922	$ 81,120	$ 43,454	$ 2,177	$4,131,992
For the year ended December 31, 2012									
Opening net book amount	$2,493,883	$1,266,353	$ 35,690	$ 4,393	$ 204,922	$ 81,120	$ 43,454	$ 2,177	$4,131,992
Additions	118,476	156,092	29,104	1,447	86,223	265,305	12,000	654,784	1,323,431
Acquired from business combinations	274,888	47,558	-	4,554	2,914	-	4,542	-	334,456
Effect of consolidated entity’s movement	(131,364)	(91,196)	-	-	(3,292)	(5,201)	(10,936)	-	(241,989)
Disposals	-	(11,035)	(3,521)	(606)	(25,799)	(3,594)	(1,222)	-	(45,777)
Transfer	-	346	850	-	1,132	118	(1,195)	(4,484)	(3,233)
Depreciation charge	-	(66,945)	(15,807)	(2,248)	(79,300)	(54,944)	(23,233)	-	(242,477)
Effect due to changes in exchange rates	(9,071)	(23,129)	(34)	(535)	(6,324)	(3,797)	9,036	290	(33,564)
Closing net book amount	$2,746,812	$1,278,044	$ 46,282	$ 7,005	$ 180,476	$ 279,007	$ 32,446	$ 652,767	$5,222,839
At December 31, 2012									
Cost	$2,748,394	$1,679,338	$ 92,632	$ 22,196	$ 483,316	$ 452,400	$ 91,226	$ 652,767	$6,222,269
Accumulated depreciation	-	(390,529)	(44,136)	(15,191)	(300,383)	(171,342)	(53,877)	-	(975,458)
Accumulated impairment	(1,582)	(10,765)	(2,214)	-	(2,457)	(2,051)	(4,903)	-	(23,972)
	$2,746,812	$1,278,044	$ 46,282	$ 7,005	$ 180,476	$ 279,007	$ 32,446	$ 652,767	$5,222,839

Information on property, plant and equipment that were pledged to others as collaterals is provided in Note 8.

(11) Investment property

	Land	Buildings	Total
At January 1, 2013			
Cost	$ -	$ -	$ -
Accumulated depreciation and impairment	-	-	-
	$ -	$ -	$ -
2013			
Opening net book amount	$ -	$ -	$ -
Transfer	215,610	802,590	1,018,200
Closing net book amount	$ 215,610	$ 802,590	$ 1,018,200
At December 31, 2013			
Cost	$ 215,610	$ 880,677	$ 1,096,287
Accumulated depreciation and impairment	-	(78,087)	(78,087)
	$ 215,610	$ 802,590	$ 1,018,200

December 31, 2012: None.

A. As the transfer occurred at the end of December, there was no rental revenue and direct operating expenses for the year ended December 31, 2013.

B. The fair value of the investment property held by the Group as at December 31, 2013 was $1,527,590, which was based on the average value of nearby areas.

C. There is no impairment loss on investment property.

D. None of the investment property is pledged for guarantee.

(12) Intangible assets

	Operating right	Software	Goodwill	Others	Total
At January 1, 2013					
Cost	$ 429,675	$ 189,495	$ 5,623,062	$ 28,141	$6,270,373
Accumulated amortisation and impairment	(141,480)	(127,097)	(32,823)	(10,172)	(311,572)
	$ 288,195	$ 62,398	$ 5,590,239	$ 17,969	$5,958,801
For the year ended December 31, 2013					
Opening net book amount	$ 288,195	$ 62,398	$ 5,590,239	$ 17,969	$5,958,801
Additions-acquired separately	-	16,828	-	18,026	34,854
Transfer	-	(172)	(23,844)	23,736	(280)
Amortisation charge	(82,301)	(20,691)	-	(20,382)	(123,374)
Impairment loss	-	-	(33,639)	-	(33,639)
Effect due to changes in exchange rates	8,987	(497)	7,936	(9,908)	6,518
Closing net book amount	$ 214,881	$ 57,866	$ 5,540,692	$ 29,441	$5,842,880
At December 31, 2013					
Cost	$ 399,383	$ 199,071	$ 5,607,154	$ 65,245	$6,270,853
Accumulated amortisation and impairment	(184,502)	(141,205)	(66,462)	(35,804)	(427,973)
	$ 214,881	$ 57,866	$ 5,540,692	$ 29,441	$5,842,880

	Operating right	Software	Goodwill	Others	Total
At January 1, 2012					
Cost	$ 243,723	$ 102,269	$ 5,119,712	$ 72,600	$5,538,304
Accumulated amortisation and impairment	(74,394)	(64,652)	-	(63,674)	(202,720)
	$ 169,329	$ 37,617	$ 5,119,712	$ 8,926	$5,335,584
For the year ended December 31, 2012					
Opening net book amount	$ 169,329	$ 37,617	$ 5,119,712	$ 8,926	$5,335,584
Additions-acquired separately	193,757	37,526	-	-	231,283
Additions-acquired from business combinations	-	1,968	543,210	-	545,178
Effect of consolidated entity's movement	-	-	-	(3,036)	(3,036)
Disposals	-	(206)	-	(1,445)	(1,651)
Transfer	-	16,259	(28,141)	28,141	16,259
Amortisation charge	(65,701)	(24,018)	-	(15,407)	(105,126)
Impairment loss	-	-	(32,823)	-	(32,823)
Effect due to changes in exchange rates	(9,190)	(6,748)	(11,719)	790	(26,867)
Closing net book amount	$ 288,195	$ 62,398	$ 5,590,239	$ 17,969	$5,958,801
At December 31, 2012					
Cost	$ 429,675	$ 189,495	$ 5,623,062	$ 28,141	$6,270,373
Accumulated amortisation and impairment	(141,480)	(127,097)	(32,823)	(10,172)	(311,572)
	$ 288,195	$ 62,398	$ 5,590,239	$ 17,969	$5,958,801

The details of amortisation charge are as follows:

	For the years ended December 31,	
	2013	2012
Selling and marketing expenses	$ 75,078	$ 64,639
General and administrative expenses	49,860	52,801
	$ 124,938	$ 117,440

The amortisation charge above includes amortisation of deferred expenses accounted as 'Other non-current asset'.

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

	December 31, 2013	December 31, 2012	January 1, 2012
Yosun subgroup	$ 4,650,108	$ 4,678,879	$ 4,716,111
Aeco subgroup	472,290	472,290	-
Others	418,294	439,070	403,601
	$ 5,540,692	$ 5,590,239	$ 5,119,712

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

Except for goodwill arising from investing in Yosun Group's indirect subsidiary-Yosun Singapore Pte Ltd. which had been impaired based on the estimated recoverable amount, the remaining goodwill was not impaired as the recoverable amount calculated using the value-in-use exceeded the carrying amount. The key assumptions used for value-in-use calculations are gross margin, growth rate and discount rate.

Management determined budgeted gross margin based on past performance and its expectations of market development. The assumptions used for weighted average growth rates are past historical experience and expectations of industry; the assumption used for discount rates is weighted average capital cost of the Group. As of December 31, 2013, December 31, 2012 and January 1, 2012, the key valuations used for pre-tax discount rate were 6.51%, 7.01% and 6.50%, respectively.

(13) Impairment of financial assets and non-financial assets

A. The Group recognised impairment loss amounting to $81,417 and $78,667 for the years ended December 31, 2013 and 2012, respectively. Details of such loss are as follows:

	For the years ended December 31,			
	2013		2012	
	Recognised in profit or loss	Recognised in other comprehensive income	Recognised in profit or loss	Recognised in other comprehensive income
Impairment loss-financial assets carried at cost-current	$ 3,296	$ -	$ 2,679	$ -
Impairment loss-available-for-sale financial assets-non-current	3,380	-	-	-
Impairment loss-financial assets carried at cost - non-current	32,614	-	43,165	-
Impairment loss-investments accounted for under the equity method	8,488	-	-	-
Impairment loss-goodwill	33,639	-	32,823	-
	$ 81,417	$ -	$ 78,667	$ -

B. The Group recognized an impairment loss on certain assets because the book value exceeded their recoverable amount. Availabe-for-sale financial assets, investments accounted for under the equity method and goodwill of the Company's subsidiary were evaluated based on value in use as its recoverable amount. The net fair value was estimated based on the optimal information available at the balance sheet date.

(14) Overdue receivables (Shown as "Other non-current assets")

	December 31, 2013	December 31, 2012	January 1, 2012
Overdue receivables	$ 237,434	$ 176,520	$ 235,174
Less: Allowance for doubtful accounts	(214,984)	(174,918)	(235,174)
	$ 22,450	$ 1,602	$ -

(15) Short-term borrowings

Type of borrowings	December 31, 2013	December 31, 2012	January 1, 2012
Other short-term loans			
Loans for overseas purchases	$ 16,016,665	$ 11,143,159	$ 11,131,646
Short-term loans	22,849,177	20,547,675	16,104,211
	$ 38,865,842	$ 31,690,834	$ 27,235,857
Annual interest rates	0.78%~4.00%	0.75%~3.35%	0.70%~2.99%

For information on pledged assets, please refer to Note 8.

(16) Short-term commercial papers payable

	December 31, 2013	December 31, 2012	January 1, 2012
Commercial papers payable	$ 4,883,000	$ 4,005,000	$ 3,214,900
Less: Unamortized discount	(3,081)	(3,297)	(1,608)
	$ 4,879,919	$ 4,001,703	$ 3,213,292
Annual interest rates	0.66%~1.26%	0.79%~1.40%	0.77%~2.21%

The commercial papers payable are guaranteed by financial institutions.

(17) Long-term borrowings

Type	Facility	December 31, 2013	Period	Annual interest rate	Current portion (Shown as "Other current liabilities")
Medium to long-term loan (Taiwan Cooperative Bank)	$ 3,550,000 (Note 1)	$ 3,350,000	2011/09/30~ 2014/09/30	1.50%~ 1.51%	$ 3,350,000
Medium to long-term loan (Taipei Fubon Bank)	3,600,000 (Note 1)	2,043,175	2012/12/07~ 2015/12/07	1.65%~ 1.96%	-
Medium to long-term loan (E. Sun Bank, etc.)	1,800,000 (Note 2)	555,903	2011/01/13~ 2014/01/13	1.22%~ 1.57%	555,903
Credit loan (Taipei Fubon Bank, etc.)	1,200,000 (Note 11)	536,490	2013/04/03~ 2016/05/17	1.77%~ 2.01%	-
Mortgage loan (RESONA Bank)	70,975 (Note 4)	61,636	2012/03/30~ 2022/03/31	1.73%	7,471
Medium to long-term loan (Chang Hwa Bank)	576,000 (Note 5)	545,000	2012/01/02~ 2027/01/02	Note 6	-
Medium to long-term loan (E Sun Bank)	50,000 (Note 12)	50,000	2013/10/23~ 2016/10/23	1.97%	4,092
Medium to long-term loan (Taipei Fubon Bank)	400,000 (Note 8)	180,000	2012/08/08~ 2015/08/08	2.06%	180,000
		7,322,204			$ 4,097,466
Less: Current portion of long-term loans		(4,097,466)			
		$ 3,224,738			

Type	Facility	December 31, 2012	Period	Annual interest rate	Current portion (Shown as "Other current liabilities")
Medium to long-term loan (Taiwan Cooperative Bank)	$ 3,550,000 (Note 1)	$ 3,000,000	2011/09/30~ 2014/09/30	1.51%	$ -
Medium to long-term loan (Taipei Fubon Bank)	3,600,000 (Note 1)	2,016,400	2012/12/07~ 2015/12/07	1.54%~ 1.68%	-
Medium to long-term loan (E. Sun Bank)	1,800,000 (Note 2)	595,793	2011/01/13~ 2014/01/13	1.52%~ 1.75%	-
Credit loan (Mega International Commercial Bank and Taipei Fubon Bank)	1,000,000 (Note 3)	377,520	2010/05/12~ 2013/05/11	1.23%	377,520
Mortgage loan (RESONA Bank)	84,100 (Note 4)	81,887	2012/03/30~ 2022/03/31	1.73%	8,853
Medium to long-term loan (Chang Hwa Bank)	576,000 (Note 5)	576,000	2012/01/02~ 2027/01/02	Note 6	-
Medium to long-term loan (Mega International Commercial Bank)	80,000 (Note 7)	30,000	2010/11/30~ 2013/11/30	2.29%	30,000
Medium to long-term loan (Taipei Fubon Bank)	400,000 (Note 8)	180,000	2012/08/08~ 2015/08/08	2.05%	-
		6,857,600			$ 416,373
Less: Current portion of long-term loans		(416,373)			
		$ 6,441,227			

Type	Facility	January 1, 2012	Period	Annual interest rate	Current portion (Shown as "Other current liabilities")
Medium to long-term loan (Taiwan Cooperative Bank)	$ 3,550,000 (Note 1)	$ 2,600,000	2011/09/30~ 2014/09/30	1.50%	$ -
Medium to long-term loan (Bank of Taiwan)	3,000,000 (Note 1)	1,438,062	2009/12/08~ 2012/12/08	1.46%	1,438,062
Medium to long-term loan (E. Sun Bank)	1,800,000 (Note 2)	782,553	2011/01/13~ 2014/01/13	1.29%~ 1.55%	-
Mortgage loan (Chang Hwa Bank)	123,733 (Note 9)	123,733	2007/10/01~ 2022/09/30	1.99%	13,067
Medium to long-term loan (Chang Hwa Bank)	40,000 (Note 10)	40,000	2010/06/18~ 2012/06/18	2.58%	40,000
Credit loan (Mega International Commercial Bank and Taipei Fubon Bank)	1,000,000 (Note 3)	484,400	2010/05/12~ 2013/05/11	1.59%~ 1.67%	-
		5,468,748			$ 1,491,129
Less: Current portion of long-term loans		(1,491,129)			
		$ 3,977,619			

Note 1: (1) This pertains to a revolving loan facility for World Peace Industrial Co., Ltd., the Company's subsidiary, wherein the principal amount can be renewed after the corresponding interest is paid.

(2) The subsidiary - World Peace Industrial Co., Ltd. is required to maintain certain financial ratios based on semi-annual and annual consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 200%, time interest earned ratio should not be less than 2.5 and net value should not be less than $7,500,000.

Note 2: Richpower Electronic Devices Co., Ltd., the Company's subsidiary, had entered into a long-term loan agreement with financial institutions on August 25, 2010. The terms and conditions of the contract were as follows:

(1) Contract term: Within three years from the first drawdown.

(2) The facility is $1,800,000 and the first drawdown of the loan must be within six months from the contract signing date and the amount of drawdown must be no less than $50,000 or USD1,500,000. If the amount of drawdown was in New Taiwan Dollars, the repayment period could be between 60 days and 180 days or other period agreed by the bank responsible for the revolving loan facility; if the amount of drawdown was in US Dollars, the repayment could be between two months and six months or other period agreed by the bank responsible for the revolving loan facility. If the drawdown is less than 50% of the facility, after nine months from the first drawdown date, the annual fees charged will be 0.15%.

(3) For each drawdown, the principal of every drawdown must be repaid in full at the end of the term. If the amount of drawdown was in US Dollars, the repayment currency should be the same as the borrowed currency and it would be the responsibility of the borrower to acquire foreign exchange approvals and, if any, other required approvals for repayment in US Dollars. For re-utilization of the revolving loan after maturity date, foreign transaction approvals or approvals from the bank are submitted to the lead bank. The lead banks shall notify the related banks which had participated in the syndicated loan.

(4) Richpower Electronic Devices Co., Ltd. is required to maintain certain financial ratios based on the consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 250%, time interest earned ratio should not be less than 2.5 and net value should not be less than $1,500,000.

Note 3: Asian Information Technology Inc. and Frontek Technology Corporation, the Company's subsidiary and indirect subsidiary, had entered into a long-term loan agreement with financial institutions on March 4, 2010. The contract terms were as follows:

(1) Contract term: Within three years from the first drawdown.

(2) The facility is $1,000,000 and the first drawdown of the loan must be within six months from the contract signing date and the amount of drawdown must be no less than $50,000 or USD1,500,000. If the amount of drawdown was in New Taiwan Dollars, the repayment period could be 60 days, 90 days or 180 days; if the amount of drawdown was in US Dollars, the repayment could be three months or six months.

(3) According to the loan contract, for each drawdown, the maximum repayment term is 180 days and the principal of every drawdown must be repaid in full at the end of the term. If the amount of drawdown was in US Dollars, the repayment currency should be the same as the borrowed currency and it would be the responsibility of the borrower to acquire foreign exchange approvals and, if any, other required approvals for repayment in US Dollars. For re-utilization of the revolving loan after maturity date, foreign currency transaction approvals or approvals from the bank are submitted to the lead bank, and the lead bank shall notify the related banks which had participated in the syndicated loan.

(4) According to the contract, Asian Information Technology Inc. is required to maintain certain financial ratios based on semi-annual and annual consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 250%, time interest earned ratio should not be less than 2.5 and net value should not be less than $3,000,000.

Note 4: AIT Japan Inc., the Company's indirect subsidiary, had entered into a long-term loan agreement for a period of ten years with a financial institution on March 28, 2012, and the facility is JPY 250,000,000. The pledged assets are land, and furniture and fixtures (see Note 8). The principal should be repaid in equal monthly installments (totaling 114 months) of JPY 2,193,000 from October 31, 2012 and the last monthly installment will be JPY 2,191,000.

Note 5: The Company had entered into a long-term agreement for fifteen years with a financial institution. The pledged assets are the land and building of Linkou warehouse. The principal should be repaid in equal monthly installments starting 2015.

Note 6: The interest rate is the index interest rate plus 0.21% from the borrowing day to January 2, 2013, plus 0.25% from January 2, 2013 and plus 1.5% from January 2, 2014.

Note 7: AECO Technology Inc., the Company's subsidiary, had entered into a long-term loan agreement with a financial institution. The principal should be repaid in equal quarterly installments after 15 months of the first drawdown date.

Note 8: (1) AECO Technology Inc., the Company's subsidiary, had entered into a long-term loan agreement with financial institutions on July 6, 2012. The facility is $400,000 and the contract term is three years. AECO Technology Inc. is required to maintain certain financial rations based on the annual consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be more than 200%, and net value should not be less than $1,400,000. Otherwise, from 2013, interest earned ratio should not be less than 100%.

(2) AECO Technology Inc., the Company's subsidiary, had entered into a long-term loan agreement with financial institution. The principal should be repaid in equal quarterly installments after 18 months of the first drawdown date.

Note 9: Lipers Enterprise Co., Ltd., the Company’s indirect subsidiary, had entered into a long-term, non-revolving loan agreement with a financial institution. The principal should be repaid in equal monthly installments.

Note 10: Lipers Enterprise Co., Ltd., the Company’s indirect subsidiary, had entered into a long-term loan agreement with financial institutions. According to the loan contract, the grace period is one year. Once the grace period expired, the principal should be repaid in equal annual installments in two periods.

Note 11: The Company and its subsidiaries, Frontek Technology Corporation and Apache Communication Inc., had entered into a long-term loan agreement with financial institutions on March 18, 2013. The terms and conditions of the contract were as follows:

(1) Contract term: Within three years from the first drawdown.

(2) The facility is $1,200,000 and the first drawdown of the loan must be within three months from the contract signing date and the amount of drawdown must be no less than $25,000 or USD1,000,000. If the amount of drawdown was in New Taiwan Dollars, the repayment period could be 60 days, 90 days or 180 days; if the amount of drawdown was in US Dollars, the repayment could be two months, three months or six months.

(3) According to the loan contract, for each drawdown, the maximum repayment term is 180 days and the principal of every drawdown must be repaid in full at the end of the term. If the amount of drawdown was in US Dollars, the repayment currency should be the same as the borrowed currency and it would be the responsibility of the borrower to obtain foreign exchange approvals and, if any, other required approvals for repayment in US Dollars. For re-utilization of the revolving loan after maturity date, approvals from the bank are submitted to the lead bank before the 5 working days of the end of the term. If the amount of drawdown is same as last time, the lead bank should not make a procedure of remittance and loan, as well as considers that the lead bank and the related banks which had participated in the syndicated loan have lent money to the Company

to repay the expired drawdown and uses the loan agreement as evidence of the receipt of fund.

(4) The Company is required to maintain certain financial ratios based on semi-annual and annual consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 200%, time interest earned ratio should not be less than 2.5 and net value should not be less than $3,000,000.

Note 12: AECO Technology Inc., the Company's subsidiary, had entered into a long-term loan agreement with a financial institution. The principal should be repaid in equal monthly installments after 12 months of the first drawdown date.

(18) Pensions

A. a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor 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 Law. 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 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.

Effective January 1, 2010, the Company and certain subsidiaries have funded defined benefit pension plans in accordance with the "Regulations on pensions of managers", covering all managers appointed by the Company. Under the defined benefit pension plan, one unit is accrued for each year of service, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the remuneration per unit ratified during the appointed period.

b) The amounts recognized in the balance sheet are determined as follows:

	December 31, 2013	December 31, 2012	January 1, 2012
Present value of funded obligations	$ 743,008	$ 832,926	$ 786,567
Fair value of plan assets	(317,815)	(325,229)	(315,587)
	425,193	507,697	470,980
Unrecognized past service cost	(4,634)	(6,793)	(6,269)
Net liability in the balance sheet (Shown as 'other non-current assets')	$ 420,559	$ 500,904	$ 464,711

c) Changes in present value of funded obligations are as follows:

	2013	2012
Present value of funded obligations		
At January 1	$ 832,926	$ 786,567
Current service cost	10,736	11,056
Interest expense	12,334	14,033
Actuarial profit and loss	(60,593)	24,046
Benefits paid	(31,232)	(13,273)
Consolidated entity's movement	(5,285)	-
Reduction	(15,878)	(4,273)
Newly adopted defined benefit plan	-	14,770
At December 31	$ 743,008	$ 832,926

d) Changes in fair value of plan assets are as follows:

	2013	2012
Fair value of plan assets		
At January 1	$ 325,229	$ 315,587
Expected return on plan assets	4,851	5,514
Actuarial profit and loss	(736)	(6,690)
Employer contributions	20,228	24,036
Benefits paid	(31,232)	(13,273)
Consolidated entity's movement	(525)	-
Newly adopted defined benefit plan	-	55
At December 31	$ 317,815	$ 325,229

e) Amounts of expenses recognized in statements of comprehensive income are as follows:

	2013	2012
Current service cost	$ 10,736	$ 11,056
Interest cost	12,334	14,033
Expected return on plan assets	(4,851)	(5,514)
Past service cost	2,159	2,496
Curtailment or settlement	(15,878)	(4,273)
Current pension costs	$ 4,500	$ 17,798

Details of cost and expenses recognised in statements of comprehensive income are as follows:

	2013	2012
Cost of sales	$ 1,151	$ 2,121
Selling expenses (Note)	(3,784)	12,115
General and administrative expenses	7,133	3,562
	$ 4,500	$ 17,798

Note: Reduction of $15,563 in gain is listed as ‘other gains and losses’.

f) Amount recognized under other comprehensive loss (income) are as follows:

	2013	2012
Recognition for current period	($ 54,815)	$ 8,903
Accumulated amount	($ 45,912)	$ 8,903

g) The Bank of Taiwan was commissioned to manage the Fund of the Company's and domestic subsidiaries' defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. The constitution of fair value of plan assets as of December 31, 2013 and 2012 is given in the Annual Labor Retirement Fund Utilisation Report published by the government.

Expected return on plan assets was a projection of overall return for the obligations period, which was estimated based on historical returns and by reference to the status of Labor Retirement Fund utilisation by the Labor Pension Fund Supervisory Committee and taking into account the effect that the Fund's minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks.

For the years ended December 31, 2013 and 2012, the actual return on plan assets was $4,115 and $2,200, respectively.

h) The principal actuarial assumptions used were as follows:

	2013	2012	2011
Discount rate	2.00%	1.50%~1.75%	1.75%~1.90%
Future salary increases	2.50%~4.00%	0.00%~4.00%	0.00%~4.00%
Expected return on plan assets	2.00%	1.50%~1.75%	1.75%~1.90%

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience by 5th Taiwan Standard Ordinary Experience Mortality Table.

i) Historical information of experience adjustments was as follows:

	2013	2012
Present value of defined benefit obligation	$ 743,008	$ 832,926
Fair value of plan assets	(317,815)	(325,229)
Deficit in the plan	$ 425,193	$ 507,697
Experience adjustments on plan liabilities	($ 13,865)	($ 7,088)
Experience adjustments on plan assets	($ 690)	($ 2,812)

j) Expected contributions to the defined benefit pension plans of the Group within one year from December 31, 2013 are $21,219.

B. a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on not less than 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

b) The pension costs of the Group under the defined contribution pension plans for the years ended December 31, 2013 and 2012 were $283,507 and $302,057, respectively.

(19) Share capital

As of December 31, 2013, the Company's authorized capital was $20,000,000 (including 2 million shares for stock options, convertible preferred stock and convertible bonds), and the paid-in capital was $16,557,092 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

Movements in the number of the Company's ordinary shares outstanding are as follows (Unit : thousand shares):

	2013	2012
January 1	1,655,709	1,583,850
Issuance of new shares for mergers and acquisitions	-	71,859
December 31	1,655,709	1,655,709

(20) Capital surplus

Pursuant to the R.O.C. Company Law, 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 surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	Share premium	Treasury share transactions	Investment in associates and joint venture accounted for under equity method	Total
At January 1, 2013	$ 14,886,934	$ 45,083	$ 5,589	$14,937,606
Changes in recognized capital surplus of investment accounted for under equity method	-	-	14,187	14,187
December 31, 2013	$ 14,886,934	$ 45,083	$ 19,776	$14,951,793

	Share premium	Treasury share transactions	Investment in associates and joint venture accounted for under equity method	Total
At January 1, 2012	$ 13,270,105	$ 45,083	$ 4,020	$13,319,208
Issuance of new shares for mergers and acquisitions	1,616,829	-	-	1,616,829
Changes in recognized capital surplus of subsidiary	-	-	1,569	1,569
December 31, 2012	$ 14,886,934	$ 45,083	$ 5,589	$14,937,606

(21) Retained earnings

A. As stipulated in the Company's Articles of Incorporation, the Company should set aside a certain amount as special reserve, if necessary, and the remaining current year's earnings, if any, shall be distributed in the following order:

a) Directors' and supervisors' remuneration: up to 3% of the earnings;

b) 0.01%～5% of the earnings is appropriated as employees' bonuses; and

c) The remaining earnings may be declared as dividends. At least 20% of the total dividends shall be in the form of cash dividends.

Employees of the Company's subsidiaries are entitled to receive the distribution of earnings. The terms shall be defined by the Board of Directors.

B. Legal reserve can only be used to cover accumulated losses or issue new shares or cash to shareholders in proportion to their share ownership, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.

C. Details of unallocated net income are set forth as follows:

a) Pursuant to a resolution approved in the stockholders' meeting on June 22, 2012, the Company made the following appropriations of 2011 net income:

i. Legal reserve of $508,043;
ii. Reversal of special reserve of $1,243,482; and
iii. Cash dividends of $4,304,844 or a dividend of $2.6 (in dollars) per share.

The abovementioned appropriations were the same with that approved by the Board of Directors.

b) Pursuant to a resolution approved in the stockholders' meeting on June 19, 2013, the Company made the following appropriations of 2012 net income:
   i. Legal reserve of $446,571;
   ii. Special reserve of $1,457,597; and
   iii. Cash dividends of $3,973,703 or a dividend of $2.40 (in dollars) per share.
c) With regard to the appropriations of 2011 net income, employees' bonuses and directors' and supervisors' remuneration, as approved by the Board of Directors and stockholders in 2012, amounted to $41,000 and $36,000, respectively. The amounts of bonus to employees and remunerations to directors and supervisors as approved during the stockholders' meeting were consistent with the amounts charged against earnings in 2011.
d) With regard to the appropriations of 2012 net income, employees' bonuses and directors' and supervisors' remuneration, as approved by the Board of Directors and stockholders in 2013, amounted to $48,000 and $37,000, respectively. The amounts of bonus to employees and remunerations to directors and supervisors as approved during the stockholders' meeting were consistent with the amounts charged against earnings in 2012.
e) 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.
f) The employees' bonuses are $57,000 and $48,000 and directors' and supervisors' remuneration are $37,000 and $37,000 for the years ended December 31, 2013 and 2012, respectively. The estimations of employees' bonus and directors' and supervisors' remuneration are based on a certain percentage (prescribed by the Company's Articles of Incorporation) of net income in current year after taking into account the legal reserve and other factors.
g) The distribution information mentioned in a)~d) will be posted in the "Market Observation Post System" of the Taiwan Stock Exchange Corporation.

(22) Other equity items

	2013		
	Available-for-sale investment	Currency translation	Total
At January 1	$ 34,226	($ 2,982,030)	($ 2,947,804)
Revaluation - gross	72,279	-	72,279
Revaluation transfer - gross	(19,002)	-	(19,002)
Revaluation - associates	1,874	-	1,874
Currency translation differences:			
- Group	-	959,261	959,261
- Group's tax	-	(15,247)	(15,247)
- Associates	-	10,887	10,887
At December 31	$ 89,377	($ 2,027,129)	($ 1,937,752)

	2012		
	Available-for-sale investment	Currency translation	Total
At January 1	$ 50,356	($ 1,513,078)	($ 1,462,722)
Revaluation - gross	(3,778)	-	(3,778)
Revaluation transfer - gross	(10,456)	-	(10,456)
Revaluation - associates	(1,896)	-	(1,896)
Currency translation differences:			
- Group	-	(1,465,259)	(1,465,259)
- Group's tax	-	7,791	7,791
- Associates	-	(11,484)	(11,484)
At December 31	$ 34,226	($ 2,982,030)	($ 2,947,804)

(23) Operating revenue

	For the years ended December 31,	
	2013	2012
Sales revenue	$ 406,179,577	$ 360,412,999
Service revenue	76,454	201,160
	$ 406,256,031	$ 360,614,159

(24) Other income

	For the years ended December 31,	
	2013	2012
Rental revenue	$ 29,195	$ 30,687
Interest income	22,292	36,794
Other income	109,903	219,536
	$ 161,390	$ 287,017

(25) Other gains and losses

	For the years ended December 31, 2013	2012
Gain on disposal of investments	$ 176,226	$ 68,479
Net (loss) gain on financial assets (liabilities) at fair value through profit or loss	(35,488)	11,540
Loss on disposal of property, plant, equipment and investment property	(13,044)	(8,956)
Currency exchange gain	209,297	64,275
Impairment loss	(81,417)	(78,667)
Other losses	(38,024)	(75,171)
	$ 217,550	($ 18,500)

(26) Finance costs

	For the years ended December 31, 2013	2012
Interest expense	($ 786,926)	($ 768,924)
Others	(113,294)	(125,618)
	$ 900,220	($ 894,542)

(27) Additional information of expenses by nature

	For the years ended December 31, 2013	2012
Employee benefit expense	$ 7,081,882	$ 7,085,297
Depreciation charges on property and equipment	$ 233,829	$ 242,477
Amortisation charges on intangible assets and other non-current assets	$ 124,938	$ 117,440

(28) Employee benefit expense

	For the years ended December 31, 2013	2012
Wages and salaries	$ 6,172,122	$ 6,099,509
Labor and health insurance fees	351,169	357,811
Pension costs	314,085	319,855
Other personnel expenses	244,506	308,122
	$ 7,081,882	$ 7,085,297

(29) Income tax

A. Income tax expense

a) Components of income tax expense:

	For the years ended December 31,			
	2013		2012	
Current tax				
Current tax on profits for the period	$	1,077,156	$	1,183,645
Adjustments in respect of prior years	(	34,752)	(	67,521)
Total current tax		1,042,404		1,116,124
Deferred tax				
Origination and reversal of temporary differences		4,249	(	24,009)
Total deferred tax		4,249	(	24,009)
Income tax expense	$	1,046,653	$	1,092,115

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

	For the years ended December 31,			
	2013		2012	
Currency translation differences	$	15,247	($	7,791)
Actuarial losses on defined benefit obligations		9,319	(	1,514)
	$	24,566	($	9,305)

B. Reconciliation between income tax expense and accounting profit:

	For the years ended December 31,			
	2013		2012	
Tax calculated based on profit before tax and statutory tax rate	$	1,989,628	$	1,802,145
Effects from items disallowed by tax regulation	(	911,128)	(	796,023)
Effect from net operating loss carryforward		2,650		2,411
Over provision of prior year’s income tax	(	34,752)	(	67,521)
Additional 10% tax on undistributed earnings		-		151,103
Effect from differences of the group's applicable tax rates		255		-
Tax expense	$	1,046,653	$	1,092,115

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

	For the year ended December 31, 2013				
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Effect from adjustments in entities	December 31
Deferred tax assets:					
-Temporary differences					
Unrealized allowance for inventory obsolescence	$ 50,702	($ 8,952)	$ -	($ 1,136)	$ 40,614
Unrealized sales discount	36,786	(4,049)	-	-	32,737
Bad debts expense	22,364	11,116	-	-	33,480
Unrealized expense	41,164	15,530	-	(114)	56,580
Investment loss	51,598	12,442	-	-	64,040
Pensions	58,581	(7,513)	(3,988)	-	47,080
Cumulative translation adjustments	27,124	-	(15,247)	-	11,877
Others	28,440	(13,616)	-	-	14,824
-Net operating loss carryforward	22,361	(3,984)	-	(6,542)	11,835
	339,120	974	(19,235)	(7,792)	313,067
Deferred tax liabilities:					
-Temporary differences					
Investment income	(265,903)	(7,393)	-	-	(273,296)
Reserve for building increment	(23,999)	-	-	-	(23,999)
Land revaluation increment tax	(32,491)	-	-	-	(32,491)
Pensions	(16,844)	6,498	(5,331)	-	(15,677)
Others	(7,074)	(4,328)	-	-	(11,402)
	(346,311)	(5,223)	(5,331)	-	(356,865)
	($ 7,191)	($ 4,249)	($ 24,566)	($ 7,792)	($ 43,798)

	For the year ended December 31, 2012				
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Effect from adjustments in entities	December 31
Deferred tax assets:					
-Temporary differences					
Unrealized allowance for inventory obsolescence	$ 78,734	($ 28,325)	$ -	$ 293	$ 50,702
Unrealized sales discount	25,920	9,803	-	1,063	36,786
Bad debts expense	31,767	(8,201)	-	(1,202)	22,364
Unrealized expense	21,014	20,150	-	-	41,164
Investment loss	33,490	18,108	-	-	51,598
Pensions	41,073	10,701	3,712	3,095	58,581
Cumulative translation adjustments	15,115	-	7,791	4,218	27,124
Others	16,995	11,356	-	89	28,440
-Net operating loss carryforward	63,819	6,843	-	(48,301)	22,361
	327,927	40,435	11,503	(40,745)	339,120
Deferred tax liabilities:					
-Temporary differences					
Investment income	(214,976)	(23,460)	-	(27,467)	(265,903)
Reserve for building increment	(23,905)	-	-	(94)	(23,999)
Land revaluation increment tax	(30,156)	-	-	(2,335)	(32,491)
Pensions	(21,582)	6,936	(2,198)	-	(16,844)
Others	(6,770)	98	-	(402)	(7,074)
	(297,389)	(16,426)	(2,198)	(30,298)	(346,311)
	$ 30,538	$ 24,009	$ 9,305	($ 71,043)	($ 7,191)

D. The amounts of deductible temporary differences that are not recognised as deferred tax assets are as follows:

	December 31, 2013	December 31, 2012	January 1, 2012
Deductible temporary differences	$ 660,659	$ 548,910	$ 522,769

The deductible temporary differences belong to overseas subsidiaries that cannot be realised in the near future.

E. The Company's income tax returns through 2008 have been assessed and approved by the Tax Authority. However, the assessment of income tax returns in 2008 on tax incentives for operation headquarters applied by subsidiaries was different from the Company's interpretation and has increased income tax payable. The Company plans to request for a reassessment. As of March 25, 2014, the Company has not yet filed for a reassessment with the Tax Authority.

F. Unappropriated retained earnings:

	December 31, 2013	December 31, 2012	January 1, 2012
Earnings generated after 1998	$ 4,950,399	$ 6,029,167	$ 5,050,372

G. As of December 31, 2013, December 31, 2012 and January 1, 2012, the balance of the imputation tax credit account was $17,121, $219,150 and $23,757, respectively.

H. Creditable ratio of appropriated retained earnings:

	2013 (Estimated)	2012 (Actual)
Creditable ratio	5.28%	13.72%

(30) Earnings per share

	For the year ended December 31, 2013		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 4,756,306	1,655,709	$ 2.87
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 4,756,306	1,655,709	
Assumed conversion of all dilutive potential ordinary shares			
Employees' bonus	-	2,486	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 4,756,306	1,658,195	$ 2.87

	For the year ended December 31, 2012		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 4,556,020	1,644,094	$ 2.77
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 4,556,020	1,644,094	
Assumed conversion of all dilutive potential ordinary shares			
Employees' bonus	-	1,941	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 4,556,020	1,646,035	$ 2.77

(30) Business combinations

A. To integrate the electronic component distribution industry and enhance the Group's competitiveness, the Company absorbed Aeco Technology Co., Ltd. through share swap on March 1, 2012, as approved by the Board of Directors on October 4, 2011, and issued

71,859 thousand shares. The transaction was recognized using purchase method accounting.

B. The following table summarizes the consideration paid for Aeco Technology Co., Ltd. and the fair values of the assets acquired and liabilities assumed at the acquisition date:

	Amount
Purchase consideration	$ 2,335,420
Fair value of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	397,651
Notes and accounts receivable	1,498,141
Inventories	990,433
Other current assets	47,153
Property, plant and equipment	334,548
Other non-current assets	63,367
Accounts payable	(547,375)
Other current liabilities	(542,503)
Long-term bank loans	(336,784)
Other non-current liabilities	(41,501)
Total identifiable net assets	1,863,130
Goodwill	$ 472,290

C. The fair value of the ordinary shares issued as part of the consideration paid for Aeco Technology Co., Ltd. which was based on the published share price on acquisition date had been recognized in profit or loss.

D. To integrate the electronic component distribution industry and enhance the Group’s competitiveness, Longview Technology Inc., the indirect subsidiary of the Company, acquired all outstanding shares of Long-Think International Co., Ltd, as well as Long-Think International (Hong Kong) Limited, the indirect subsidiary of the Company, acquired all outstanding shares of Long-Think International (ShangHai) Limited. The base date of transfer of shares was July 1, 2012 and October 4, 2012, respectively.

E. The Company’s indirect subsidiary - Long-Think International Co., Ltd. signed a business right transfer agreement with Long-Think Enterprise Co., Ltd. (Long Think) on July 2, 2012 to acquire the business right of Long Think with cash of $16,500 (including 5% business tax). The effective date of transfer was on July 2, 2012.

F. The Company’s indirect subsidiary - Long-Think International (Hong Kong) Limited signed a business right transfer agreement with Long-Think Technology (HK) Limited on May 31, 2012 to acquire the business right of Long-Think Technology (HK) Limited by cash. The effective date of transfer was on July 2, 2012. The price to acquire the business right was adjusted to US$5,999 thousand.

G. Long-Think International Co., Ltd. and Long-Think International (Hong Kong) Limited acquired the business right of Long Think and Long-Think Technology (HK) Limited, respectively. The following table summarizes the consideration paid and the fair values of the assets acquired at the effective date of transfer:

	July 2, 2012
Purchase consideration	
Cash	$ 125,978
Contingent liability	67,779
	$ 193,757
Identifiable assets acquired	
Intangible asset - business rights	$ 193,757

H. The following table summarised the consideration paid for Long-Think International Co., Ltd. and Long-Think International (Shanghai) Limited, and the fair values of the assets acquired and liabilities assumed at the base date of transfer of shares:

	Long-Think International Co., Ltd. July 1, 2012	Long-Think International (Shanghai) Limited October 4, 2012
Purchase consideration	$ 7,302	$ 140,892
Fair value of identifiable assets acquired and liabilities assumed		
Cash and cash equivalents	$ 5,901	$ 24,293
Notes and accounts receivable	3,847	81,902
Inventories	1,272	10,424
Other current assets	69	645
Property, plant and equipment	-	521
Other non-current assets	1	9
Accounts payable	(4,168)	(44,175)
Other current liabilities	(393)	(2,873)
Total identifiable net assets	6,529	70,746
Goodwill	$ 773	$ 70,146

I. The operating revenue included in the consolidated statement of comprehensive income since combination contributed by Aeco Technology Co., Ltd., Long-Think International Co., Ltd. and Long-Think International (Shanghai) Limited was $5,120,819. Aeco Technology Co., Ltd., Long-Think International Co., Ltd. and Long-Think International (Shanghai) Limited also contributed profit before income tax of $46,712 for the year ended December 31, 2012. Had Aeco Technology Co., Ltd., Long-Think International Co., Ltd. and Long-Think International (Shanghai) Limited been consolidated from January 1, 2012, the consolidated statement of comprehensive income would show operating revenue of $361,575,480 and profit before income tax of $5,409,722 for the year ended December 31, 2012.

(32) Non-cash transactions

a. Partial payment of cash from investing activities

	For the years ended December 31, 2013	2012
Acquisition of property, plant and equipment	$ 1,112,649	$ 1,323,431
Add: accounts payable at the beginning of year	-	596,260
Less: accounts payable at the end of year	-	-
Cash paid during the year for property, plant and equipment	$ 1,112,649	$ 1,919,691

b. Information on the fair value of subsidiary acquired:

	For the years ended December 31, 2013	2012
Cash and cash equivalents	$ -	$ 427,845
Other current assets	-	2,633,895
Funds and investments	-	10,500
Property, plant and equipment	-	335,069
Goodwill	-	543,209
Intangible assets and other assets	-	52,868
Other current liabilities	-	(1,141,487)
Long-term liabilities	-	(336,784)
Other liabilities	-	(41,501)
	$ -	$ 2,483,614

c. Information on the fair value of subsidiary disposed (Note):

	For the years ended December 31, 2013	2012
Cash and cash equivalents	($ 6,391)	($ 507,334)
Notes and accounts receivable	(1,256)	(1,492,989)
Investments accounted for under the equity method	-	(308,691)
Inventories	(33,446)	(1,072,167)
Other current assets	(1,599)	(1,126,615)
Property, plant and equipment	(5,047)	(241,982)
Intangible and other non-current assets	(8,663)	(23,321)
Short-term borrowings	-	1,870,666
Commercial papers payable	-	104,810
Notes and accounts payable	47,375	1,028,499
Other non-current liabilities	13,582	227,340
Long-term borrowings	-	163,734
Other non-current liabilities	4,732	1,323
Non-controlling interests	-	2,685
	$ 9,287	($ 1,374,042)

Note: As the Company did not participate in the capital increase and due to the re-election of the Board of Directors, the Company lost control over the subsididary.

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

The Group's shares are widely held so the Company has no ultimate parent and ultimate controlling party.

(2) Significant transactions and balances with related parties

A. Sales of goods:

	For the years ended December 31,	
	2013	2012
Sales of goods		
Associates	$ 174,878	$ 184,309
Others	889,893	949,201
	$ 1,064,771	$ 1,133,510

The terms and sales prices with its related parties were negotiated in consideration of different factors including product, cost, market, competition and other conditions. The collection period was 90 days. Terms and sales prices with associates are in accordance with normal selling prices and terms.

B. Purchases of goods:

	For the years ended December 31,	
	2013	2012
Purchases of goods		
Associates	$ 195,465	$ 317,035
Others	2,386	1,531
	$ 197,851	$ 318,566

The purchase prices for certain associates were negotiated in consideration of different factors including products, market, competition and other conditions, and the products were delivered within 14 days after receipt of prepayments for those products. The purchase prices and terms for other associates and related parties were the same as those for general suppliers. The related purchase transactions from January 1, 2012 to June 5, 2012 before losing control of subsidiaries had been eliminated.

C. Accounts receivable:

	December 31, 2013	December 31, 2012	January 1, 2012
Receivables from related parties			
Others	$ 236,954	$ 119,591	$ -
Associates	28,106	26,607	23,457
	$ 265,060	$ 146,198	$ 23,457

The receivables from related parties arise mainly from sales of goods. The receivables are due 30 to 90 days after the date of sale. The receivables are unsecured in nature and bear no interest. There is no allowance for doubtful accounts held against receivables from related parties. The receivables from related parties belong to Group 2. The details of the group classification are described in Note 12. (2) C. b) (iii).

D. Other receivables:

	December 31, 2013	December 31, 2012	January 1, 2012
Other receivables:			
Associates	$ 399,546	$ 4,532	$ 1,348
Others	-	95	-
	$ 399,546	$ 4,627	$ 1,348

The above pertain mainly to advance payments.

E. Prepayment:

	December 31, 2013	December 31, 2012	January 1, 2012
Prepayment			
Associates	$ -	$ 109,077	$ -

The sales prices were negotiated with associates in consideration of factors including the type of goods, market and competition. The purchased goods will arrive within 14 days after prepayment is made.

F. Accounts payable:

	December 31, 2013	December 31, 2012	January 1, 2012
Payables to related parties			
Associates	$ 10,857	$ 15,376	$ 885
Others	395	1	-
	$ 11,252	$ 15,377	$ 885

The payables to related parties arise mainly from purchases of goods. The payables are due 30 to 90 days after the date of purchase. The payables are unsecured in nature and bear no interest.

G. Others

The Group’s donations to other related parties were $4,000 and $3,600 for the years ended December 31, 2013 and 2012, respectively.

(3) Key management compensation

	For the years ended December 31,	
	2013	2012
Salaries and other short-term employee benefits	$ 193,418	$ 184,994
Post-employment benefits	7,691	7,206
	$ 201,109	$ 192,200

8. PLEDGED ASSETS

Pledged assets (Note 1)	December 31, 2013	Purpose of Collateral
Accounts receivable	$ 100,888	Long-term loans
Other current assets		
-Bank deposits	229,686	Long-term and short-term loans, import loans, security for purchases, guarantee for customs, deposits for litigation and factoring
-Time deposits	212,944	Short-term loans, import loans, security for purchases, tariff security deposit, deposits for litigation and oil card
Available-for-sale financial assets-non-current (Note 2)	28,126	Security for purchases
Property, plant and equipment		
-Land	1,184,778	Long-term and short-term loans, import loans and security for import
-Buildings	721,290	〃
Other non-current assets		
-Deposit-out	6,018	Tariff security deposit
	$ 2,483,730	

Pledged assets (Note 1)	December 31, 2012	Purpose of Collateral
Accounts receivable	$ 161,608	Long-term loans
Other current assets		
-Bank deposits	530,574	Long-term and short-term loans, import loans, security for purchases, guarantee for customs, deposits for litigation and factoring
-Time deposits	527,393	Short-term loans, import loans, security for purchases, guarantee for customs, deposits for litigation, factoring and oil card
Available-for-sale financial assets-non-current (Note 2)	28,126	Security for purchases
Property, plant and equipment		
-Land	1,196,822	Long-term and short-term loans, import loans and security for import
-Buildings	762,741	〃
Other non-current assets		
-Deposit-out	13,104	Tariff security deposit
	$ 3,220,368	

Pledged assets (Note 1)	January 1, 2012	Purpose of Collateral
Other current assets		
-Bank deposits	$ 663,729	Short-term loans, import loans, security for purchases, guarantee for customs, deposits for litigation and factoring
-Time deposits	2,146,069	Short-term loans, import loans, security for purchases, guarantee for customs, deposits for litigation, factoring and oil card
Available-for-sale financial assets-Non-current (Note 2)	28,615	Security for purchases
Property, plant and equipment		
-Land	1,112,629	Long-term and short-term loans, import loans and security for import and trust of real estate transaction
-Buildings	684,902	〃
	$ 4,635,944	

Note 1: There are 8,999 thousand shares of WPG Investment Co., Ltd. which have been pledged for purchases as of December 31, 2013, December 31, 2012 and January 1, 2012.

Note 2: There were 1,133 thousand shares of Kingmac Technology Inc. and 1,850 thousand shares of Kingpak Technology Inc., which have been pledged for purchases as of December 31, 2013, December 31, 2012 and January 1, 2012.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

A. In 2007, COMTREND CORPORATION filed with the court for execution of a provisional seizure of $13,236 in bank deposits of Pernas Electronics Co., Ltd., a subsidiary of the Company, alleging that the goods of Pernas Electronics Co., Ltd. sold in 2006 were defective. In July 2007, Pernas Electronics Co., Ltd. offered a counter guarantee to rescind the provisional seizure. In August 2007, COMTREND CORPORATION filed for a provisional seizure of $6,671 in bank deposits of Pernas Electronics Co., Ltd. for the second time. Again, Pernas Electronics Co., Ltd. offered a counter guarantee to rescind the provisional seizure in October 2007. In October 2008, Taiwan Banciao District Court rendered a judgment to rescind the provisional seizure filed in August 2007 by COMTREND CORPORATION. Taiwan Taipei District Court rendered a judgement that Pernas Electronics Co., Ltd. needed to pay $20,901, plus interests with 5% annual interest rate and litigation fees of $548 on May 13, 2011. Pernas Electronics Co., Ltd. has filed an appeal with Taiwan High Court in June 2011. The Taiwan High Court reversed the decision rendered by the Taiwan Taipei District Court requiring Pernas Electronics Co., Ltd. to pay principal of more than $1,772 plus litigation expenses and the execution of provisional seizure. Both parties have filed an appeal with the Supreme Court which is pending as of March 25, 2014.

B. The details of the Company's income tax returns through 2008 which have been assessed and approved by the Tax Authority are provided in Note 6(29) E.

(2) Commitments

A. Capital commitments

Capital expenditures contracted for at the balance sheet date but not yet incurred are as follows:

	December 31, 2013	December 31, 2012	January 1, 2012
Property, plant and equipment and intangible assets	$ 6,976	$ 748,663	$ 2,678

B. Operating lease commitments

The future aggregate minimum lease payments under operating leases are as follows:

	December 31, 2013	December 31, 2012	January 1, 2012
Not later than one year	$ 501,594	$ 480,877	$ 543,337
Later than one year but not later than five years	1,092,823	1,159,994	1,330,802
Later than five years	371,729	298,157	496,458
Total	$ 1,966,146	$ 1,939,028	$ 2,370,597

C. The Group's letters of credit issued but not negotiated are as follows:

December 31, 2013		December 31, 2012		January 1, 2012	
$	999,662	$	973,926	$	1,072,069
USD	45,440,000	USD	85,237,000	USD	53,819,000
				HKD	6,234,000

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

Except for descriptions provided in Note 6(29) E, other significant events after the balance sheet date are as follows:

(a) As resolved at the Board of Directors' meeting on November 26, 2013, the Company exchanged 100% of shares held in AECO Technology Co., Ltd. with 84,554,124 common shares (totalling $845,541) of World Peace Industrial Co., Ltd. relative to the latter's capital increase. The record date for the share swap was January 1, 2014, and AECO Technology Co., Ltd. became one of the Company's indirect subsidiaries on that date.

(b) As resolved at the Board of Directors' meeting on November 26, 2013, the Company exchanged 100% of shares held in Richpower Electronic Devices Co., Ltd. with 105,119,960 common shares (totalling $1,051,200) of Yosun Industrial Corp. relative to the latter's capital increase. The record date for the share swap was January 1, 2014, and Richpower Electronic Devices Co., Ltd. became one of the Company's indirect subsidiaries on that date.

(c) As resolved at the Board of Directors' meeting on November 26, 2013, the Company exchanged 100% of shares held in Pernas Electronics Co., Ltd. with 60,508,767 common shares (totalling

$605,088) of Silicon Application Corp. relative to the latter's capital increase. The record date for the share swap was January 1, 2014, and Pernas Electronics Co., Ltd. became one of the Company's indirect subsidiaries on that date.

(d) In order to simplify organisation structure and enhance overall operating efficiency, Sertek Incorporated and its wholly-owned subsidiary, Digital Computer System Co., Ltd., have performed a short-form merger in accordance with Business Mergers and Acquisition Act. The effective date for merger has been postponed to February 11, 2014. Under the merger, Sertek Incorporated will be the surviving company.

12. OTHERS

(1) Capital risk 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 manage operating capital effectively to reduce debt.

(2) Financial instruments

A. Fair value information of financial instruments

Except those in the table below and cash and cash equivalents, fair value of financial instruments measured at amortized cost (including notes receivable, accounts receivable (including related parties), other receivables, short-term loans, short-term notes payable, accounts payable (including related parties) and other payables) is approximate to their book value. Fair value information of financial instruments measured at fair value is provided in Note 12(3).

	December 31, 2013		December 31, 2012	
	Book value	Fair value	Book value	Fair value
Financial assets:				
Equity and investments in bonds without active markets:				
Financial assets measured at cost-current	$ 6,897	$ -	$ 10,193	$ -
Financial assets measured at cost - non-current	467,581	-	396,104	-
Investments in bonds without active markets	5,000	5,000	5,000	5,000
	479,478	5,000	411,297	5,000
Other financial assets	451,405	451,405	1,502,544	1,502,544
	$ 930,883	$ 456,405	$ 1,913,841	$ 1,507,544

	December 31, 2013		December 31, 2012	
	Book value	Fair value	Book value	Fair value
Financial liabilities:				
Long-term loans - current-portion	$ 4,097,466	$ 4,097,466	$ 416,373	$ 416,373
Long-term loans	3,224,738	3,224,738	6,441,227	6,441,227
	$ 7,322,204	$ 7,322,204	$ 6,857,600	$ 6,857,600

	January 1, 2012	
	Book value	Fair value
Financial assets:		
Equity and investments in bonds without active markets:		
Financial assets measured at cost - current	$ 12,871	$ -
Financial assets measured at cost - non-current	304,609	-
Investments in bonds without active markets	5,000	5,000
	322,480	5,000
Other financial assets	3,156,385	3,156,385
	$ 3,478,865	$ 3,161,385
Financial liabilities:		
Long-term loans - current portion	$ 1,491,129	$ 1,491,129
Long-term loans	3,977,619	3,977,619
	$ 5,468,748	$ 5,468,748

B. Financial risk management policies

a) The Group’s activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. 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. The Group uses derivative financial instruments to hedge certain risk exposures (see Note 6(2)).

b) Risk management is carried out by each central treasury department (Group treasury) under policies approved by the board of directors. Each of the Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group’s operating units.

C. Significant financial risks and degrees of financial risks

a) Market risk

Foreign exchange risk

- The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD and RMB. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.
- Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The group companies are required to hedge their entire foreign exchange risk exposure with the Group treasury. To manage the foreign exchange risk arising from future commercial transactions and recognised assets and liabilities, entities in the Group use forward foreign exchange contracts, transacted with treasury department. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency.
- The Group adopts the forward foreign contract to hedge recognised foreign currency assets and liabilities and reduce fair value risk arising from change in foreign exchange. In order to reduce foreign exchange risk, the Group monitored foreign exchange changes and established stop-loss points.
- The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: local common currency). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2013		
	Foreign Currency Amount (In Thousands)	Exchange rate	Book Value (NTD)
Foreign currency: functional currency			
Financial assets			
Monetary items			
USD：TWD	$ 802,178	29.81	$ 23,908,929
USD：RMB	4,619	6.06	137,658
USD：KRW	10,110	1,048.18	301,323
USD：JPY	9,064	104.98	270,161
RMB：USD	142,691	0.17	701,895
RMB：HKD	119,884	1.28	589,708
HKD：USD	239,196	0.13	919,230

	December 31, 2013		
	Foreign Currency Amount (In Thousands)	Exchange rate	Book Value (NTD)
Non-monetary items			
USD：TWD	$ 305,393	29.81	$ 9,102,229
RMB：USD	138,426	0.17	680,917
RMB：HKD	111,898	1.28	550,424
JPY：USD	511,292	0.01	145,156
HKD：USD	948,976	0.13	3,646,915
INR：USD	640,805	0.02	309,550
KRW：TWD	8,860,862	0.03	251,959
Financial liabilities			
Monetary items			
USD：TWD	749,474	29.81	22,338,075
USD：RMB	25,269	6.06	753,142
USD：KRW	9,608	1,048.18	286,366
USD：JPY	8,373	104.98	249,572
USD：INR	5,632	61.70	167,847
RMB：USD	65,227	0.17	320,850
HKD：USD	263,472	0.13	1,012,523
USD：SGD	4,016	1.26	119,688

	December 31, 2012		
	Foreign Currency Amount (In Thousands)	Exchange rate	Book Value (NTD)
Foreign currency: functional currency			
Financial assets			
Monetary items			
USD：TWD	$ 846,043	29.04	$ 24,569,102
USD：RMB	4,154	6.23	120,642
USD：KRW	5,563	1,062.57	161,557
USD：HKD	123,737	7.75	3,593,333
USD：JPY	14,292	86.33	415,042
RMB：HKD	290,717	1.24	1,354,740
RMB：USD	177,422	0.16	826,785

	December 31, 2012		
	Foreign Currency Amount (In Thousands)	Exchange rate	Book Value (NTD)
Non-monetary items			
USD：TWD	$ 355,980	29.04	$ 10,337,671
RMB：USD	75,657	0.16	352,561
RMB：HKD	99,907	1.24	465,568
JPY：USD	442,395	0.01	148,822
HKD：USD	576,741	0.13	2,161,049
INR：USD	514,416	0.02	273,351
KRW：TWD	6,567,406	0.03	179,487
Financial liabilities			
Monetary items			
USD：TWD	638,296	29.04	18,536,114
USD：RMB	15,803	6.23	458,918
USD：KRW	9,070	1,062.57	263,397
USD：HKD	194,463	7.75	5,647,210
USD：JPY	17,449	86.33	506,722
RMB：USD	50,695	0.16	236,236
RMB：HKD	30,092	1.24	140,229
SGD：USD	6,585	0.82	156,468

	January 1, 2012		
	Foreign Currency Amount (In Thousands)	Exchange rate	Book Value (NTD)
Foreign currency: functional currency			
Financial assets			
Monetary items			
USD：TWD	$ 736,816	30.28	$ 22,307,104
USD：RMB	3,326	6.30	100,695
USD：HKD	105,369	7.77	3,190,046
USD：KRW	4,887	1,150.70	147,954
USD：JPY	9,344	77.51	282,890
RMB：HKD	214,715	1.23	1,032,135
RMB：USD	143,325	0.16	668,963

	January 1, 2012		
	Foreign Currency Amount (In Thousands)	Exchange rate	Book Value (NTD)
Non-monetary items			
USD：TWD	$ 276,527	30.28	$ 8,371,855
RMB：USD	64,754	0.16	311,272
RMB：HKD	99,107	1.23	476,407
JPY：USD	388,053	0.01	151,574
HKD：USD	557,551	0.13	2,172,776
INR：USD	470,382	0.02	269,075
KRW：TWD	6,130,864	0.03	161,303
Financial liabilities			
Monetary items			
USD：TWD	630,682	30.28	19,093,898
USD：KRW	6,441	1,150.70	195,001
USD：HKD	236,962	7.77	7,174,025
RMB：HKD	41,893	1.23	201,380
RMB：USD	30,887	0.16	148,474
JPY：TWD	297,475	0.39	116,194

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

	For the year ended December 31, 2013		
	Sensitivity Analysis		
	Extent of Variation	Effect on Profit or Loss	Effect on Other Comprehensive Profit or Loss
Foreign currency: functional currency			
Financial assets			
Monetary items			
USD：TWD	1%	$ 239,089	$ -
USD：RMB	1%	1,353	-
USD：KRW	1%	2,896	-
USD：JPY	1%	2,895	-
RMB：USD	1%	6,991	-
RMB：HKD	1%	5,873	-
HKD：USD	1%	9,156	-

	For the year ended December 31, 2013		
	Sensitivity Analysis		
	Extent of Variation	Effect on Profit or Loss	Effect on Other Comprehensive Profit or Loss
Financial liabilities			
Monetary items			
USD：TWD	1%	223,981	-
USD：RMB	1%	7,400	-
USD：KRW	1%	2,752	-
USD：JPY	1%	2,675	-
USD：INR	1%	1,772	-
RMB：USD	1%	3,196	-
HKD：USD	1%	10,086	-
USD：SGD	1%	1,204	-

	For the year ended December 31, 2012		
	Sensitivity Analysis		
	Extent of Variation	Effect on Profit or Loss	Effect on Other Comprehensive Profit or Loss
Foreign currency: functional currency			
Financial assets			
Monetary items			
USD：TWD	1%	$ 245,691	$ -
USD：RMB	1%	1,213	-
USD：KRW	1%	1,563	-
USD：HKD	1%	36,559	-
USD：JPY	1%	4,574	-
RMB：HKD	1%	13,783	-
RMB：USD	1%	8,418	-
Financial liabilities			
Monetary items			
USD：TWD	1%	185,361	-
USD：RMB	1%	4,613	-
USD：KRW	1%	2,549	-
USD：HKD	1%	57,455	-
USD：JPY	1%	5,585	-
RMB：USD	1%	2,405	-
RMB：HKD	1%	1,427	-
SGD：USD	1%	1,593	-

Price risk

- The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated balance sheet either as available-for-sale or at fair value through profit or loss. The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.
- The Group's investments in equity securities comprise domestic 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, post-tax profit for the years ended December 31, 2013 and 2012 would have increased/decreased by $82 and $468, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by $2,807 and $1,741 as a result of gains/losses on equity securities classified as available-for-sale, respectively.

Interest rate risk

- The Group's interest rate risk arises from short-term and long-term borrowings (including long-term liabilities due within a year) and short-term securities payable. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group's borrowings were mainly in fixed rate instruments. During the years ended December 31, 2013 and 2012, the Group's borrowings at variable rate were mainly denominated in the NTD and USD.
- At December 31, 2013 and 2012, if interest rates on borrowings had been 1% higher with all other variables held constant, post-tax profit for the years ended December 31, 2013 and 2012 would have been $211,141 and $185,945 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. 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. The utilisation of credit limits is regularly monitored. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. For banks and financial institutions, only rated parties with good ratings are accepted.

ii. No credit limits were exceeded during the reporting periods, and management does not expect any significant losses from non-performance by these counterparties.

iii. The credit quality of accounts receivable that were neither past due nor impaired was in the following categories based on the Group's Credit Quality Control Policy:

	December 31, 2013	December 31, 2012	January 1, 2012
Group 1	$ 28,768,181	$ 10,381,301	$ 9,484,830
Group 2	34,313,871	42,449,647	31,785,217
	$ 63,082,052	$ 52,830,948	$ 41,270,047

Group 1: Includes customers with current ratio, liability ratio and earnings, etc. over a certain range with comprehensive consideration.

Group 2: Excluding the customers in Group 1.

iv. The ageing analysis of accounts receivable that were past due is as follows:

	December 31, 2013	December 31, 2012	January 1, 2012
Accounts receivable			
0~30 days	$ 4,652,242	$ 3,578,220	$ 3,415,844
30~60 days	922,330	988,710	640,908
60~90 days	157,455	237,410	147,260
90~120 days	27,263	78,547	91,896
120~150 days	32,414	40,011	11,775
150~180 days	70,538	10,132	1,889
Over 180 days	173,354	158,250	27,432
	$ 6,035,596	$ 5,091,280	$ 4,337,004

v. The movement analysis of financial assets that had been impaired is as follows:

	For the years ended December 31,	
	2013	2012
	Group provision	Group provision
At January 1	$ 236,605	$ 160,975
Effect of consolidated subsidiaries	-	5,316
Provision for impairment	460,299	136,227
Write-offs during the period	(10,098)	-
Cumulative translation adjustments	(80,417)	(54,879)
At December 31	(33,555)	(11,034)
	$ 572,834	$ 236,605

vi As of December 31, 2013, December 31, 2012 and January 1, 2012, the maximun exposure amount of credit risk is the book value of each type of accounts receivable.

c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group. Each treasury department monitors rolling forecasts of the liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans and covenant compliance.

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. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

December 31, 2013

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Short-term loans	$ 39,156,372	$ -	$ -	$ -
Short-term notes and bills payable	4,883,000	-	-	-
Notes payable	456,174	-	-	-
Accounts payable	37,855,857	-	-	-
Accounts payable - related parties	11,252	-	-	-
Other payables	3,908,939	-	-	-
Long-term loans (including current portion)	4,157,383	2,209,064	742,234	415,915

December 31, 2012

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Short-term loans	$ 31,739,650	$ -	$ -	$ -
Short-term notes and bills payable	4,005,000	-	-	-
Notes payable	344,101	-	-	-
Accounts payable	32,895,578	-	-	-
Accounts payable - related parties	15,377	-	-	-
Other payables	4,045,097	-	-	-
Long-term loans (including current portion)	428,510	3,889,828	2,305,308	506,769

January 1, 2012

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Short-term loans	$ 27,287,086	$ -	$ -	$ -
Short-term notes and bills payable	3,214,900	-	-	-
Notes payable	224,517	-	-	-
Accounts payable	28,325,790	-	-	-
Accounts payable - related parties	885	-	-	-
Other payables	4,983,881	-	-	-
Long-term loans (including current portion)	1,519,377	499,800	3,551,443	70,416

Derivative financial liabilities:

As of December 31, 2013, December 31, 2012 and January 1, 2012, derivative financial liabilities that the Group operated are all due within a year.

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 estimation

A. The table below analyses financial instruments measured at fair value, by valuation method. The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for the asset or liability that is not based on observable market data.

The following table presents the Group's financial assets and liabilities that are measured at fair value at December 31, 2013, December 31, 2012 and January 1, 2012.

December 31, 2013

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through profit or loss				
Equity securities	$ 8,212	$ -	$ -	$ 8,212
Forward exchange contracts	-	22,606	-	22,606
Available-for-sale financial assets				
Equity securities	150,649	123,372	6,684	280,705
	$ 158,861	$ 145,978	$ 6,684	$ 311,523
Financial liabilities:				
Forward exchange contracts	$ -	$ 6,885	$ -	$ 6,885

December 31, 2012

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through profit or loss				
Equity securities	$ 46,779	$ -	$ -	$ 46,779
Forward exchange contracts	-	2,035	-	2,035
Available-for-sale financial assets				
Equity securities	28,808	137,565	7,722	174,095
	$ 75,587	$ 139,600	$ 7,722	$ 222,909
Financial liabilities:				
Forward exchange contracts	$ -	$ 2,010	$ -	$ 2,010

January 1, 2012

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through profit or loss				
Equity securities	$ 133,598	$ -	$ -	$ 133,598
Forward exchange contracts	-	928	-	928
Available-for-sale financial assets				
Equity securities	44,960	146,066	-	191,026
	$ 178,558	$ 146,994	$ -	$ 325,552
Financial liabilities:				
Forward exchange contracts	$ -	$ 1,346	$ -	$ 1,346

B. The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active 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. The quoted market price used for financial assets held by the Group is the closing price. These instruments are included in level 1. Instruments included in level 1 are mainly equity instruments classified as financial assets/financial liabilities at fair value through profit or loss or available-for-sale financial assets.

C. The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

D. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

E. Specific valuation techniques used to value financial instruments include:

   a) Quoted market prices or dealer quotes for similar instruments.

   b) The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value.

   c) Other techniques, such as price earnings ratio or price-book ratio analysis, are used to determine fair value for the remaining financial instruments.

F. The following table presents the changes in level 3 instruments as at December 31, 2013, December 31, 2012 and January 1, 2012.

	For the years ended December 31,	
	2013	2012
At January 1, 2013	$ 7,722	$ -
Acquired from business combinations	-	10,500
Losses recognised in profit or loss	(1,038)	(2,778)
At December 31, 2013	$ 6,684	$ 7,722

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others:

Number	Creditor	Borrower	Is a related party	General ledger account	Maximum outstanding balance during the year ended December 31, 2013	Balance at December 31, 2013	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Remark
													Item	Value			
1	Gain Tune Ltd.	WPI International (Hong Kong) Limited	Y	Other receivables -related parties	$ 968,663	$ 670,613	$670,613	1.00%	Working capital	$ -	Operation	$ -	None	-	$1,046,181	$1,046,181	Note 2
2	World Peace International (South Asia) Pte. Ltd.	Genuine C&C (South Asia) Pte Ltd.	Y	Other receivables -related parties	536,490	387,465	-	-	Working capital	-	Operation	-	None	-	4,340,354	4,340,354	Note 3
2	World Peace International (South Asia) Pte. Ltd.	World Peace International Pte. Ltd.	Y	Other receivables -related parties	596,100	298,050	264,668	1.47%	Working capital	-	Operation	-	None	-	4,340,354	4,340,354	Note 3
2	World Peace International (South Asia) Pte. Ltd.	WPG Americas Inc.	Y	Other receivables -related parties	745,125	476,880	208,635	2.13%	Working capital	-	Operation	-	None	-	4,340,354	4,340,354	Notes 3 and 7
2	World Peace International (South Asia) Pte. Ltd.	Yosun Singapore Pte Ltd.	Y	Other receivables -related parties	447,075	447,075	-	-	Working capital	-	Operation	-	None	-	4,340,354	4,340,354	Note 3
2	World Peace International (South Asia) Pte. Ltd.	WPG South Asia Pte. Ltd.	Y	Other receivables -related parties	298,050	149,025	-	-	Working capital	-	Operation	-	None	-	4,340,354	4,340,354	Note 3
3	WPI International Trading (Shenzhen) Ltd.	WPI International Trading (Shanghai) Ltd.	Y	Other receivables -related parties	143,635	143,635	143,635	3.00%	Working capital	-	Operation	-	None	-	154,066	154,066	Note 11

Number	Creditor	Borrower	Is a related party	General ledger account	Maximum outstanding balance during the year ended December 31, 2013	Balance at December 31, 2013	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Remark
													Item	Value			
4	Long-Think International (Hong Kong) Limited	WPI International (Hong Kong) Limited	Y	Other receivables -related parties	$ 327,855	$ -	$ -	-	Working capital	$ -	Operation	$ -	None	-	$ 351,290	$ 351,290	Note 11
5	WPI Investment Holding (BVI) Company Limited	WPI International (Hong Kong) Limited	Y	Other receivables -related parties	83,454	83,454	83,454	1.00%	Working capital	-	Operation	-	None	-	9,468,314	9,468,314	Note 11
6	WPG C&C Computers and Peripheral (India) Private Limited.	WPG India Electronics Pvt Ltd	Y	Other receivables -related parties	14,903	-	-	-	Working capital	-	Operation	-	None	-	456,854	456,854	Note 3
7	WPI International (Hong Kong) Limited	AIO Components Company Limited	Y	Other receivables -related parties	29,805	-	-	-	Working capital	-	Operation	-	None	-	8,497,689	8,497,689	Note 11
7	WPI International (Hong Kong) Limited	WPG C&C Limited.	Y	Other receivables -related parties	1,132,590	1,132,590	262,284	1.55%	Working capital	-	Operation	-	None	-	8,497,689	8,497,689	Note 11
7	WPI International (Hong Kong) Limited	WPI International Trading (Shanghai) Ltd.	Y	Other receivables -related parties	357,660	178,830	89,415	2.07%	Working capital	-	Operation	-	None	-	8,497,689	8,497,689	Note 11
7	WPI International (Hong Kong) Limited	Long-Think International (Hong Kong) Limited	Y	Other receivables -related parties	259,304	119,220	56,630	1.55%	Working capital	-	Operation	-	None	-	8,497,689	8,497,689	Note 11
7	WPI International (Hong Kong) Limited	WPG China Inc.	Y	Other receivables -related parties	238,440	238,440	89,415	2.07%	Working capital	-	Operation	-	None	-	8,497,689	8,497,689	Note 11

Number	Creditor	Borrower	Is a related party	General ledger account	Maximum outstanding balance during the year ended December 31, 2013	Balance at December 31, 2013	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Remark
													Item	Value			
7	WPI International (Hong Kong) Limited	WPG China (SZ) Inc.	Y	Other receivables -related parties	$ 59,610	$ 59,610	$ 59,610	2.07%	Working capital	$ -	Operation	$ -	None	-	$ 8,497,689	$ 8,497,689	Note 11
8	World Peace Industrial Co., Ltd.	Longview Technology Inc.	Y	Other receivables -related parties	400,000	-	-	-	Working capital	-	Operation	-	None	-	1,299,062	5,196,246	Note 9
9	Longview Technology Inc.	Long-think International Co., Ltd.	Y	Other receivables -related parties	130,000	80,000	55,000	1.85%	Working capital	-	Operation	-	None	-	202,776	202,776	Note 4
10	Richpower Electronic Devices Co., Ltd.	WPG Holdings Limited	Y	Other receivables -related parties	200,000	200,000	-	-	Working capital	-	Operation	-	None	-	840,182	840,182	Note 4
10	Richpower Electronic Devices Co., Ltd.	RichPower Electronic Devices Co., Limited	Y	Other receivables -related parties	298,050	-	-	-	Working capital	-	Operation	-	None	-	840,182	840,182	Note 4
10	Richpower Electronic Devices Co., Ltd.	WPG Korea Co., Ltd.	Y	Other receivables -related parties	59,610	59,610	-	-	Working capital	-	Operation	-	None	-	840,182	840,182	Note 4
11	Mec Technology Co., Limited	Richpower Electronic Devices Pte Ltd.	Y	Other receivables -related parties	134,123	44,708	44,708	1.96%	Working capital	-	Operation	-	None	-	145,535	145,535	Note 8
12	Apache Communication Inc.	Adivic Technology Co., Ltd.	Y	Other receivables -related parties	60,000	-	-	-	Working capital	-	Operation	-	None	-	312,155	499,448	Note 6

Number	Creditor	Borrower	Is a related party	General ledger account	Maximum outstanding balance during the year ended December 31, 2013	Balance at December 31, 2013	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Remark
													Item	Value			
12	Apache Communication Inc.	WPG China Inc.	Y	Other receivables -related parties	$ 59,610	$ 59,610	$ -	-	Working capital	$ -	Operation	$ -	None	-	$ 312,155	$ 499,448	Note 6
13	Henshen Electric Trading Co., Ltd.	Frontek Technology Corporation	Y	Other receivables -related parties	50,000	-	-	-	Working capital	-	Operation	-	None	-	32,496	51,994	Note 6
13	Henshen Electric Trading Co., Ltd.	Apache Communication Inc.	Y	Other receivables -related parties	89,415	-	-	-	Working capital	-	Operation	-	None	-	32,496	51,994	Note 6
13	Henshen Electric Trading Co., Ltd.	Adivic Technology Co., Ltd.	Y	Other receivables -related parties	10,000	-	-	-	Working capital	-	Operation	-	None	-	32,496	51,994	Note 6
14	Asian Information Technology Inc.	Apache Communication Inc.	Y	Other receivables -related parties	238,440	-	-	-	Working capital	-	Operation	-	None	-	983,816	1,574,106	Note 6
14	Asian Information Technology Inc.	Frontek Technology Corporation	Y	Other receivables -related parties	100,000	-	-	-	Working capital	-	Operation	-	None	-	983,816	1,574,106	Note 6
15	Silicon Application Corp.	WPG China Inc.	Y	Other receivables -related parties	89,415	89,415	29,805	2.35%	Working capital	-	Operation	-	None	-	1,499,082	1,499,082	Note 5
16	Silicon Application (BVI) Corporation	Silicon Application Corp.	Y	Other receivables -related parties	1,013,370	1,013,370	915,014	1.00%	Working capital	-	Operation	-	None	-	1,168,180	2,920,451	Note 11

Number	Creditor	Borrower	Is a related party	General ledger account	Maximum outstanding balance during the year ended December 31, 2013	Balance at December 31, 2013	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Remark
													Item	Value			
16	Silicon Application (BVI) Corporation	Silicon Application Company Limited	Y	Other receivables -related parties	$ 447,075	$ 298,050	$ 298,050	1.25%	Working capital	$ -	Operation	$ -	None	-	$ 2,920,451	$ 2,920,451	Note 11
17	Yosun Industrial Corp.	WPG Holdings Limited	Y	Other receivables -related parties	900,000	900,000	100,000	1.75%	Working capital	-	Operation	-	None	-	1,632,350	3,264,700	Note 10
17	Yosun Industrial Corp.	WPG China Inc.	Y	Other receivables -related parties	238,440	238,440	59,610	2.35%	Working capital	-	Operation	-	None	-	1,632,350	3,264,700	Note 10
18	Apache Korea Corp.	WPG Korea Co., Ltd.	Y	Other receivables -related parties	62,557	62,557	62,257	2.50%	Working capital	-	Operation	-	None	-	75,821	75,821	Note 1
19	WPG South Asia Pte Ltd.	WPG (Thailand) Co., Ltd.	Y	Other receivables -related parties	14,903	14,903	-	-	Working capital	-	Operation	-	None	-	346,425	346,425	Note 3
19	WPG South Asia Pte Ltd.	Yosun Singapore Pte Ltd.	Y	Other receivables -related parties	417,270	268,245	268,245	1.36%	Working capital	-	Operation	-	None	-	346,425	346,425	Note 3
20	AECO Electronic (Ningbo) Co., Ltd.	WPI International Trading (Shanghai) Ltd.	Y	Other receivables -related parties	73,785	24,595	24,595	3.11%	Working capital	-	Operation	-	None	-	64,024	64,024	Note 12
21	AECO Technology Co., Ltd.	World Peace Industrial Co., Ltd.	Y	Other receivables -related parties	200,000	200,000	200,000	1.42%	Working capital	-	Operation	-	None	-	163,812	655,250	Note 9

Number	Creditor	Borrower	Is a related party	General ledger account	Maximum outstanding balance during the year ended December 31, 2013	Balance at December 31, 2013	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Remark
													Item	Value			
22	AECO Electronic Co., Ltd.	WPI International (Hong Kong) Limited	Y	Other receivables -related parties	$ 59,610	$ 59,610	$ 59,610	1.20%	Working capital	$ -	Operation	$ -	None	-	$ 660,361	$ 660,361	Note 11
23	SAC Components (South Asia) Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	Y	Other receivables -related parties	59,610	59,610	-	-	Working capital	-	Operation	-	None	-	101,298	101,298	Note 11
24	Win-Win Systems Ltd.	Silicon Application Company Limited	Y	Other receivables -related parties	23,844	23,844	20,864	1.25%	Working capital	-	Operation	-	None	-	23,967	23,967	Note 11
25	Genuine C&C (South Asia) Pte Ltd.	World Peace International (South Asia) Pte Ltd.	Y	Other receivables -related parties	29,805	29,805	29,805	1.47%	Working capital	-	Operation	-	None	-	100,491	100,491	Note 3
26	Pernas Electronics Co., Ltd.	Silicon Application Corp.	Y	Other receivables -related parties	300,000	300,000	-	-	Working capital	-	Operation	-	None	-	381,761	381,761	Note 4

Note 1: Accumulated financing activities and the individual limit to any company or person should not be in excess of 100% of creditors' net assets.

Note 2: (1) Accumulated financing activities to any company or person should not be in excess of 150% of creditor's net assets.

(2) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(3) For short-term financing, the financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 150% of creditor's net assets. For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor's net assets.

Note 3: (1) For those borrowers which are not 100% held investee company, the individual limit amount and the accumulated financing activities to those borrowers should not be in excess of 40% of the creditor's net assets.

(2) For those borrowers which are 100% held investee company, the individual limit amount and the accumulated financing activities to those borrowers should not be in excess of 200% of the creditor's net assets.

(3) The total limit of (1) and (2) should not exceed 200% of the creditor's net assets.

Note 4: (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, financing activities to a single company should not be in excess of 40% of creditor's net assets.

(3) Accumulated financing activities to any company should not be in excess of 40% of creditor's net assets.

Note 5: (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, financing activities to a single company should not be in excess of 40% of creditor's net assets.

(3) Accumulated financing activities to any company should not be in excess of 40% of creditor’s net assets.

(4) The financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be restricted by (2).

Note 6: (1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, financing activities to a single company should not be in excess of 25% of creditor’s asssets.

(3) The financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be restricted by (1) and (2).

(4) Accumulated financing activities to any company should not be in excess of 40% of creditor’s net assets.

Note 7: The limit amount of financing activities and guarantees from the Company and subsidiaries (including indirect subsidiaries) to WPG Americas, Inc. is USD36.5 million.

Note 8: (1) For business transaction to the creditor or company, the accumulated financing activities should not exceed 40% of the creditor’s net assets; and the individual limit should not exceed the total amount of business transaction; the amount of business transactions means the higher amount between sales and purchases.

(2) For short-term financing, the loan to a single company should not be in excess of 40% of creditor’s net assets.

(3) The combination amount of (1) and (2) should not exceed 40% of the creditor’s net assets.

Note 9: (1) Accumulated financing activities to any company should not be in excess of 40% of creditor’s net assets.

(2) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(3) For short-term financing, financing activities to a single company should not be in excess of 10% of creditor’s net assets.

Note 10: Accumulated financing activities to any company or person should not be in excess of 40% of creditor’s net assets.

(1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, financing activities to a single company should not be in excess of 20% of creditor’s net assets.

Note 11: (1) Accumulated financing activities to any company or person should not be in excess of 100% of creditor’s net assets.

(2) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(3) For short-term financing, the financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 100% of creditor’s net assets. For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor’s net assets.

Note 12: (1) Accumulated financing activities to any company or person should not be in excess of 100% of creditor’s net assets.

(2) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(3) For short-term financing, the financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 100% of creditor’s net assets. For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor’s net assets.

(4) The financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be restricted by (3).

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B. Provision of endorsements and guarantees to others:

Number	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount during the year ended December 31, 2013	Outstanding endorsement/ guarantee amount during the year ended December 31, 2013	Actual amount drawn down	Amount of endorsement /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	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	Remark
		Company name	Relationship with the endorser/ guarantor											
0	WPG Holdings Limited	Richpower Electronic Devices Co., Ltd.	Note 1	$19,939,463	$ 350,000	$ -	$ -	$ -	-	$ 19,939,463	Y			Note 4
0	WPG Holdings Limited	WPG KOREA Co., Ltd.	Note 1	19,939,463	59,610	59,610	-	-	0.15	19,939,463	Y			Note 4
0	WPG Holdings Limited	World Peace Industrial Co., Ltd.	Note 1	19,939,463	86,664	84,967	84,967	84,967	0.21	19,939,463	Y			Notes 4 and 5
0	WPG Holdings Limited	RichPower Electronic Devices Co., Limited	Note 1	19,939,463	350,000	350,000	24,651	-	0.88	19,939,463	Y			Note 4
1	World Peace Industrial Co., Ltd.	Geniune C&C (South Asia) Pte Ltd.	Note 1	6,495,308	655,710	-	-	-	-	10,392,493				Note 6
1	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	Note 1	6,495,308	858,138	858,138	402,335	-	6.61	10,392,493				Note 6
1	World Peace Industrial Co., Ltd.	TEKSEL WPG Limited	Note 1	6,495,308	67,062	67,062	-	-	0.52	10,392,493				Note 6
1	World Peace Industrial Co., Ltd.	WPI International Trading (Shanghai) Ltd.	Note 1	6,495,308	440,011	440,011	435,485	-	3.39	10,392,493			Y	Note 6
1	World Peace Industrial Co., Ltd.	World Peace International (South Asia) Pte Ltd.	Note 1	6,495,308	655,710	655,710	655,710	-	5.05	10,392,493				Note 6
1	World Peace Industrial Co., Ltd.	WPG China Inc.	Note 1	6,495,308	273,014	273,014	273,014	-	2.10	10,392,493			Y	Note 6

Number	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount during the year ended December 31, 2013	Outstanding endorsement/ guarantee amount during the year ended December 31, 2013	Actual amount drawn down	Amount of endorsement /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	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	Remark
		Company name	Relationship with the endorser/ guarantor											
2	World Peace International Pte. Ltd.	WPG SCM Limited	Note 1	$ 4,777,630	$ 217,577	$ 217,577	$ -	$ -	9.11	$ 4,777,630				Note 7
2	World Peace International Pte. Ltd.	World Peace International (South Asia) Pte. Ltd.	Note 1	4,777,630	2,309,888	2,280,083	1,062,023	-	95.45	4,777,630				Note 7
2	World Peace International Pte. Ltd.	WPG C&C Computers And Peripheral (India) Private Ltd.	Note 1	4,777,630	229,499	229,499	-	-	9.61	4,777,630				Note 7
2	World Peace International Pte. Ltd.	Genuine C&C (South Asia) Pte. Ltd.	Note 1	4,777,630	29,805	-	-	-	-	4,777,630				Note 7
2	World Peace International Pte. Ltd.	WPG Americas Inc.	Note 3	4,777,630	208,635	149,025	6,563	-	6.24	4,777,630				Notes 7 and 15
3	WPI International (HK) Ltd.	WPI International Trading (Shanghai) Ltd.	Note 1	4,248,845	196,760	-	-	-	-	6,798,151			Y	Note 8
3	WPI International (HK) Ltd.	WPG China Inc.	Note 3	4,248,845	121,604	-	-	-	-	6,798,151			Y	Note 8
4	Richpower Electronic Devices Co., Ltd.	RichPower Electronic Devices Co., Limited	Note 1	1,680,365	300,000	-	-	-	-	1,680,365				Note 9
5	Asian Information Technology Inc.	Frontek Technology Corporation	Note 1	1,574,106	380,000	50,000	50,000	-	1.27	1,967,633				Note 10

Number	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount during the year ended December 31, 2013	Outstanding endorsement/ guarantee amount during the year ended December 31, 2013	Actual amount drawn down	Amount of endorsement /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	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	Remark
		Company name	Relationship with the endorser/ guarantor											
6	Frontek Technology Corporation	AITG Electronic Limited	Note 1	$ 871,621	$ 76,260	$ -	$ -	$ -	-	$ 1,089,527				Note 11
6	Frontek Technology Corporation	Asian Information Technology Inc.	Note 2	871,621	280,000	280,000	230,033	-	12.85	1,089,527				Note 11
7	Silicon Application Corp.	Silicon Application Company Limited	Note 1	2,998,164	1,549,860	1,549,860	1,508,950	-	41.35	3,747,705				Note 12
7	Silicon Application Corp.	SAC Components (South Asia) Pte. Ltd.	Note 1	2,998,164	59,160	59,610	11,450	-	1.59	3,474,705				Note 12
8	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	Note 1	8,161,750	715,320	715,320	-	-	8.76	16,323,501				Note 13
8	Yosun Industrial Corp.	Yosun Singapore Pte. Ltd.	Note 1	8,161,750	652,568	533,348	270,273	-	6.53	16,323,501				Note 13
8	Yosun Industrial Corp.	Sertek Incorporated	Note 1	8,161,750	944,150	944,150	508,387	-	11.57	16,323,501				Note 13
8	Yosun Industrial Corp.	Giatek Corp. Ltd.	Note 1	8,161,750	856,894	797,284	135,831	-	9.77	16,323,501				Note 13
8	Yosun Industrial Corp.	Sunwise Technology Limited	Note 1	8,161,750	153,720	-	-	-	-	16,323,501				Note 13
9	Sertek Incorporated	Sertek Limited	Note 1	1,454,981	208,635	208,635	208,635	-	14.97	2,909,962				Note 13

Number	Endorser/ guarantor	Party being endorsed/guaranteed Company name	Relationship with the endorser/ guarantor	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount during the year ended December 31, 2013	Outstanding endorsement/ guarantee amount during the year ended December 31, 2013	Actual amount drawn down	Amount of endorsement /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	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	Remark
10	AECO Technology Co., Ltd.	AECO Electronic Co., Ltd.	Note 1	$ 819,062	$ 521,588	$ 432,173	$ 68,665	$ -	26.38	$ 819,062				Note 14

Note 1: The company and its subsidiary hold more than 50% of the investee company.

Note 2: The parent company directly owns more than 50% of the company.

Note 3: An affiliate.

Note 4: The guarantee amount should not exceed 50% of guarantor’s net assets value; the limit to a single company should not exceed 50% of the Company’s stockholder’s equity. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction,which is the higher between sales and purchases.

Note 5: There are 8,999 thousand shares of WPG Investment Co., Ltd. which have been pledged for purchases for World Peace Industrial Co., Ltd. The book value of those pledged investments is $84,967.

Note 6: The guarantee amount to a single party should not exceed 50% of guarantor’s net assets value which is based on the latest audited or reviewed financial statements, and the total amount should not exceed 80% of guarantor’s net assets value. For business transaction with guarantor, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases.

Note 7: The limit and total limit on endorsement/ guarantees provided for a single party should not exceed 200% of World Peace International Pte Ltd.’s consolidated net equity.

Note 8: The total amount to a single party should not exceed 50% of guarantor’s net assets value, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The cumulative guarantee amount to others should not be in excess of 80% of guarantor’s net assets.

Note 9: The total amount to a single party should not exceed 80% of guarantor’s net assets value, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases.The net assets value is based on the latest audited or reviewed financial statements. The cumulative guarantee amount to others should not be in excess of 80% of guarantor’s net assets.

Note 10: The total amount to a single party should not exceed 40% of guarantor’s net assets value. The total amount to an overseas single affiliate company should not exceed 40% of guarantor’s net assets value. The cumulative guarantee amount to others should not be in excess of 50% of guarantor’s net assets.

Note 11: The total amount to a single party should not exceed 40% of guarantor’s net assets value. The total amount to an overseas single affiliate company should not exceed 40% of guarantor’s net assets value. The cumulative guarantee amount to others should not be in excess of 50% of guarantor’s net assets.

Note 12: The guarantee amount to a single company should not be in excess of 80% of guarantor’s net assets. The cumulative guarantee amount to others should not be in excess of 100% of guarantor’s net assets. For business transaction with the guarantor, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases.The net asset value is based on the lastest audited or reviewed financial statements.

Note 13: The guarantee amount to a single company should not be in excess of 100% of guarantor’s net assets value which is based on the latest audited or reviewed financial statements; the cumulative guarantee amount to others should not be in excess of 200% of guarantor’s net assets value which is based on the latest audited or reviewed financial statements.

Note 14: The amount and cumulative amount to a single party should not exceed 50% of guarantor’s net assets value which is based on the latest audited or reviewed financial statements. The net assets value is based on the latest audited or reviewed financial statements.

Note 15: The limit amount of financing activities and guarantee from the Company and subsidiaries (including indirect subsidiaries) to WPG Americas Inc. is USD36.5 million.

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

Securities held by	Type of marketable securities	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2013				Remark
					Number of shares	Book value	Ownership	Fair value (Note 1)	
WPG Holdings Limited	Equity securities	Ability I Venture Capital Corporation, etc.	None	Financial assets carried at cost-non-current	-	$ 120,000	-	$ 120,000	
World Peace Industrial Co., Ltd.	Equity securities	Prohubs International Corp., etc.	None	Financial assets carried at cost-non-current	-	29,649	-	29,649	
WPG Investment Co., Ltd.	Equity securities	SUNRISE Technology Co., Ltd., etc.	None	Financial assets carried at cost-non-current, etc.	-	234,637	-	234,637	
Silicon Application Corp.	Equity securities	Genesis Photonics Inc., etc.	None	Available-for-sale financial assets-non-current, etc.	-	114,076	-	114,076	Note 2
Silicon Application (BVI) Corporation	Equity securities	Apollo Electronics Group Ltd., etc.	None	Available-for-sale financial assets-non-current, etc.	-	64,608	-	64,608	
Win-Win Systems Ltd.	Equity securities	Silicon Electronics Company(s) Pte. Ltd.	None	Financial assets carried at cost-non-current	180	-	10.00	-	
Richpower Electronic Devices Co., Ltd.	Equity securities	Promaster Technology Co., Ltd., etc.	None	Available-for-sale financial assets-non-current, etc.	-	64,419	-	64,419	
Mec Technology Co., Limited	Equity securities	Promaster Technology Co., Ltd.	None	Available-for-sale financial assets-non-current	1,368	15,361	4.15	15,361	
Asian Information Technology Inc.	Equity securities	Phostek In., etc.	None	Financial assets carried at cost-non-current	-	15,736	-	15,736	
Yosun Industrial Corp.	Equity securities	Siltrontech Electronics Corp., etc.	None	Available-for-sale financial assets-current, etc	-	103,224	-	103,224	
AECO Technology Co., Ltd.	Equity securities	Hua-Jie (Taiwan) Corp.	None	Available-for-sale financial assets-non-current	668	6,684	3.32	6,684	

Note 1: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 2: There are 1,133 thousand shares of Kingmac Technology Inc. and 1,850 thousand shares of Kingpak Technology Inc. which have been pledged for purchases as of December 31, 2013.

D. Aggregate purchases or sales of the same securities reaching $300 million or 20% of paid-in capital or more:

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Balance as at January 1, 2013		Addition		Disposal				Balance as at December 31, 2013	
					Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount
WPG Holdings Limited	WPG International (CI) Limited	Note 1	WPG International (CI) Limited	A subsidiary	94,751,752	$ 2,127,907	28,349,631	$ 795,476 (Note 2)	-	$ -	$ -	$ -	123,101,383	$ 2,923,383
WPG International (CI) Limited	WPG International (Hong Kong) Limited	Note 1	WPG International (Hong Kong) Limited	A subsidiary	421,876,843	2,028,700	92,919,640	578,789 (Note 3)	-	-	-	-	514,796,483	2,607,489
WPG International (Hong Kong) Limited	WPG (China) Inc.	Note 1	WPG (China) Inc.	A subsidiary	Note 5	1,597,828	(Note 5)	365,046 (Note 4)	-	-	-	-	Note 5	1,962,874
Asian Information Technology Inc.	Apache Communication Inc.	Note 1	Apache Communication Inc.	A subsidiary	52,005,510	714,991	51,348,490 (Note 6)	532,075 (Note 7)	-	-	-	-	103,354,000	1,247,066

Note 1: Investment under equity method.

Note 2: The company invested $834,988 and recognized investment income and cumulative translation adjustment totaling ($39,512).

Note 3: The company invested $357,351 and recognized investment income and cumulative translation adjustment totaling $221,438.

Note 4: The company invested $298,050 and recognized investment loss and cumulative translation adjustment totaling $66,996.

Note 5: The investee is a limited company.

Note 6: The company made capital increase by cash and issued 40,000,000 shares, as well as included Apache Communication Inc.'s distributable earnings of 11,348,490 shares in 2013.

Note 7: The company invested $400,000 and recognized investment gain and cumulative translation adjustment totaling $132,075.

E. Acquisition of real estate reaching $300 million or 20% of paid-in capital or more:

Real estate acquired by	Real estate acquired	Date of transaction	Transaction amount (Note)	Status of payment (Note)	Counterparty	Relationship with the counterparty	If the counterparty is related party, information as to the last transaction of the real estate is disclosed below:				Basis or reference used in setting the price	Reason for acquisition of real estate and status of the real estate	Other commitments
							Orginal owner who sold the real estate to the counterparty	Relationship between the orginal owner and the acquirer	Date of the original transaction	Amount			
WPG China Inc.	Buildings	2013.2.22 2013.3.27 2013.6.19	$ 748,835	$ 751,775	Shanghai Huichuang Modern Service Park Development Co., Ltd.	None	None	None	None	None	Reference to market quotation and appraisal report	Office	None

Note：The status of payment exchange rate was USD1:NTD 29.805; the transaction amount average exchange rate was USD1:NTD 29.688474 for January to December.

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 (Note 1):

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes / accounts receivable (payable)		Remark
			Purchases (sales)	Amount (USD in thousand dollars)	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance (USD in thousand dollars)	Percentage of total notes / accounts receivable (payable)	
WPG Holdings Limited	World Peace Industrial Co., Ltd.	A subsidiary	Sales	($ 194,671)	(42.31%)	Note 12	Note 12	Note 12	$ 22,545	40.25%	
World Peace Industrial Co., Ltd.	WPG Electronics (HK) Limited	Same Parent Company	〃	($ 584,146)	(0.87%)	Note 3	Note 3	Note 3	$ 190,708	1.25%	
〃	WPI International (Hong Kong) Limited	〃	〃	($ 6,693,054)	(9.93%)	〃	〃	〃	$ 1,003,414	6.56%	
〃	Genuine C&C Inc.	〃	〃	($ 129,877)	(0.19%)	〃	〃	〃	$ 19,297	0.13%	
WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	〃	〃	(USD 105,780)	(4.14%)	〃	〃	〃	USD 9,850	3.09%	
〃	WPI International Trading (Shanghai) Ltd.	〃	〃	(USD 31,944)	(1.25%)	〃	〃	〃	USD 3,804	1.19%	
〃	World Peace International (South Asia) Pte. Ltd.	〃	〃	(USD 28,668)	(1.12%)	〃	〃	〃	USD 3,604	1.13%	
〃	WPG SCM Limited	〃	〃	(USD 20,642)	(0.81%)	〃	〃	〃	USD 3,369	1.06%	
〃	TEKSEL WPG Limited	〃	〃	(USD 11,251)	(0.44%)	〃	〃	〃	USD 2,594	0.81%	
〃	WPG C&C Limited	〃	〃	(USD 6,730)	(0.26%)	〃	〃	〃	USD 612	0.19%	
〃	WPG (China) (SZ) Inc.	〃	〃	(USD 18,670)	(0.73%)	〃	〃	〃	USD 4,654	1.46%	
〃	WPG (China) Inc.	〃	〃	(USD 6,005)	(0.24%)	〃	〃	〃	USD 576	0.18%	
〃	WPG Korea Co., Ltd.	〃	〃	(USD 6,662)	(0.26%)	〃	〃	〃	USD 2,340	0.73%	
〃	WPG South Asia Pte. Ltd.	〃	〃	(USD 4,470)	(0.18%)	〃	〃	〃	USD 611	0.19%	
World Peace International (South Asia) Pte Ltd	World Peace Industrial Co., Ltd	〃	〃	(USD 11,476)	(2.12%)	〃	〃	〃	USD 1,405	1.28%	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes / accounts receivable (payable)		Remark
			Purchases (sales)	Amount (USD in thousand dollars)	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance (USD in thousand dollars)	Percentage of total notes / accounts receivable (payable)	
World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	Same Parent Company	Sales	(USD 101,139)	(18.71%)	Note 3	Note 3	Note 3	USD 32,364	29.53%	
〃	WPG South Asia Pte. Ltd.	〃	〃	(USD 176,255)	(32.60%)	〃	〃	〃	(USD 37)	-0.03%	
〃	WPG C&C Computers And Peripheral (India) Pte Ltd.	〃	〃	(USD 4,610)	(0.85%)	〃	〃	〃	USD 2,195	2.00%	
〃	WPG C&C (Thailand) Co., Ltd.	〃	〃	(USD 29,128)	(5.39%)	〃	〃	〃	USD 5,288	4.82%	
〃	Genuine C&C (IndoChina) Pte. Ltd.	〃	〃	(USD 12,827)	(2.37%)	〃	〃	〃	USD 3,278	2.99%	
〃	WPG C&C (Malaysia) Sdh Bhd	〃	〃	(USD 7,338)	(1.36%)	〃	〃	〃	USD 2,892	2.64%	
WPG C&C Limited	WPI International Trading (Shanghai) Ltd.	〃	〃	(USD 15,792)	(5.13%)	〃	〃	〃	USD 2,531	9.93%	
〃	WPI International (Hong Kong) Limited	〃	〃	(USD 29,676)	(9.64%)	〃	〃	〃	USD 1,872	7.35%	
Longview Technology Inc.	WPI International (Hong Kong) Limited	〃	〃	($ 675,490)	(29.34%)	〃	〃	〃	$ 23,036	7.96%	
〃	WPG Electronics (HK) Limited	〃	〃	($ 226,228)	(9.83%)	〃	〃	〃	$ 25,268	8.74%	
〃	World Peace Industrial Co., Ltd.	〃	〃	($ 100,377)	(4.35%)	〃	〃	〃	$ 1,851	0.64%	
Genuine C&C (South Asia) Pte Ltd.	WPG C&C (Malaysia) Sdn Bhd	〃	〃	(USD 7,868)	(8.75%)	〃	〃	〃	(USD 56)	60.29%	
〃	WPG C&C Computers And Peripheral (India) Private Limited	〃	〃	(USD 39,490)	(43.90%)	〃	〃	〃	-	-	
〃	Genuine C&C (IndoChina) Pte. Ltd.	〃	〃	(USD 13,371)	(14.87%)	〃	〃	〃	(USD 11)	11.42%	
〃	WPG C&C (Thailand) Co., Ltd.	〃	〃	(USD 4,796)	(5.33%)	〃	〃	〃	(USD 25)	26.32%	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes / accounts receivable (payable)		Remark
			Purchases (sales)	Amount (USD in thousand dollars)	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance (USD in thousand dollars)	Percentage of total notes / accounts receivable (payable)	
Gain Tune Ltd.	World Peace Industrial Co., Ltd.	Same Parent Company	Sales	(USD 7,751)	(99.37%)	Note 3	Note 3	Note 3	-	-	
Genuine C&C (IndoChina) Pte. Ltd.	P.T. WPG Electrindo Jaya	Investment under equity method	〃	(USD 29,974)	(84.71%)	〃	〃	〃	USD 7,950	97.79%	
AIO Components Company Limited	WPI International (Hong Kong) Limited	Same Parent Company	〃	(USD 5,480)	(27.78%)	〃	〃	〃	USD 853	19.62%	
〃	Longview Technology Inc.	〃	〃	(USD 5,308)	(26.91%)	〃	〃	〃	USD 1,389	31.94%	
Silicon Application Corp.	WPG Electronics (HK) Limited	〃	〃	($ 1,324,940)	(7.11%)	Note 7	Note 7	Note 7	$ 448,858	9.54%	
Silicon Application Company Limited	Dstar Electronic Company Limited	〃	〃	($ 813,711)	(2.01%)	〃	〃	〃	$ 244,120	3.95%	
〃	WPG (China) (SZ) Inc.	〃	〃	($ 421,110)	(1.04%)	〃	〃	〃	$ 144,887	2.35%	
〃	Silicon Application Corp.	〃	〃	($ 203,606)	(0.50%)	〃	〃	〃	$ 59,301	0.96%	
Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Co., Limited	〃	〃	($ 1,221,082)	(12.04%)	Note 6	Note 6	Note 6	$ 158,462	5.86%	
〃	WPG Electronics (HK) Limited	〃	〃	($ 1,530,623)	(15.09%)	〃	〃	〃	$ 572,021	21.14%	
〃	WPG Korea Co., Ltd.	〃	〃	($ 264,182)	(2.61%)	〃	〃	〃	$ 56,255	2.08%	
Richpower Electronic Devices Co., Limited	Richpower Electronic Devices Co., Ltd.	〃	〃	(USD 11,124)	(2.30%)	〃	〃	〃	USD 2,703	4.18%	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes / accounts receivable (payable)		Remark
			Purchases (sales)	Amount (USD in thousand dollars)	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance (USD in thousand dollars)	Percentage of total notes / accounts receivable (payable)	
Richpower Electronic Devices Co., Limited	WPG Electronics (HK) Limited	Same Parent Company	Sales	(USD 7,693)	(1.59%)	Note 6	Note 6	Note 6	USD 1,991	3.08%	
Mec Technology Co., Limited	Richpower Electronic Devices Co., Ltd.	〃	〃	($ 1,057,575)	(30.94%)	〃	〃	〃	$ 396,060	47.18%	
Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	〃	〃	($ 1,279,220)	(26.34%)	60~90 days or 15 days after receipt of inventory	Note 7	Note 7	$ 108,337	12.24%	
Asian Information Technology Inc.	AIT Japan Inc.	〃	〃	($ 1,936,640)	(11.68%)	Note 2	Note 2	Note 2	$ 172,737	6.54%	
〃	WPG (China) (SZ) Inc.	〃	〃	($ 200,125)	(1.21%)	〃	〃	〃	$ 70,980	2.69%	
AITG Electronic Limited	Frontek Technology Corporation	〃	〃	($ 701,767)	(100.00%)	Note 2	Note 2	Note 2	$ 67,977	100.00%	
Frontek Technology Corporation	World Peace Industrial Co., Ltd.	〃	〃	($ 138,771)	(0.93%)	〃	〃	〃	$ -	-	
〃	WPG Electronics (HK) Limited	〃	〃	($ 525,939)	(3.53%)	〃	〃	〃	$ 307,996	9.56%	
Apache Communication Inc.	Asian Information Technology Inc.	〃	〃	($ 475,562)	(2.32%)	〃	〃	〃	$ 89,092	3.68%	
〃	WPG (China) (SZ) Inc.	〃	〃	($ 161,738)	(0.79%)	〃	〃	〃	$ 10,601	0.44%	
AIT Japan Inc.	Asian Information Technology Inc.	〃	〃	($ 317,036)	(12.06%)	〃	〃	〃	$ 3,712	1.55%	
Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	〃	〃	($ 1,645,501)	(4.46%)	Credit 75 days	Note 5	Note 5	$ 294,680	4.59%	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes / accounts receivable (payable)		Remark
			Purchases (sales)	Amount (USD in thousand dollars)	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance (USD in thousand dollars)	Percentage of total notes / accounts receivable (payable)	
Yosun Industrial Corp.	Sertek Incorporated	Same Parent Company	Sales	($ 1,555,290)	(4.21%)	Credit 75 days	Note 5	Note 5	$ 74,252	1.16%	
〃	Sertek Limited	〃	〃	($ 2,210,822)	(5.99%)	〃	〃	〃	$ 334,385	5.20%	
Yosun Hong Kong Corp. Ltd.	Yosun Industrial Corp.	〃	〃	(USD 32,411)	(4.72%)	〃	〃	〃	USD 1,149	0.80%	
〃	Giatek Corp. Ltd.	〃	〃	(USD 129,084)	(18.78%)	〃	〃	〃	USD 917	0.64%	
〃	Yosun South China Corp. Ltd.	〃	〃	(USD 37,883)	(5.51%)	〃	〃	〃	USD 13,669	9.53%	
〃	Yosun Shanghai Corp. Ltd.	〃	〃	(USD 47,057)	(6.85%)	〃	〃	〃	USD 17,236	12.01%	
〃	Yosun Singapore Pte. Ltd.	〃	〃	(USD 5,551)	(0.81%)	〃	〃	〃	USD 468	0.33%	
Yosun Singapore Pte. Ltd.	WPG South Asia Pte. Ltd.	〃	〃	(USD 38,852)	(29.60%)	Note 8	〃	〃	USD 14	0.05%	
〃	WPG SCM Limited	〃	〃	(USD 19,619)	(14.95%)	〃	〃	〃	USD 947	3.69%	
Giatek Corp. Ltd.	Yosun Hong Kong Corp. Ltd.	〃	〃	(USD 58,372)	(20.95%)	Credit 75 days	〃	〃	USD 12,429	31.11%	
〃	Yosun South China Corp. Ltd.	〃	〃	(USD 3,453)	(1.24%)	〃	〃	〃	USD 541	1.36%	
Sertek Incorporated	Sertek Limited	〃	〃	($ 1,460,867)	(9.37%)	Note 10	Note 7	Note 7	$ 365,910	13.93%	
〃	Yosun Industrial Corp.	〃	〃	($ 314,030)	(2.01%)	Note 11	〃	〃	$ 6,514	0.25%	
Sertek Limited	Yosun Hong Kong Corp. Ltd.	〃	〃	(USD 8,420)	(0.05%)	Credit 75 days	〃	〃	$ -	-	
〃	Yosun Industrial Corp.	〃	〃	(USD 13,718)	(0.09%)	〃	〃	〃	USD 12,923	24.71%	
WPG China Inc.	WPI International (Hong Kong) Limited	〃	〃	(USD 36,329)	(29.87%)	Note 4	Note 4	Note 4	USD 6,661	32.09%	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes / accounts receivable (payable)		Remark
			Purchases (sales)	Amount (USD in thousand dollars)	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance (USD in thousand dollars)	Percentage of total notes / accounts receivable (payable)	
WPG China Inc.	Frontek Technology Corporation	Same Parent Company	Sales	(USD 8,694)	(71.49%)	Note 9	Note 9	Note 9	USD 1,015	48.88%	
AECO Technology Co., Ltd.	AECO Electronic Co., Ltd.	〃	〃	($ 189,764)	(4.52%)	〃	〃	〃	$ 1,079	-	
AECO Electronic Co., Ltd.	AECO Technology Co., Ltd.	〃	〃	(USD 6,015)	(10.79%)	〃	〃	〃	USD 341	2.77%	
〃	AECO Electronic (Ningbo) Co., Ltd.	〃	〃	(USD 4,049)	(7.27%)	〃	〃	〃	USD 1,943	15.82%	

Note 1: As the related party transactions of consolidated subsidiaries exceeding $100 million are voluminous, the related information disclosed here is from the sales aspect.
Note 2: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~120 days from the end of the month of sales.
Note 3: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~90 days from the end of the month of sales.
Note 4: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30 days from the month of sales.
Note 5: Similar to third parties.
Note 6: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 60~120 days from the end of the month of sales.
Note 7: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition.
Note 8: The collection period is 60 days from the month of sales.
Note 9: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 90 days from the end of the month of sales.
Note 10: The collection period is 70~120 days from the end of the month of sales.
Note 11: The collection period is every 27th of the month.
Note 12: The income arose from the provision of administrative resources and management services, and the sales price and terms were determined by the parties.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more:

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2013 (USD in thousand dollars)	Tunrover rate	Overdue receivables		Amount collected subsequent to the balance sheet date (USD in thousand dollars)	Allowance for doubtful accounts
					Amount	Action taken		
World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	Same Parent Company	Accounts receivable： $ 1,003,414	9.19	$ -	-	$ 1,003,414	$ -
〃	WPG Electronics (HK) Limited	〃	Accounts receivable： $ 190,708	3.65	-	-	$ 163,885	-
World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	〃	Accounts receivable： USD 32,364	3.55	-	-	USD 26,654	-
〃	World Peace International Pte Ltd	〃	Other receivables： USD 8,891	None	-	-	USD 4,913	-
〃	WPG Americas Inc.	〃	Other receivables： USD 7,079	None	-	-	USD 7,079	-
〃	WPG C&C Computers And Peripheral (India) Private Limited	〃	Accounts receivable： USD 5,288	11.02	-	-	USD 5,288	-
WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	〃	Accounts receivable： USD 9,850	12.21	-	-	USD 9,850	-
〃	Wold Peace International (South Asia) Pte. Ltd.	〃	Accounts receivable： USD 3,604	7.47	-	-	USD 3,604	-
〃	WPI International Trading (Shanghai) Ltd.	〃	Accounts receivable： USD 3,804	7.48	-	-	USD 3,804	-
〃	WPG China (SZ) Inc.	〃	Accounts receivable： USD 4,654	5.88	-	-	USD 3,289	-
〃	WPG C&C Limited	〃	Other receivables： USD 8,957	None	-	-	USD 2,817	-
〃	WPG SCM Limited	〃	Accounts receivable： USD 3,369	7.73	-	-	USD 3,369	-
WPI International Trading (Shenzhen) Ltd.	WPI International Trading (Shanghai) Ltd.	〃	Other receivables： USD 4,785	None	-	-	USD 1,671	-
Genuine C&C (IndoChina) Pte. Ltd.	P.T. WPG Electrindo Jaya	Investment under equity method	Accounts receivable： USD 7,950	4.97	-	-	USD 6,543	-
Gain Tune Ltd.	WPI International (Hong Kong) Limited	Same Parent Company	Other receivables： USD 22,568	None	-	-	$ -	-
Silicon Application Corp.	WPG Electronics (HK) Limited	〃	Accounts receivable： $ 448,858	2.65	-	-	$ 386,218	-

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2013 (USD in thousand dollars)			Tunrover rate	Overdue receivables		Amount collected subsequent to the balance sheet date (USD in thousand dollars)		Allowance for doubtful accounts	
							Amount	Action taken				
Silicon Application (BVI) Corporation	Silicon Application Corp.	Same Parent Company	Other receivables：	$	919,080	None	$ -	-	$	-	$	-
〃	Silicon Application Company Limited	〃	Other receivables：	$	299,727	None	-	-	$	-		-
Silicon Application Company Limited	Dstar Electronic Company Limited	〃	Accounts receivable：	$	244,120	4.26	-	-	$	168,152		-
〃	WPG China (SZ) Inc.	〃	Accounts receivable：	$	144,887	3.16	-	-	$	87,667		-
Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Co., Limited	〃	Accounts receivable：	$	158,462	4.71	-	-	$	170,976		-
〃	WPG Electronics (HK) Limited	〃	Accounts receivable：	$	572,021	2.67	-	-	$	466,626		-
Mec Technology Co., Limited	Richpower Electronic Devices Co., Ltd.	〃	Accounts receivable：	$	396,060	4.44	-	-	$	162,628		-
Asian Information Technology Inc.	AIT Japan Inc.	〃	Accounts receivable：	$	172,737	14.41	-	-	$	172,157		-
Frontek Technology Corporation	WPG Electronics (HK) Limited	〃	Accounts receivable：	$	307,996	2.22	-	-	$	182,453		-
Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	〃	Accounts receivable：	$	294,680	5.35	-	-	$	202,262		-
〃	Yosun Japan Corp.	Investment under equity method	Other receivables：	$	397,947	None	-	-	$	244,285	$	-
〃	WPG Holdings Limited	Same Parent Company	Other receivables：	$	101,182	None	-	-	$	101,182		-
〃	Sertek Limited	〃	Accounts receivable：	$	334,385	10.61	-	-	$	332,595		-
Sertek Incorporated	Sertek Limited	〃	Accounts receivable：	$	365,910	4.14	-	-	$	330,801		-
Sertek Limited	Yosun Industrical Corp.	〃	Accounts receivable：	USD	12,923	0.53	-	-	USD	5,439		-
Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	〃	Accounts receivable：	USD	17,236	2.56	-	-	USD	8,961		-
〃	Yosun South China Corp. Ltd.	〃	Accounts receivable：	USD	13,669	3.55	-	-	USD	7,826		-

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2013 (USD in thousand dollars)	Tunrover rate	Overdue receivables		Amount collected subsequent to the balance sheet date (USD in thousand dollars)	Allowance for doubtful accounts
					Amount	Action taken		
Giatek Corp. Ltd.	Yosun Hong Kong Corp. Ltd.	Same Parent Company	Accounts receivable： USD 12,429	2.35	$ -	-	USD 2,572	$ -
〃	Yosun Hong Kong Corp. Ltd.	〃	Other receivables： USD 4,634	None	-	-	USD 854	-
WPG China Inc.	WPI International (Hong Kong) Limited	〃	Accounts receivable： USD 6,661	8.71	-	-	USD 6,661	-
Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	〃	Accounts receivable： $ 108,337	13.49	-	-	$ 94,771	-
AECO Technology Co., Ltd.	World Peace Industrial Co., Ltd.	〃	Other receivables： $ 200,016	None	-	-	$ 200,016	-

I. Derivative financial instruments undertaken during the year December 31, 2013: Please see Notes 6(2) and 12(3).

J． Significant inter-company transactions during the year ended December 31, 2013:

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)
1	WPG Holdings Limited	World Peace Industrial Co., Ltd.	1	Sales	$ 194,671	Note 14	0.05
2	World Peace Industrial Co., Ltd.	WPG Electronics (HK) Limited	3	〃	584,146	Note 5	0.14
2	〃	WPI International (Hong Kong) Limited	3	〃	6,693,054	〃	1.65
2	〃	Genuine C&C Inc.	3	〃	129,877	〃	0.03
3	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	〃	3,140,447	〃	0.77
3	〃	WPI International Trading (Shanghai) Ltd.	3	〃	948,369	〃	0.23
3	〃	World Peace International (South Asia) Pte. Ltd.	3	〃	851,109	〃	0.21
3	〃	WPG SCM Limited	3	〃	612,829	〃	0.15
3	〃	TEKSEL WPG Limited	3	〃	334,025	〃	0.08
3	〃	WPG C&C Limited	3	〃	199,803	〃	0.05
3	〃	WPG China (SZ) Inc.	3	〃	554,284	〃	0.14
3	〃	WPG China Inc.	3	〃	178,279	〃	0.04
3	〃	WPG Korea Co., Ltd.	3	〃	197,785	〃	0.05
3	〃	WPG South Asia Pte. Ltd.	3	〃	132,707	〃	0.03
4	World Peace International (South Asia) Pte. Ltd.	World Peace Industrial Co., Ltd.	3	〃	340,705	〃	0.08
4	〃	WPG SCM Limited	3	〃	3,002,663	〃	0.74
4	〃	WPG South Asia Pte. Ltd.	3	〃	5,232,742	〃	1.29
4	〃	WPG C&C (Thailand) Co., Ltd.	3	〃	136,864	〃	0.03
4	〃	WPG C&C Computers And Peripheral (India) Pte. Ltd.	3	〃	864,766	〃	0.21
4	〃	Genuine C&C (IndoChina) Pte. Ltd.	3	〃	380,814	〃	0.09
4	〃	Genuine C&C (Malaysia) Sdn Bhd	3	〃	217,854	〃	0.05
5	WPG C&C Limited	WPI International Trading (Shanghai) Ltd.	3	〃	468,840	〃	0.12
5	〃	WPI International (Hong Kong) Limited	3	〃	881,035	〃	0.22
6	Longview Technology Inc.	WPI International (Hong Kong) Limited	3	〃	675,490	〃	0.17
6	〃	WPG Electronics (HK) Limited	3	〃	226,228	〃	0.06

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)
6	Longview Technology Inc.	World Peace Industrial Co., Ltd.	3	Sales	$ 100,377	Note 5	0.02
7	Genuine C&C (South Asia) Pte Ltd.	WPG C&C (Malaysia) Sdn Bhd	3	〃	233,589	〃	0.06
7	〃	WPG C&C Computers And Peripheral (India) Pte. Ltd.	3	〃	1,172,398	〃	0.29
7	〃	Genuine C&C (IndoChina) Pte. Ltd.	3	〃	396,965	〃	0.10
7	〃	WPG C&C (Thailand) Co., Ltd.	3	〃	142,386	〃	0.04
8	Gain Tune Ltd.	World Peace Industrial Co., Ltd.	3	〃	230,115	〃	0.06
9	AIO Components Company Limited	WPI International (Hong Kong) Limited	3	〃	162,693	〃	0.04
9	〃	Longview Technology Inc.	3	〃	157,586	〃	0.04
10	Silicon Application Corp.	WPG Electronics (HK) Limited	3	〃	1,324,940	Note 9	0.33
11	Silicon Application Company Limited	Dstar Electronic Company Limited	3	〃	813,711	〃	0.20
11	〃	WPG China (SZ) Inc.	3	〃	421,110	〃	0.10
11	〃	Silicon Application Corp.	3	〃	203,606	〃	0.05
12	Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Co., Limited	3	〃	1,221,082	Note 8	0.30
12	〃	WPG Electronics (HK) Limited	3	〃	1,530,623	〃	0.38
12	〃	WPG Korea Co., Ltd.	3	〃	264,182	〃	0.07
13	Richpower Electronic Devices Co., Limited	Richpower Electronic Devices Co., Ltd.	3	〃	330,255	〃	0.08
13	〃	WPG Electronics (HK) Limited	3	〃	228,393	〃	0.06
14	Mec Technology Co., Limited	Richpower Electronic Devices Co., Ltd.	3	〃	1,057,575	〃	0.26
15	Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	3	〃	1,279,220	Notes 9 and 15	0.31
16	Asian Information Technology Inc.	AIT Japan Inc.	3	〃	1,936,640	Note 4	0.48
16	〃	WPG China (SZ) Inc.	3	〃	200,125	〃	0.05
17	AITG Electronic Limited	Frontek Technology Corporation	3	〃	701,767	〃	0.17
18	Frontek Technology Corporation	World Peace Industrial Co., Ltd.	3	〃	138,771	〃	0.03
18	〃	WPG Electronics (HK) Limited	3	〃	525,939	〃	0.13
19	Apache Communication Inc.	Asian Information Technology Inc.	3	〃	475,562	〃	0.12
19	〃	WPG China (SZ) Inc.	3	〃	161,738	〃	0.04
20	AIT Japan Inc.	Asian Information Technology Inc.	3	〃	317,036	〃	0.08

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)
21	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	3	Sales	$ 1,645,501	Notes 7 and 16	0.41
21	〃	Sertek Incorporated	3	〃	1,555,290	〃	0.38
21	〃	Sertek Limited	3	〃	2,210,822	〃	0.54
22	Yosun Hong Kong Corp. Ltd.	Yosun Industrial Corp.	3	〃	962,233	〃	0.24
22	〃	Giatek Corp. Ltd.	3	〃	3,832,307	〃	0.94
22	〃	Yosun South China Corp. Ltd.	3	〃	1,124,688	〃	0.28
22	〃	Yosun Shanghai Corp. Ltd.	3	〃	1,397,051	〃	0.34
22	〃	Yosun Singapore Pte. Ltd.	3	〃	164,801	〃	0.04
23	Yosun Singapore Pte Ltd.	WPG South Asia Pte. Ltd.	3	〃	1,153,457	Notes 7 and 10	0.28
23	〃	WPG SCM Limited	3	〃	582,458	〃	0.14
24	Giatek Corp. Ltd.	Yosun Hong Kong Corp. Ltd.	3	〃	1,732,976	Notes 7 and 16	0.43
24	〃	Yosun South China Corp. Ltd.	3	〃	102,514	〃	0.03
25	Sertek Incorporated	Sertek Limited	3	〃	1,460,867	Notes 9 and 12	0.36
25	〃	Yosun Industrial Corp.	3	〃	314,030	Notes 9 and 13	0.08
26	Sertek Limited	Yosun Hong Kong Corp. Ltd.	3	〃	249,977	Notes9 and 16	0.06
26	〃	Yosun Industrial Corp.	3	〃	407,266	〃	0.10
27	WPG China Inc.	WPI International (Hong Kong) Limited	3	〃	1,078,553	Note 6	0.27
27	〃	Frontek Technology Corporation	3	〃	258,112	Note 11	0.06
28	AECO Technology Co., Ltd.	AECO Electronic Co., Ltd.	3	〃	189,764	〃	0.05
29	AECO Electronic Co., Ltd.	AECO Technology Co., Ltd.	3	〃	178,577	〃	0.04
29	〃	AECO Electronic (Ningbo) Co., Ltd.	3	〃	120,209	〃	0.03
2	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	3	Accounts receivable	1,003,414	〃	0.74
2	〃	WPG Electronics (HK) Limited	3	〃	190,708	〃	0.14
4	World Peace International (South Asia) Pte. Ltd.	WPG SCM Limited	3	〃	964,609	〃	0.71
4	〃	WPG C&C Computers And Peripheral (India) Private Limited	3	〃	157,609	〃	0.12

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	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	Accounts receivable	$ 293,579	Note11	0.22
3	〃	World Peace International (South Asia) Pte. Ltd.	3	〃	107,417	〃	0.08
3	〃	WPG SCM Limited	3	〃	100,413	〃	0.07
3	〃	WPI International Trading (Shanghai) Ltd.	3	〃	113,378	〃	0.08
3	〃	WPG China (SZ) Inc.	3	〃	138,712	〃	0.10
10	Silicon Application Corp.	WPG Electronics (HK) Limited	3	〃	448,858	Note 9	0.33
11	Silicon Application Company Limited	Dstar Electronic Company Limited	3	〃	244,120	〃	0.18
11	〃	WPG China (SZ) Inc.	3	〃	144,887	〃	0.11
12	Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Co., Limited	3	〃	158,462	Note 8	0.12
12	〃	WPG Electronics (HK) Limited	3	〃	572,021	〃	0.42
14	Mec Technology Co., Limited	Richpower Electronic Devices Co., Ltd.	3	〃	396,060	〃	0.29
15	Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	3	〃	108,337	Notes 9 and 15	0.08
16	Asian Information Technology Inc.	AIT Japan Inc.	3	〃	172,737	Note 4	0.13
18	Frontek Technology Corporation	WPG Electronics (HK) Limited	3	〃	307,996	〃	0.23
21	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	3	〃	294,680	Notes 7 and 16	0.22
21	〃	Sertek Limited	3	〃	334,385	〃	0.25
22	Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	3	〃	513,719	〃	0.38
22	〃	Yosun South China Corp. Ltd.	3	〃	407,405	〃	0.30
24	Giatek Corp. Ltd.	Yosun Hong Kong Corp. Ltd.	3	〃	370,446	〃	0.27
25	Sertek Incorporated	Sertek Limited	3	〃	365,910	Note 9 and 12	0.27
26	Sertek Limited	Yosun Industrial Corp.	3	〃	385,170	Note 9 and 16	0.29
27	WPG China Inc.	WPI International (Hong Kong) Limited	3	〃	198,531	Note 6	0.15
4	World Peace International (South Asia) Pte. Ltd.	World Peace International Pte. Ltd.	3	Other receivables	264,996	Note 17	0.20
4	〃	WPG Americas Inc.	3	〃	210,990	〃	0.16
3	WPI International (Hong Kong) Limited	WPG C&C Limited	3	〃	266,963	〃	0.20
30	WPI International Trading (Shenzhen) Ltd.	WPI International Trading (Shanghai) Ltd.	3	〃	142,617	〃	0.11

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)
8	Gain Tune Ltd.	WPI International (Hong Kong) Limited	3	Other receivables	$ 672,639	Note 17	0.50
31	Silicon Application (BVI) Corporation	Silicon Application Corp.	3	〃	919,080	〃	0.68
31	〃	Silicon Application Company Limited	3	〃	299,727	〃	0.22
21	Yosun Industrial Corp.	WPG Holdings Limited	2	〃	101,182	〃	0.07
24	Giatek Corp. Ltd.	Yosun Hong Kong Corp. Ltd.	3	〃	138,116	Note 18	0.10
28	AECO Technology Co., Ltd.	World Peace Industrial Co., Ltd.	3	〃	200,016	Note 17	0.15

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:
(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: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~120 days from the end of the month of sales.

Note 5: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~90 days from the end of the month of sales.

Note 6: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30 days from the month of sales.

Note 7: The terms and sales prices are similar to third parties.

Note 8: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 60~120 days from the end of the month of sales.

Note 9: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition.

Note 10: The collection period is 60 days from the end of the month of sales.

Note 11: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 90 days from the end of the month of sales.

Note 12: The collection period is 75~120 days after sale.

Note 13: The collection period is every 27th of the month.

Note 14: The income arose from the provision of administrative resources and management services, and sales price and terms were determined by the parties.

Note 15: The collection period is within 90 days from the end of the month of sales or 15 days after sale.

Note 16: The collection period is 75 days after sale.

Note 17: Mainly accrued financing charges.

Note 18: Mainly accrued payment on behalf of others.

(2) Disclosure information of investee companies

The disclosure information of certain investee companies was based on their unreviewed financial statements. In addition, the transactions with subsidiaries disclosed below had been eliminated when preparing consolidated financial statements.

Information on investee companies

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2013			Net profit (loss) of the investee for the year ended December 31, 2013	Investment income (loss) recognized by the Company for the year ended December 31, 2013	Remark
				Balance as at December 31, 2013	Balance as at January 1, 2013	Number of shares	Ownership	Book value			
WPG Holdings Limited	World Peace Industrial Co., Ltd.	Taiwan	Sales of electronic /electrical components	$ 9,041,829	$ 9,041,829	629,000,000	100.00	$ 12,961,608	$ 2,406,835	$ 2,395,790	Note 4
WPG Holdings Limited	Asian Information Technology Inc.	Taiwan	Sales of electronic /electrical components	3,563,464	3,563,464	253,822,467	100.00	3,921,124	658,340	658,340	Note 4
WPG Holdings Limited	Silicon Application Corp.	Taiwan	Sales of electronic /electrical components	2,758,458	2,758,458	230,000,000	100.00	3,735,249	633,005	633,005	Note 4
WPG Holdings Limited	Richpower Electronic Devices Co., Ltd.	Taiwan	Sales of electronic /electrical components	1,820,882	1,820,882	85,000,000	100.00	2,092,631	324,008	324,102	Note 4
WPG Holdings Limited	Pernas Electronics Co., Ltd.	Taiwan	Sales of electronic /electrical components	318,473	318,473	73,500,000	100.00	959,504	118,490	118,124	Note 4
WPG Holdings Limited	WPG Electronics Limited	Taiwan	Sales of electronic /electrical components	14,735	14,735	3,920,000	100.00	31,702	2,918	2,918	Note 4
WPG Holdings Limited	WPG Korea Co., Ltd.	South Korea	Sales of electronic /electrical components	169,071	125,566	1,087,794	100.00	251,959	20,253	20,044	Note 4
WPG Holdings Limited	WPG International (CI) Limited	Cayman Islands	Holding company	3,724,646	2,889,658	123,101,383	100.00	2,923,383	(93,232)	(93,232)	Note 4
WPG Holdings Limited	Yosun Industrial Corp.	Taiwan	Sales of electronic /electrical components	12,939,060	12,939,060	416,169,249	100.00	13,135,250	698,436	692,584	Note 4
WPG Holdings Limited	WPG Investment Co., Ltd.	Taiwan	Investment company	502,997	344,997	50,000,000	100.00	472,092	(15,587)	(15,587)	Note 4
WPG Holdings Limited	AECO Technology Co., Ltd.	Taiwan	Sales of electronic /electrical components	2,335,420	2,335,420	172,000,000	100.00	2,242,555	30,677	30,663	Note 4
World Peace Industrial Co., Ltd.	WPI Investment Holding (BVI) Company Ltd.	British Virgin Islands	Holding company	2,774,146	2,833,198	83,179,435	100.00	9,473,193	1,463,158	-	Notes 2 and 5
World Peace Industrial Co., Ltd.	World Peace International (BVI) Ltd.	British Virgin Islands	Holding company	1,132,162	1,132,162	34,196,393	100.00	2,512,123	148,252	-	Notes 2 and 5

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2013			Net profit (loss) of the investee for the year ended December 31, 2013	Investment income (loss) recognized by the Company for the year ended December 31, 2013	Remark
				Balance as at December 31, 2013	Balance as at January 1, 2013	Number of shares	Ownership	Book value			
World Peace Industrial Co., Ltd.	Longview Technology Inc.	Taiwan	Sales of electronic /electrical components	$ 364,290	$ 364,290	26,760,000	100.00	$ 507,794	$ 36,552	$ -	Notes 2 and 5
World Peace Industrial Co., Ltd.	ChainPower Technology Corp.	Taiwan	Sales of electronic /electrical components	116,650	116,650	14,820,382	39.00	208,480	43,546	-	Notes 2 and 3
World Peace Industrial Co., Ltd.	Genuine C&C Inc.	Taiwan	Sales of electronic /electrical components	149,130	149,130	12,964,098	16.29	172,770	32,767	-	Notes 2 and 3
Longview Technology Inc.	Longview Technology GC Limited	British Virgin Islands	Holding company	335,328	335,328	11,300,000	100.00	352,254	6,299	-	Notes 2 and 5
Longview Technology Inc.	Long-Think International Co., Ltd.	Taiwan	Sales of electronic /electrical components	37,302	37,302	4,000,000	100.00	32,593	218	-	Notes 2 and 5
Asian Information Technology Inc.	Frontek Technology Corporation	Taiwan	Import and export business for electrical components	1,515,256	1,515,256	191,790,352	100.00	2,172,736	253,696	-	Notes 2 and 5
Asian Information Technology Inc.	Apache Communication Inc.	Taiwan	Import and export business for electrical components	680,313	280,312	103,354,000	100.00	1,247,066	119,055	-	Notes 2 and 5
Asian Information Technology Inc.	Henshen Electric Trading Co., Ltd.	Taiwan	Import and export business for electrical components	124,521	479,112	10,000,000	100.00	129,872	27,025	-	Notes 2 and 5
Asian Information Technology Inc.	AITG Holding Corp.	Mauritius	International investment	89,301	89,301	2,701,790	100.00	85,435	10,389	-	Notes 2 and 5
Asian Information Technology Inc.	Fame Hall International Co., Ltd.	British Virgin Islands	International investment	155,558	155,558	4,703,107	100.00	181,213	23,223	-	Notes 2 and 5
Asian Information Technology Inc.	Adivic Technology Co., Ltd.	Taiwan	Import and export business for electrical components	98,400	40,000	7,840,000	49.00	50,917	(38,027)	-	Notes 2 and 3

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2013			Net profit (loss) of the investee for the year ended December 31, 2013	Investment income (loss) recognized by the Company for the year ended December 31, 2013	Remark
				Balance as at December 31, 2013	Balance as at January 1, 2013	Number of shares	Ownership	Book value			
Frontek Technology Corporation	Frontek International Limited	British Virgin Islands	International investment	$ 101,862	$ 101,862	2,970,000	100.00	$ 109,977	$ 4,107	$ -	Notes 2 and 5
Silicon Application Corp.	Silicon Application (BVI) Corporation	British Virgin Islands	International investment	706,402	706,402	22,000,000	100.00	2,920,451	412,333	-	Notes 2 and 5
Silicon Application Corp.	Win-Win Systems Ltd.	British Virgin Islands	International investment	24,013	24,013	765,000	100.00	23,967	(6,650)	-	Notes 2 and 5
Silicon Application Corp.	Win-Win Electronic Corp.	Taiwan	Sales of computer software, hardware and electronic components	10,000	10,000	1,000,000	100.00	10,500	18	-	Notes 2 and 5
Silicon Application Corp.	SAC Components (South Asia) Pte. Ltd.	Singapore	Sales of computer software, hardware and electronic components	104,510	104,510	3,500,000	100.00	101,298	(4,232)	-	Notes 2 and 5
Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	Taiwan	Import and export business for electrical components	343,959	343,959	28,000,000	100.00	724,472	130,803	-	Notes 2 and 5
Pernas Electronics Co., Ltd.	Pernas Enterprise (Samoa) Limited	Samoa	International investment	33,287	33,287	1,000,000	100.00	4,267	(236)	-	Notes 2 and 5
Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Co., Limited	Hong Kong	Sales of electronic components	284,898	284,898	63,000,000	100.00	1,142,120	158,994	-	Notes 2 and 5
Richpower Electronic Devices Co., Ltd.	Mec Technology Co., Limited	Taiwan	Sales of electronic components	401,247	401,247	24,300,000	100.00	411,883	58,264	-	Notes 2 and 5
Mec Technology Co., Limited	Mec Technology Co., Limited	Hong Kong	Sales of electronic components	1,092	1,092	25,000	100.00	8,379	78	-	Notes 2 and 5
Mec Technology Co., Limited	Richpower Electronic Devices Pte., Ltd.	Singapore	Sales of electronic components	1,988	1,988	10,000	100.00	181,453	1,152	-	Notes 2 and 5

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at December 31, 2013	Initial investment amount: Balance as at January 1, 2013	Shares held as at December 31, 2013: Number of shares	Shares held as at December 31, 2013: Ownership	Shares held as at December 31, 2013: Book value	Net profit (loss) of the investee for the year ended December 31, 2013	Investment income (loss) recognized by the Company for the year ended December 31, 2013	Remark
Yosun Industrial Corp.	Suntop Investments Ltd.	Cayman Islands	Investment company	$ 1,812,188	$ 1,812,188	50,700,000	100.00	$ 3,809,104	$ 203,305	$ -	Notes 2 and 5
Yosun Industrial Corp.	Sertek Incorporated	Taiwan	Sales of office machinery and electronic components	1,616,722	1,616,722	94,828,100	100.00	1,750,402	293,625	-	Notes 2 and 5
Yosun Industrial Corp.	Yosun Green Technology Corp.	Taiwan	Sales of electronic components	26,100	45,000	1,800,000	45.00	17,630	(441)	-	Notes 2 and 3
Yosun Industrial Corp.	Yosun Japan Corp.	Japan	Sales of electronic components	44,172	14,728	15,015	50.00	43,693	21,431	-	Notes 2 and 3
Yosun Industrial Corp.	Lipers Enterprise Co., Ltd.	Taiwan	Sales of electronic components	201,058	188,261	14,107,805	20.16	246,422	21,477	-	Notes 2 and 3
Yosun Industrial Corp.	Pan-World Control Technologies, Inc.	Taiwan	Wholesale of machinery	19,920	19,920	1,660,000	25.74	5,125	(11,936)	-	Notes 2 and 3
Yosun Industrial Corp.	Eesource Corp.	Taiwan	Sales of office machinery and electronic components	11,520	11,520	1,080,000	20.00	31,956	37,230	-	Notes 2 and 3
Sertek Incorporated	Sertek Limited	Hong Kong	Sales of electronic components	83,494	83,494	19,500,000	100.00	403,968	78,853	-	Notes 2 and 5
Sertek Incorporated	Digital Computer System Co., Ltd.	Taiwan	Sales of electronic components	14,800	14,800	12,495	100.00	12,349	110	-	Notes 2 and 5
WPG Investment Co., Ltd.	Eesource Corp.	Taiwan	Sales of office machinery and electronic components	11,520	11,520	1,080,000	20.00	31,956	37,230	-	Notes 2 and 3
WPG Investment Co., Ltd.	Hatsushiba Tech Co., Ltd.	Taiwan	Wholesale and retail of electronic components	12,410	11,010	354,500	18.66	5,151	(8,183)	-	Notes 2 and 3
WPG Investment Co., Ltd.	Pan-World Control Technologies, Inc.	Taiwan	Wholesale of machinery	14,800	14,800	1,265,218	19.62	8,914	(11,936)	-	Notes 2 and 3
WPG Investment Co., Ltd.	Taibaoo Creation Co., Ltd.	Taiwan	Retail business of other grocery	10,000	-	1,000,000	25.00	7,895	(8,418)	-	Notes 2 and 3

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at December 31, 2013	Initial investment amount: Balance as at January 1, 2013	Shares held as at December 31, 2013: Number of shares	Shares held as at December 31, 2013: Ownership	Shares held as at December 31, 2013: Book value	Net profit (loss) of the investee for the year ended December 31, 2013	Investment income (loss) recognized by the Company for the year ended December 31, 2013	Remark
AECO Technology Co., Ltd.	TECO Enterprise Holding (BVI) Co., Ltd.	British Virgin Islands	Investment company	$ 436,280	$ 436,280	12,610,000	100.00	$ 660,335	($ 1,025)	-	Notes 2 and 5
WPG Korea Co., Ltd.	Apache Communication Inc.	British Virgin Islands	International investment	69,994	68,222	2,795,000	100.00	85,887	(1,024)	-	Notes 2, 5 and 6

Note 1: Investment income (loss) recognized by the company including realized (unrealized) gain or loss from upstream intercompany transactions and amortization of investment discount (premium).
Note 2: Investment income (loss) recognized by each subsidiary.
Note 3: An investee company accounted for under the equity method by subsidiary.
Note 4: A subsidiary.
Note 5: An indirect subsidiary.
Note 6: Original investment exchange rate KRW1:NTD0.028435 on December 31, 2013.

(3) Information on investments in Mainland China

The disclosure information of the investee companies was based on their unreviewed financial statements. In addition, the transactions with subsidiaries disclosed below had been eliminated when preparing consolidated financial statements.

A. Basis information:

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2013	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2013		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2013	Net profit (loss) of the investee for the year ended December 31, 2013	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2013	Book value of investments in Mainland China as of December 31, 2013	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2013	Remark
					Remitted to Mainland China	Remitted back to Taiwan							
WPG China Inc.	Sales of electronic components	$ 1,737,035	Note 1	$ 1,440,712	$ 298,050	$ -	$ 1,738,762	$ 24,807	100.00	$ 24,807	$ 1,962,874	$ -	
WPI International Trading (Shenzhen) Ltd.	Sales of electronic components	95,376	Note 1	95,376	-	-	95,376	5,999	100.00	5,999	154,066	-	
Suzhou Xinning Bonded Warehouse Co., Ltd.	Warehousing services	29,805	Note 1	27,966	-	-	27,966	4,451	49.00	4,758	51,569	-	
WPI Logistics (Shanghai) Ltd.	Warehousing services/extra work	37,763	Note 1	14,770	-	-	14,770	10,270	40.00	3,851	25,753	-	
WPI International Trading (Shanghai) Ltd.	Sales of electronic components	198,203	Note 1	19,373	-	-	19,373	75,978	100.00	75,978	259,395	-	
Suzhou Xinning Logistics Co., Ltd.	Warehousing services	63,067	Note 1	18,323	-	-	18,323	23,246	29.40	6,834	40,749	-	
AIO (Shanghai) Components Company Limited	Sales of electronic components	5,961	Note 1	-	-	-	-	10,475	100.00	10,475	47,855	-	Note 8
Long-Think International (ShangHai) Limited	Sales of electronic components	11,922	Note 1	143,490	-	-	143,490	13,679	100.00	13,679	158,617	-	Note 10
Software World Limited	Sales of electronic components	-	Note 1	5,514	-	-	5,514	-	-	-	-	-	Note 4
Mec Technology (Shanghai) Co., Ltd.	Sales of electronic components	-	Note 1	14,903	-	-	14,903	-	-	-	-	-	Note 2

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2013	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2013		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2013	Net profit (loss) of the investee for the year ended December 31, 2013	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2013	Book value of investments in Mainland China as of December 31, 2013	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2013	Remark
					Remitted to Mainland China	Remitted back to Taiwan							
WPG China (SZ) Inc.	Sales of computer software and electronic components	$ 142, 191	Note 1	$ 104,184	$ -	$ -	$ 104,184	79,243	100.00	$ 79,243	$ 333,476	$ -	Note 9
Silicon Application (Shanghai) Ltd.	Sales of computer software and electronic components	-	Note 1	6,533	-	-	6,533	-	-	-	-	-	Note 3
Silicon Application (Wuhon) Ltd.	Sales of computer software and electronic components	-	Note 1	6,348	-	-	6,348	-	-	-	-	-	Note 5
World Components Agent (Shanghai) Inc.	Sales of electronic components	5,961	Note 1	5,961	-	-	5,961	(236)	100.00	(236)	4,247	-	
Arise Component Corp.	Sales of electronic components	-	Note 1	23,844,	-	-	23,844	-	-	-	-	-	Note 7
Asian Information Technology Co., Ltd.	Sales of electronic components	-	Note 1	41,727	-	41,727	-	-	-	-	-	-	Note 6
Zheng Ding Technology (Shenzhen) Co., Ltd.	Sales of electronic components	-	Note 1	38,138	-	38,138	-	606	-	606	-	-	Note 14
AECO Electronic (Ningbo) Co., Ltd.	International trade of electronic components and products	116,836	Note 1	116,836	-	-	116,836	(25,529)	100.00	(25,529)	63,937	-	
Yosun Shanghai Corp. Ltd.	Sales of electronic components and warehousing services	229,501	Note 1	229,501	-	-	229,501	3,040	100.00	3,040	338,780	-	
Yosun South China Corp. Ltd.	Sales of electronic components	128,162	Note 1	-	-	-	-	30,221	100.00	30,221	211,647	-	

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2013	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2013		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2013	Net profit (loss) of the investee for the year ended December 31, 2013	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2013	Book value of investments in Mainland China as of December 31, 2013	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2013	Remark
					Remitted to Mainland China	Remitted back to Taiwan							
Sertek (Shanghai) Limited	Sales of electronic components	74,513	Note 1	$ -	$ -	$ -	$ -	($ 1,298)	100.00	($ 1,298)	$ 81,172	-	
Qegoo Technology Co., Ltd.	Business e-commerce platform	29,805	Note 1	4,779	-	-	4,779	-	16.03	-	4,779	-	
Shenzhen HQPG Electronic Information Co., Ltd.	Sales, import and export trade of electronic related products	145,239	Note 1	-	71,167	-	71,167	(7,597)	49.00	(3,723)	68,525	-	

Note 1: Remitting investment funds to the investment in Mainland China through the third area.

Note 2: It was liquidated in March, 2011.

Note 3: It was liquidated in the fourth quarter, 2009.

Note 4: It was liquidated in December, 2008.

Note 5: It was liquidated in November, 2007.

Note 6: It was liquidated in October, 2011.

Note 7: It was liquidated in December, 2011.

Note 8: WPI International (Hong Kong) Limited acquired AIO Components Company Limited as of July 1, 2010, and AIO (Shanghai) Company Limted became the Company’s indirect subsidiary. The investment of USD469 thousand in AIO (Shanghai) Company Limited had been permitted by Investment Commission.

Note 9: WPG International (Hong Kong) Limited invested in WPG (Shenzhen) Inc. in the amount of HKD10 million, which is part of the distribution of earnings from WPG China Inc. The investment had been permitted by Investment Commission, and was excluded from the ceiling of investment amount in Mainland China.

Note 10: Long View Technology Inc. held investments in Mainland China 100% ownership of Long-Think International Trading (Shanghai) Limited through third district transfer investment of British Virgin Islands-Long Think International (HK) Limited as of August 31, 2012. The investment had been permitted by Investment Commission.

Note 11: For paid-in capital, amount remitted from Taiwan to Mainland China/ amount remitted back to Taiwan for the year December 31, 2013, accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2013, book value of investments in Mainland China as of December 31, 2013, accumulated amount of investment income remitted back to Taiwan as of December 31, 2013, etc., the exchange rates used was USD 1: NTD 29.805 and HKD 1: NTD 3.843.

Note 12: The ending balance of investment was calculated based on combined ownership percentage held by the Company.

Note 13: The Company recognized investment income under equity method for current period. The investment income was measured based on unreviewed financial statements of investee during the same period.

Note 14: It was liquidated in August, 2013.

B. The celing of investment amount in Mainland China

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2013	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
WPG Holdings Limited	$ 1,975,172	$ 3,273,441	$ 23,961,983
World Peace Industrial Co., Ltd.	258,239	589,559	7,827,572
Richpower Electronic Devices Co., Ltd.	20,417	14,903	1,260,274
Silicon Application Corp.	12,881	18,723	2,248,623
Pernas Electronics Co., Ltd.	29,805	29,805	572,642
Asian Information Technology Inc.	-	-	2,361,159
Yosun Industrial Corp.	229,501	440,044	4,897,050
Sertek Incorporated	-	74,513	872,989
AECO Technology Co., Ltd.	116,836	116,836	982,875
WPG Investment Co., Ltd.	4,779	4,779	283,253

(Note 1): Exchange rate as of December 31, 2013 was USD 1: NTD 29.805 and HKD 3.843.

(Note 2): The ceiling of investment amount of the company is calculated based on the investor’s net assets.

(Note 3): Richpower Electronic Devices Co., Ltd. had cancelled USD 185 thousand of the investment amount from Investment Commission. Since the investee had liquidated but the investment was not remitted back, the investment amount was included in the accumulated amount remitted out of Taiwan to Mainland China.

C. Significant direct or indirect transactions of the Company with the investee companies in Mainland China: Please refer to Note (1) J.

14. OPERATING SEGMENT INFORMATION

1) General information

The Group is mainly engaged in the import and export of electronic components. The products include CPU, analog IC, discrete IC, logic IC, DRAM, Flash, optical component, etc. The chief operating decision-maker evaluates performance based on the separate net income of sub-groups, which includes World Peace Industrial Co., Ltd. and its subsidiaries, Silicon Application Corp. and its subsidiaries, Asian Information Technology Inc. and its subsidiaries, Yosun Industrial Corp. and its subsidiaries and others.

2) Measurement of segment information

The Group's chief operating decision-maker uses the net income as basis for assessing the performance of the Group's operating segments.

3) Information on segment profit (loss) and assets

The segment information of the reportable segments provided to the chief operating decision-maker for the years ended December 31, 2013 and 2012 is as follows:

For the year ended December 31, 2013:

	World Peace Industrial Co., Ltd. and its subsidiaries	Silicon Application Corp. and its subsidiaries	Asian Information Technology Inc. and its subsidiaries	Yosun Industrial Corp. and its subsidiaries	Others	Eliminations	Total
Revenue from external customers	$ 160,818,973	$ 57,367,136	$ 51,007,355	$ 81,396,095	$ 55,666,472	$ -	$406,256,031
Revenue from internal customers	7,232,597	1,888,508	1,394,212	2,378,726	4,672,402	(17,566,445)	-
Total revenue	$ 168,051,570	$ 59,255,644	$ 52,401,567	$ 83,774,821	$ 60,338,874	($ 17,566,445)	$406,256,031
Segment profit	$ 4,133,277	$ 1,606,813	$ 1,241,385	$ 1,657,452	$ 425,900	$ 1,381,845	$ 10,446,672
Net income (loss)	$ 2,406,835	$ 633,005	$ 658,340	$ 698,436	$ 377,083	($ 17,393)	$ 4,756,306

For the year ended December 31, 2012:

	World Peace Industrial Co., Ltd. and its subsidiaries	Silicon Application Corp. and its subsidiaries	Asian Information Technology Inc. and its subsidiaries	Yosun Industrial Corp. and its subsidiaries	Others	Eliminations	Total
Revenue from external customers	$ 151,179,182	$ 44,410,692	$ 41,316,357	$ 78,795,790	$ 44,912,138	$ -	$360,614,159
Revenue from internal customers	881,739	1,975,489	1,064,049	178,955	3,847,484	(7,947,716)	-
Total revenue	$ 152,060,921	$ 46,386,181	$ 42,380,406	$ 78,974,745	$ 48,759,622	($ 7,947,716)	$360,614,159
Segment profit	$ 3,771,414	$ 1,474,500	$ 920,198	$ 1,980,026	$ 547,409	$ 1,175,605	$ 9,869,152
Net income (loss)	$ 2,300,323	$ 569,220	$ 518,378	$ 682,086	$ 486,486	($ 473)	$ 4,556,020

4) Reconciliation information for segment profit (loss)

The net income reported to the chief operating decision-maker is measured in a manner consistent with revenues, costs and expenses in the statement of income. As a result, reconciliation is not needed.

(5) Information on product and service

The Group is mainly engaged in the import and export of electronic components. Revenues consist as follows:

	For the years ended December 31,	
	2013	2012
Core components	$ 151,177,272	$ 119,999,058
Analog IC and mixed signal component	70,731,590	66,887,379
Discrete, logic IC	45,339,147	45,018,103
Memory	52,857,997	46,673,037
Optical components	34,207,813	35,902,498
Passive component, connector and magnetic component	17,285,357	20,948,579
Others	34,656,855	25,185,505
	$ 406,256,031	$ 360,614,159

(6) Geographical information

Information about geographic areas for the years ended December 31, 2013 and 2012 were as follows:

	For the years ended December 31,			
	2013		2012	
	Revenue	Non-current assets	Revenue	Non-current assets
Taiwan	$ 66,579,612	$ 9,182,255	$ 67,311,277	$ 9,045,075
Mainland China	301,418,083	2,340,491	255,737,295	1,709,804
Others	38,258,336	528,048	37,565,587	455,673
	$ 406,256,031	$ 12,050,794	$ 360,614,159	$ 11,210,552

(7) Major customer information

No single customer contributes more than 10% of the Group's total consolidated operating revenues for the years ended December 31, 2013 and 2012.

15. INITIAL APPLICATION OF IFRSs

These consolidated financial statements are the first consolidated financial statements prepared by the Group in accordance with the IFRSs. The Group has adjusted the amounts as appropriate that are reported in the previous R.O.C. GAAP consolidated financial statements to those amounts that should be presented under IFRSs in the preparation of the opening IFRS balance sheet. Information about exemptions elected by the Group, exceptions to the retrospective application of IFRSs in relation to initial application of IFRSs, and how it affects the Group's financial position, operating results and cash flows in transition from R.O.C. GAAP to the IFRSs is set out below:

(1) Exemptions elected by the Group

A. Business combinations

The Group has elected not to apply the requirements in IFRS 3, 'Business Combinations', retrospectively to business combinations that occurred prior to the date of transition to IFRSs ("the transition date"). This exemption also applies to the Group's previous acquisitions of investments in associates.

B. Share-based payment transactions

The Group has elected not to apply the requirements in IFRS 2, 'Share-based Payment', retrospectively to equity instruments that were vested arising from share-based payment transactions prior to the transition date.

C. Employee benefits

The Group has elected to recognise all cumulative actuarial gains and losses relating to all employee benefit plans in 'retained earnings' at the transition date, and to disclose the information of present value of defined benefit obligation, fair value of plan assets, gain or loss on plan assets and experience adjustments under the requirements of paragraph 120A (P), IAS 19, 'Employee Benefits', based on their prospective amounts for financial periods from the transition date.

D. Designation of previously recognised financial instruments

The Group has elected to designate investments amounting to $135,966, which were originally measured at cost, as 'available-for-sale financial assets' at the transition date. The fair value of investments was $135,966 at the transition date.

(2) Except hedge accounting to which exceptions to the retrospective application of IFRSs specified in IFRS 1 are not applied as they have no relation with the Group, other exceptions to the retrospective application are set out below:

A. Accounting estimates

Accounting estimates made under IFRSs on January 1, 2012 are consistent with those made under R.O.C. GAAP on that day.

B. Derecognition of financial assets and financial liabilities

The derecognition requirements in IAS 39, 'Financial Instruments: Recognition and Measurement' shall be applied prospectively to transactions occurring on or after January 1, 2004.

C. Non-controlling interest

Requirements of IAS 27 (amended in 2008) that shall be applied prospectively are as follows:

(a) Requirements concerning total comprehensive income (loss) attributed to owners of the parent and non-controlling interest, even which results in a loss to non-controlling interest;

(b) Requirements that change in interest ownership of the parent in a subsidiary while control is retained is accounted for as an equity transaction with the parent; and

(c) Requirements concerning the parent's loss of control over a subsidiary.

(3) Requirement to reconcile from R.O.C. GAAP to IFRSs at the time of initial application

IFRS 1 requires that entity should make reconciliation for equity, comprehensive income and cash flows for the comparative periods. The Group's initial application of IFRSs has no significant effect on cash flows from operating activities, investing activities and financing activities. Reconciliation for equity and comprehensive income for the comparative periods as to transition from R.O.C. GAAP to IFRSs is shown below:

A. Reconciliation for assets, liabilities and equity on January 1, 2012:

	R.O.C GAAP	Effect of transition from R.O.C GAAP to IFRSs	IFRSs	Description
Current assets				
Cash and cash equivalents	$ 7,785,974	$ -	$ 7,785,974	
Financial assets at fair value through profit or loss - current	134,526	-	134,526	
Available-for-sale financial assets - current	19,442	-	19,442	
Financial assets carried at cost - current	12,871	-	12,871	
Notes receivable, net	1,696,082	-	1,696,082	
Accounts receivable, net	45,446,076	-	45,446,076	
Accounts receivable - related parties, net	23,457	-	23,457	
Other receivables	3,577,826	(2,861)	3,574,965	
Inventories	34,032,124	-	34,032,124	
Deferred income tax assets - current	171,216	(171,216)	-	(a)
Other current assets	5,056,105	4,593	5,060,698	
Total current assets	97,955,699	(169,484)	97,786,215	
Non-current assets				
Available-for-sale financial assets - non-current	182,545	(10,961)	171,584	(b)(d)
Financial assets carried at cost - non-current	440,575	(135,966)	304,609	(c)
Held-to-maturity financial assets – non-current	5,000	-	5,000	
Investments accounted for under equity method	423,657	193,343	617,000	(d)
Property, plant and equipment	4,022,749	109,243	4,131,992	(e)
Intangible assets	5,350,506	(14,922)	5,335,584	
Deferred income tax assets – non-current	-	327,927	327,927	(g)
Other non-current assets	640,722	(109,235)	531,487	(e)(f)
Total non-current assets	11,065,754	359,429	11,425,183	
Total assets	$ 109,021,453	$ 189,945	$109,211,398	

	R.O.C GAAP	Effect of transition from R.O.C GAAP to IFRSs	IFRSs	Description
Current liabilities				
Short-term borrowings	$ 27,235,857	$ -	$ 27,235,857	
Commercial papers payable	3,213,292	-	3,213,292	
Financial liabilities at fair value through profit or loss - current	1,346	-	1,346	
Notes payable	224,517	-	224,517	
Accounts payable	28,326,675	-	28,326,675	
Other payables	4,894,862	89,019	4,983,881	(h)
Current income tax liabilities	566,961	-	566,961	
Other current liabilities	2,216,182	469	2,216,651	
Total current liabilities	66,679,692	89,488	66,769,180	
Non-current liabilities				
Long-term borwings	3,977,619	-	3,977,619	
Deferred income tax liabilities	165,329	101,904	267,233	(j)
Other non-current liabilities	385,567	180,889	566,456	(i)
Total non-current liabilities	4,528,515	282,793	4,811,308	
Total liabilities	71,208,207	372,281	71,580,488	
Equity attributable to owners of the parent				
Capital				
Common stock	15,838,501	-	15,838,501	
Capital reserve	13,319,208	-	13,319,208	
Retained earnings				
Legal reserve	1,459,776	-	1,459,776	
Special reserve	2,728,889	-	2,728,889	
Undistributed earnings	5,251,868	(201,496)	5,050,372	(d)(g)(h)(i)
Other equity	(1,485,407)	22,685	(1,462,722)	
Non-controlling interests	700,411	(3,525)	696,886	
Total equity	37,813,246	(182,336)	37,630,910	
Total liabilities and stockholders' equity	$ 109,021,453	$ 189,945	$109,211,398	

B. Reconciliation for assets, liabilities and equity on December 31, 2012:

	R.O.C GAAP	Effect of transition from R.O.C GAAP to IFRSs	IFRSs	Description
Current assets				
Cash and cash equivalents	$ 8,872,178	$ -	$ 8,872,178	
Financial assets at fair value through profit or loss - current	48,814	-	48,814	
Available-for-sale financial assets - current	20,919	-	20,919	
Financial assets carried at cost - current	10,193	-	10,193	
Notes receivable, net	1,760,655	-	1,760,655	
Accounts receivable, net	57,685,623	-	57,685,623	
Accounts receivable - related parties, net	146,198	-	146,198	
Other receivables	1,353,549	(19,902)	1,333,647	
Inventories	33,338,625	-	33,338,625	
Deferred income tax assets - current	170,114	(170,114)	-	(a)
Other current assets	3,188,716	19,902	3,208,618	
Total current assets	106,595,584	(170,114)	106,425,470	
Non-current assets				
Available-for-sale financial assets - non-current	172,335	(19,159)	153,176	(b)(d)
Financial assets carried at cost - non-current	531,218	(135,114)	396,104	(c)
Held-to-maturity financial assets – non-current	5,000	-	5,000	
Investments accounted for under equity method	878,902	229,048	1,107,950	(d)
Property, plant and equipment	5,117,436	105,403	5,222,839	(e)
Intangible assets	5,977,360	(18,559)	5,958,801	
Deferred income tax assets – non-current	-	339,120	339,120	(g)
Other non-current assets	382,987	(105,173)	277,814	(e)(f)
Total non-current assets	13,065,238	395,566	13,460,804	
Total assets	$ 119,660,822	$ 225,452	$119,886,274	

	R.O.C GAAP	Effect of transition from R.O.C GAAP to IFRSs	IFRSs	Description
Current liabilities				
Short-term borrowings	$ 31,690,834	$ -	$ 31,690,834	
Commercial papers payable	4,001,703	-	4,001,703	
Financial liabilities at fair value through profit or loss - current	2,010	-	2,010	
Notes payable	344,101	-	344,101	
Accounts payable	32,910,955	-	32,910,955	
Other payables	3,995,205	49,892	4,045,097	(h)
Current income tax liabilities	623,807	-	623,807	
Other current liabilities	861,050	5	861,055	
Total current liabilities	74,429,665	49,897	74,479,562	
Non-current liabilities				
Long-term borrowings	6,441,227	-	6,441,227	
Deferred income tax liabilities	185,359	128,461	313,820	(j)
Other non-current liabilities	397,150	171,635	568,785	(i)
Total non-current liabilities	7,023,736	300,096	7,323,832	
Total liabilities	81,453,401	349,993	81,803,394	
Equity attributable to owners of the parent				
Capital				
Common stock	16,557,092	-	16,557,092	
Capital reserve	14,937,606	-	14,937,606	
Retained earnings				
Legal reserve	1,967,819	-	1,967,819	
Special reserve	1,485,407	-	1,485,407	
Undistributed earnings	6,148,174	(119,007)	6,029,167	(d)(g)(h)(i)
Other equity	(2,943,004)	(4,800)	(2,947,804)	
Non-controlling interests	54,327	(734)	53,593	
Total equity	38,207,421	(124,541)	38,082,880	
Total liabilities and stockholders' equity	$ 119,660,822	$ 225,452	$119,886,274	

C. Reconciliation for comprehensive income for the year ended December 31, 2012:

	R.O.C GAAP	Effect of transition from R.O.C GAAP to IFRSs	IFRSs	Description
Operating Revenue	$ 360,614,159	$ -	$360,614,159	
Operating Costs	(342,519,548)	-	(342,519,548)	
Gross profit	18,094,611	-	18,094,611	
Operating Expenses				
Selling and marketing	(8,269,698)	44,239	(8,225,459)	(h)(i)
General and administrative	(3,632,063)	-	(3,632,063)	
Operating income	6,192,850	44,239	6,237,089	
Non-operating income and expenses				
Financial costs	(894,542)	-	(894,542)	
Others	242,276	55,823	298,099	(d)
Income before income tax	5,540,584	100,062	5,640,646	
Income tax expense	(1,082,362)	(9,753)	(1,092,115)	(g)
Consolidated net income	4,458,222	90,309	4,548,531	
Other comprehensive loss				
Financial statements translation difference of foreign operations	(1,466,577)	27,894	(1,438,683)	
Unrealised gain (loss) on valuation of available-for-sale financial assets	9,705	(23,939)	(14,234)	
Actuarial gain (loss) on defined benefit plan	-	(8,903)	(8,903)	
Share of other comprehensive income of associates and joint ventures accounted for under equity method	-	(13,812)	(13,812)	
Income tax relating to the components of other comprehensive income	-	9,305	9,305	
Other comprehensive loss for the year, net of tax	(1,456,872)	(9,455)	(1,466,327)	
Total comprehensive income	$ 3,001,350	$ 80,854	$ 3,082,204	
Consolidated net income attributable to:				
Owners of the parent	$ 4,465,711	$ 90,309	$ 4,556,020	
Non-controlling interests	(7,489)	-	(7,489)	
	$ 4,458,222	$ 90,309	$ 4,548,531	
Comprehensive income attributable to:				
Owners of the parent	$ 2,982,264	$ 80,854	$ 3,063,118	
Non-controlling interests	19,086	-	19,086	
	$ 3,001,350	$ 80,854	$ 3,082,204	

Reasons for reconciliation are outlined below:

(a) In accordance with current accounting standards in R.O.C., a deferred tax asset or liability should, according to the classification of its related asset or liability, be classified as current or noncurrent. However, a deferred tax asset or liability that is not related to an asset or liability for financial reporting, should be classified as current or noncurrent according to the expected time period to realize or settle a deferred tax asset or liability. However, under IAS 1, "Presentation of Financial Statements", an entity should not classify a deferred tax asset or liability as current.

(b) 1) In accordance with the "Rules Governing the Preparation of Financial Statements by Securities Issuers" before amendment on July 7, 2011, unlisted stocks and emerging stocks held by the Group were measured at cost and recognized as 'Financial assets measured at cost'. However, in accordance with IAS 39, "Financial Instruments: Recognition and Measurement", investments in equity instruments without an active market but with reliable fair value measurement (i.e. the variability in the range of reasonable fair value estimates is insignificant for that instrument, or the probabilities of the estimates within the range can be reasonably assessed and used in estimating fair value) should be measured at fair value. According to "Rules Governing the Preparation of Financial Statements by Securities Issuers" revised as of December 22, 2011, the subsidiaries designated certain investments classified as 'Financial assets carried at cost - non-current' as 'Available-for-sale financial assets - non-current' at the date of transition to IFRSs.

2) The subsidiary did not use equity method on its investee which the subsidiary holds less than 20% ownership as the subsidiary does not have significant influence under the current accounting standards. However, in accordance with IAS 28, "Investments in Associates", after considering the criteria for significant influence, the accounting treatment for a certain investment was changed from "Financial assets carried at cost" to "Long-term investments accounted for under equity method". Accordingly, there is an increase in undistributed earnings at the date of transition to IFRSs and an increase in undistributed earnings and other non-operating income as of and for the year ended December 31, 2012.

(c) As described in (b) 1), the subsidiary designated certain investments to 'available-for-sale financial assets - non-current' which were originally recognized as 'financial assets measured at cost'.

(d) 1) Please refer to (b) 2) for the reclassification from 'available-for-sale financial assets - non-current' to 'Investment accounted for under equity method'.

2) When the subsidiary loses control over the indirect subsidiary and their relationship no longer exists. The subsidairy derecognizes assets and liabilities in the former

indirect subsidiary and recognizes and measures the new investment relationship at the date when control is lost. In accordance with current accounting standards in R.O.C., where the subsidiary does not hold the majority of board seats and loses control over the indirect subsidiary, any investment is measured at the book value and reclassified to investment under equity method at the date when control is lost. However, in accordance with IAS 27, any investment retained in the former subsidiary should be remeasured at its fair value and any difference between fair value and carrying amount is recognized in profit or loss.

(e) In accordance with current accounting standards in R.O.C, there is no relevant rule in the classification of leased assets. In practice, the Company's property that is leased to others is presented in 'Other assets' account. In accordance with IAS 40, leased property that does not meet the definition of investment property is classified and accounted for as 'Property, plant and equipment'.

(f) Please refer to (i) for the explanation for the decrease in deferred pension cost and accrued pension liabilities.

(g) 1) Please refer to (a) for the reclassification from 'Deferred income tax assets - current' to 'Deferred income tax assets - non-current'.

2) The Group calculated the tax effects of the differences between IFRSs and the current accounting policies.

3) Deferred income tax assets and liabilities cannot be offset as they do not meet the criteria of offsetting assets and liabilities under IAS 12, "Income Taxes". Thus, the Group reclassified deferred income tax assets and liabilities at the transition date.

(h) 1) The current accounting standards in R.O.C. do not specify the rules on the cost recognition for accumulated unused compensated absences. The Group recognizes such costs as expenses upon actual payment. However, IAS 19, "Employee Benefits", requires that the costs of accumulated unused compensated absences should be accrued as expenses at the end of the reporting period.

2) In accordance with current accounting standards in R.O.C., for the Group's long-term lease contracts with variable rents which are adjusted year by year, the lease payment is recognized as an expense for each period based on each rent agreement. However, in accordance with IAS 17, "Leases", all lease payments stipulated in the lease contracts should be recognized as an expense over the lease term on a straight-line basis.

(i) 1) The discount rate used to calculate pensions shall be determined with reference to the factors specified in R.O.C. SFAS 18, paragraph 23. However, IAS 19, "Employee Benefits", requires an entity to determine the rate used to discount employee benefits with reference to market yields at the end of the reporting period on high quality corporate bonds of a currency and term consistent with the currency and term of the benefit obligation; when there is no deep market in corporate bonds, an entity is required to use market yields on government bonds (at the end of the reporting period) instead.

2) In accordance with current accounting standards in R.O.C., the excess of the accumulated benefit obligation over the fair value of the pension plan (fund) assets at the balance sheet date is the minimum amount of pension liability that is required to be recognized on the balance sheet ('minimum pension liability'). However, IAS 19, "Employee Benefits", has no regulation regarding the minimum pension liability.

3) In accordance with the Group's accounting policies, unrecognized transitional net benefit obligation should be amortized on a straight-line basis over the average remaining service period of employees still in service and expected to receive benefits. However, the transitional provisions in IAS 19 are not applied to the Group as the first-time adopter of IFRSs, so the Group has no unrecognized transitional liabilities.

4) In accordance with the exemptions applied under IFRS 1, the Group recognized all accumulated actuarial gain or loss in retained earnings at the date of transition to IFRSs.

5) In accordance with current accounting standards in R.O.C., actuarial pension gain or loss of the Group is recognized in net pension cost of current period using the 'corridor' method. However, IAS 19, "Employee Benefits", requires that actuarial pension gain or loss should be recognized immediately in other comprehensive income and directly in retained earnings.

(j) Please refer to (a) and (g) for the reclassification from netting 'Deferred income tax assets - current and non-current'.

F. Major adjustments for the consolidated statement of cash flows for the year ended December 31, 2012:

(a) The transition of R.O.C. GAAP to IFRSs has no effect on the Group's cash flows reported.

(b) The reconciliation between R.O.C. GAAP and IFRSs has no net effect on the Group's cash flows reported.