WPG HOLDINGS LIMITED AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

REVIEW REPORT OF INDEPENDENT ACCOUNTANTS

SEPTEMBER 30, 2018 AND 2017

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.

REVIEW REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of WPG Holdings Limited

Introduction

We have reviewed the accompanying consolidated balance sheets of WPG Holdings Limited and subsidiaries (the "Group") as at September 30, 2018 and 2017, and the related consolidated statements of comprehensive income for the three months and nine months then ended, as well as the related consolidated statements of changes in equity and of cash flows for the nine months then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and International Accounting Standard 34, "Interim Financial Reporting" as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As explained in Notes 4(3)B and 6(9), the financial statements of certain insignificant consolidated subsidiaries and investments accounted for using equity method were not reviewed by independent accountants. Those statements reflect total assets (including investments accounted for using equity method) of NT$20,370,959 thousand and NT$20,697,068 thousand, constituting 10% and 11% of the consolidated total assets, and total liabilities of NT$6,216,134 thousand and NT$6,348,691 thousand, constituting 4% and 5% of the consolidated total liabilities as at September 30, 2018 and 2017, respectively, and total comprehensive income (including share of profit (loss) of associates and joint

ventures accounted for using equity method and share of other comprehensive income of associates and joint ventures accounted for using equity method) of NT$149,320 thousand, NT$218,668 thousand, NT$433,164 thousand and NT$492,535 thousand, constituting 9%, 13%, 6% and 30% of the consolidated total comprehensive income for the three months and nine months then ended, respectively.

Qualified Conclusion

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and investments accounted for using equity method been reviewed by independent accountants, that we might have become aware of had it not been for the situation described above, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at September 30, 2018 and 2017, and of its consolidated financial performance for the three months and nine months then ended and its consolidated cash flows for the nine months then ended in accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and International Accounting Standard 34, "Interim Financial Reporting" as endorsed by the Financial Supervisory Commission.

Lin, Chun-Yao　　Chou, Chien-hung

For and on behalf of PricewaterhouseCoopers, Taiwan

November 13, 2018

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 review 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 review 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 consolidated 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
SEPTEMBER 30, 2018, DECEMBER 31, 2017 AND SEPTEMBER 30, 2017
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(THE CONSOLIDATED BALANCE SHEETS AS OF SEPTEMBER 30, 2018 AND 2017 ARE REVIEWED, NOT AUDITED)

Assets	Notes	September 30, 2018 Amount	%	December 31, 2017 Amount	%	September 30, 2017 Amount	%
Current assets							
Cash and cash equivalents	6(1)	$ 8,390,620	4	$ 7,097,914	4	$ 7,021,880	4
Financial assets at fair value through profit or loss - current	6(2) and 12(4)	28,388	-	2,539	-	16,919	-
Available-for-sale financial assets - current	12(4)	-	-	25,508	-	23,867	-
Current financial assets at amortised cost	6(4) and 8	198,334	-	-	-	-	-
Notes receivable, net	6(5)	2,935,594	2	4,088,566	2	4,002,473	2
Accounts receivable, net	6(5)	105,978,970	50	87,020,143	49	91,111,416	48
Accounts receivable - related parties, net	7(3)	80,996	-	274,728	-	242,169	-
Other receivables	6(7)	8,667,701	4	5,711,413	3	9,471,450	5
Other receivables - related parties	7(3)	5,002	-	2,046	-	7,714	-
Current income tax assets		26,706	-	35,079	-	45,044	-
Inventory	6(8)	67,688,595	32	57,473,653	32	61,077,593	32
Prepayments		1,858,259	1	1,492,698	1	2,100,657	1
Other current assets	8	754,230	-	630,261	1	1,103,423	-
		196,613,395	93	163,854,548	92	176,224,605	92
Non-current assets							
Financial assets at fair value through profit or loss - non-current	6(2)	1,351,752	1	-	-	-	-
Non-current financial assets at fair value through other comprehensive income	6(3)	32,035	-	-	-	-	-
Available-for-sale financial assets - non-current	8 and 12(4)	-	-	495,766	-	469,128	-
Non-current financial assets at amortised cost	6(4) and 8	1,000	-	-	-	-	-
Financial assets carried at cost - non-current	12(4)	-	-	585,837	-	528,342	-
Investments accounted for under equity method	6(9)	524,845	-	1,253,615	1	1,126,654	1
Property, plant and equipment	6(10) and 8	5,400,070	3	5,042,824	3	4,959,946	3
Investment property - net	6(11) and 8	1,107,964	-	1,184,367	1	1,188,090	1
Intangible assets	6(12)	5,563,288	3	5,571,769	3	5,570,346	3
Deferred income tax assets		383,087	-	351,043	-	315,329	-
Other non-current assets	6(14) and 8	409,464	-	327,857	-	370,314	-
		14,773,505	7	14,813,078	8	14,528,149	8
TOTAL ASSETS		$ 211,386,900	100	$ 178,667,626	100	$ 190,752,754	100

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2018, DECEMBER 31, 2017 AND SEPTEMBER 30, 2017
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(THE CONSOLIDATED BALANCE SHEETS AS OF SEPTEMBER 30, 2018 AND 2017 ARE REVIEWED, NOT AUDITED)

Liabilities and Equity	Notes	September 30, 2018 Amount	%	December 31, 2017 Amount	%	September 30, 2017 Amount	%
Current liabilities							
Short-term borrowings	6(15)	$ 63,128,811	30	$ 53,773,607	30	$ 56,962,083	30
Short-term notes and bills payable	6(16)	4,855,308	2	3,887,605	2	3,847,185	2
Financial liabilities at fair value through profit or loss - current	6(2) and 12(4)	-	-	24,765	-	1,155	-
Notes payable		250,356	-	214,347	-	645,038	-
Accounts payable		63,241,579	30	48,909,622	27	57,208,074	30
Accounts payable - related parties	7(3)	174	-	1,312	-	821	-
Other payables		6,731,020	3	5,040,757	3	5,557,240	3
Current income tax liabilities		1,088,156	1	751,276	1	555,268	-
Other current liabilities	6(18)(19)	10,900,919	5	5,559,204	3	1,158,194	1
		150,196,323	71	118,162,495	66	125,935,058	66
Non-current liabilities							
Long-term borrowings	6(18)	6,896,899	3	7,238,010	4	12,319,389	7
Deferred income tax liabilities		505,499	-	414,200	-	419,693	-
Other non-current liabilities		746,917	1	797,483	1	727,069	-
		8,149,315	4	8,449,693	5	13,466,151	7
Total Liabilities		158,345,638	75	126,612,188	71	139,401,209	73
Equity Attributable to Owners of Parent							
Capital	1 and 6(21)						
Common stock		16,790,568	8	18,250,618	10	18,250,618	10
Capital reserve	6(22)						
Capital reserve		19,457,472	9	19,569,525	11	19,457,472	10
Retained earnings	6(23)						
Legal reserve		5,274,872	2	4,544,073	3	4,544,073	3
Special reserve		4,124,936	2	-	-	-	-
Unappropriated earnings		9,863,589	5	13,279,694	7	11,687,621	6
Other equity interest							
Other equity interest	6(24)	(3,015,886)	(1)	(4,124,937)	(2)	(3,130,386)	(2)
Total equity attributable to owners of parent		52,495,551	25	51,518,973	29	50,809,398	27
Non-controlling interest		545,711	-	536,465	-	542,147	-
Total equity		53,041,262	25	52,055,438	29	51,351,545	27
Significant contingent liabilities and unrecognised contract commitments	9						
TOTAL LIABILITIES AND EQUITY		$ 211,386,900	100	$ 178,667,626	100	$ 190,752,754	100

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

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
NINE MONTHS ENDED SEPTEMBER 30, 2018 AND 2017
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE DATA)
(REVIEWED, NOT AUDITED)

Items	Notes	Three months ended September 30,				Nine months ended September 30,			
		2018		2017		2018		2017	
		Amount	%	Amount	%	Amount	%	Amount	%
Sales revenue	6(25), 7(3) and 12(5)	$ 150,362,425	100	$ 146,667,491	100	$ 413,306,808	100	$ 394,049,453	100
Operating costs	6(8) and 7(3)	(143,870,517)	(96)	(140,514,963)	(96)	(395,428,616)	(96)	(377,299,763)	(96)
Gross profit		6,491,908	4	6,152,528	4	17,878,192	4	16,749,690	4
Operating expenses	6(29)(30) and 7(3)								
Selling and marketing		(2,430,457)	(1)	(2,527,920)	(2)	(6,972,997)	(2)	(6,784,029)	(2)
General and administrative expenses		(1,040,205)	(1)	(894,712)	-	(2,768,478)	-	(2,632,778)	-
Expected credit impairment loss		(93,763)	-	-	-	(103,722)	-	-	-
Total operating expenses		(3,564,425)	(2)	(3,422,632)	(2)	(9,845,197)	(2)	(9,416,807)	(2)
Operating income		2,927,483	2	2,729,896	2	8,032,995	2	7,332,883	2
Non-operating income and expenses									
Other income	6(26)	71,528	-	96,951	-	227,780	-	551,950	-
Other gains and losses	6(27)	(79,984)	-	76,643	-	740,730	-	293,404	-
Finance costs	6(28)	(677,473)	(1)	(471,577)	(1)	(1,771,223)	-	(1,301,033)	-
Share of profit (loss) of associates and joint ventures accounted for under equity method		15,601	-	29,778	-	29,891	-	56,355	-
Total non-operating income and expenses		(670,328)	(1)	(268,205)	(1)	(772,822)	-	(399,324)	-
Income before income tax		2,257,155	1	2,461,691	1	7,260,173	2	6,933,559	2
Income tax expense	6(31)	(474,777)	-	(424,613)	-	(1,359,719)	(1)	(1,222,131)	(1)
Consolidated net income		$ 1,782,378	1	$ 2,037,078	1	$ 5,900,454	1	$ 5,711,428	1

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WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
NINE MONTHS ENDED SEPTEMBER 30, 2018 AND 2017
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE DATA)
(REVIEWED, NOT AUDITED)

Items	Notes	Three months ended September 30				Nine months ended September 30			
		2018		2017		2018		2017	
		Amount	%	Amount	%	Amount	%	Amount	%
Other comprehensive income, net									
Components of other comprehensive income that will not be reclassified to profit or loss									
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(31)	$ -	-	$ -	-	$ 6,203	-	$ -	-
Components of other comprehensive loss that will not be reclassified to profit or loss		-	-	-	-	6,203	-	-	-
Components of other comprehensive income (loss) that will be reclassified to profit or loss									
Exchange differences on translation of foreign financial statements		(116,589)	-	(351,074)	-	1,215,006	1	(4,088,735)	(1)
Unrealised gain on available-for-sale financial assets		-	-	(5,420)	-	-	-	59,228	-
Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method		9,461	-	5,341	-	23,409	-	(33,443)	-
Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(31)	2,892	-	(4,151)	-	3,523	-	(1,216)	-
Components of other comprehensive income (loss) that will be reclassified to profit or loss		(104,236)	-	(355,304)	-	1,241,938	1	(4,064,166)	(1)
Total other comprehensive income (loss)		($ 104,236)	-	($ 355,304)	-	$ 1,248,141	1	($ 4,064,166)	(1)
Total comprehensive income		$ 1,678,142	1	$ 1,681,774	1	$ 7,148,595	2	$ 1,647,262	-
Consolidated net income attributable to:									
Owners of the parent		$ 1,768,723	1	$ 2,025,996	1	$ 5,863,312	1	$ 5,663,132	1
Non-controlling interest		13,655	-	11,082	-	37,142	-	48,296	-
		$ 1,782,378	1	$ 2,037,078	1	$ 5,900,454	1	$ 5,711,428	1
Comprehensive income attributable to:									
Owners of the parent		$ 1,668,659	1	$ 1,686,996	1	$ 7,113,908	2	$ 1,624,683	-
Non-controlling interest		9,483	-	(5,222)	-	34,687	-	22,579	-
		$ 1,678,142	1	$ 1,681,774	1	$ 7,148,595	2	$ 1,647,262	-
Earnings per share	6(32)								
Basic earnings per share		$	1.02	$	1.11	$	3.27	$	3.20
Diluted earnings per share		$	1.02	$	1.11	$	3.26	$	3.11

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

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
NINE MONTHS ENDED SEPTEMBER 30, 2018 AND 2017
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(REVIEWED, NOT AUDITED)

		Equity attributable to owners of the parent											
		Capital			Retained Earnings			Other Equity Interest					
	Notes	Common stock	Certificates of bond conversion	Capital reserve	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences of foreign financial statements	Unrealised gains (loss) on financial assets at fair value through other comprehensive income	Unrealised gain or loss on available-for-sale financial assets	Total	Non-controlling interest	Total equity
2017													
Balance at January 1, 2017		$ 17,238,954	$ 2,938	$ 16,901,053	$ 4,012,785	$ -	$ 10,734,088	$ 918,151	$ -	($ 10,088)	$ 49,797,881	$ 519,568	$ 50,317,449
Total consolidated profit		-	-	-	-	-	5,663,132	-	-	-	5,663,132	48,296	5,711,428
Net other comprehensive income (loss)		-	-	-	-	-	-	(4,097,705)	-	59,256	(4,038,449)	(25,717)	(4,064,166)
Total comprehensive income (loss)		-	-	-	-	-	5,663,132	(4,097,705)	-	59,256	1,624,683	22,579	1,647,262
Appropriation and distribution of 2016 retained earnings	6(23)												
Legal reserve		-	-	-	531,288	-	(531,288)	-	-	-	-	-	-
Cash dividends		-	-	-	-	-	(4,178,311)	-	-	-	(4,178,311)	-	(4,178,311)
Exercise of convertible bonds	6(22)	1,011,664	(2,938)	2,556,419	-	-	-	-	-	-	3,565,145	-	3,565,145
Balance at September 30, 2017		$ 18,250,618	$ -	$ 19,457,472	$ 4,544,073	$ -	$ 11,687,621	($ 3,179,554)	$ -	$ 49,168	$ 50,809,398	$ 542,147	$ 51,351,545
2018													
Balance at January 1, 2018		$ 18,250,618	$ -	$ 19,569,525	$ 4,544,073	$ -	$ 13,279,694	($ 4,254,279)	$ -	$ 129,342	$ 51,518,973	$ 536,465	$ 52,055,438
Effects of retrospective application of new standards	12(4)	-	-	-	-	-	(49,737)	-	(6,000)	(129,342)	(185,079)	(298)	(185,377)
Balance after restatement on January 1, 2018		18,250,618	-	19,569,525	4,544,073	-	13,229,957	(4,254,279)	(6,000)	-	51,333,894	536,167	51,870,061
Total consolidated profit		-	-	-	-	-	5,863,312	-	-	-	5,863,312	37,142	5,900,454
Net other comprehensive income (loss)		-	-	-	-	-	6,203	1,244,393	-	-	1,250,596	(2,455)	1,248,141
Total comprehensive income		-	-	-	-	-	5,869,515	1,244,393	-	-	7,113,908	34,687	7,148,595
Appropriation and distribution of 2017 retained earnings	6(23)												
Legal reserve		-	-	-	730,799	-	(730,799)	-	-	-	-	-	-
Special reserve		-	-	-	-	4,124,936	(4,124,936)	-	-	-	-	-	-
Cash dividends		-	-	-	-	-	(4,380,148)	-	-	-	(4,380,148)	-	(4,380,148)
Capital reduction payments to shareholders	6(21)	(1,460,050)	-	-	-	-	-	-	-	-	(1,460,050)	-	(1,460,050)
Disposal of investments accounted for using equity method	6(22)	-	-	(112,053)	-	-	-	-	-	-	(112,053)	-	(112,053)
Change in non-controlling interest		-	-	-	-	-	-	-	-	-	-	(25,143)	(25,143)
Balance at September 30, 2018		$ 16,790,568	$ -	$ 19,457,472	$ 5,274,872	$ 4,124,936	$ 9,863,589	($ 3,009,886)	($ 6,000)	$ -	$ 52,495,551	$ 545,711	$ 53,041,262

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

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2018 AND 2017
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(REVIEWED, NOT AUDITED)

	Notes	2018	2017
Cash flows from operating activities			
Income before income tax		$ 7,260,173	$ 6,933,559
Adjustments			
Income and expenses			
Depreciation	6(29)	151,311	158,237
Amortisation	6(12)(29)	14,502	19,939
Expected credit impairment loss		103,722	-
Provision for bad debts	6(26)	-	(351,718)
Interest expense	6(28)	1,620,828	1,141,050
Net (gain) loss on financial assets or liabilities at fair value through profit or loss	6(27)	(592,592)	5,532
Interest income	6(26)	(29,219)	(22,535)
Dividend income	6(26)	(14,988)	(30,462)
Share of profit of associates and joint ventures accounted for under equity method		(29,891)	(56,355)
Loss on disposal of property, plant and equipment	6(27)	3,039	773
Gain on disposal of investments	6(27)	(58,516)	(17,969)
Impairment loss	6(27)	-	9,111
Amortisation of bond discount	6(17)(28)	-	20,723
Changes in assets/liabilities relating to operating activities			
Changes in assets relating to operating activities			
Financial assets (liabilities) at fair value through profit or loss - current		(4,347)	11,476
Notes receivable		1,244,555	3,570,890
Accounts receivable		(16,654,018)	(5,785,827)
Accounts receivable - related parties, net		193,732	(12,251)
Other receivables		(2,957,684)	1,726,806
Other receivables - related parties		(2,956)	15,705
Inventories		(10,215,852)	(11,150,428)
Prepayments		(365,561)	(839,941)
Other current assets		133,594	(13,487)
Changes in liabilities relating to operating activities			
Notes payable		36,009	229,958
Accounts payable		14,331,957	9,378,123
Accounts payable - related parties		(1,138)	(11,858)
Other payables		191,272	1,009,368
Other current liabilities		887,823	(19,347)
Other non-current liabilities		(69,986)	(33,234)
Cash (outflow) inflow generated from operations		(4,824,231)	5,885,838
Interest paid		(1,585,190)	(1,135,677)
Income tax paid		(980,923)	(1,043,373)
Interest received		30,615	24,131
Income taxes refund		2,291	-
Dividends received		62,140	80,834
Net cash (used in) provided by operating activities		(7,295,298)	3,811,753

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WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2018 AND 2017
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(REVIEWED, NOT AUDITED)

	Notes	2018	2017
Cash flows from investing activities			
Acquisition of financial assets carried at cost - non-current		$ -	($ 38,035)
Proceeds from disposal of financial assets at cost-non-current		-	9,777
Acquisition of available-for-sale financial assets-non-current		-	(85,348)
Share returned from reduction in available-for-sale financial assets		-	5,665
Acquisition of investments accounted for using equity method		-	(49,000)
Proceeds from disposal of investments accounted for using equity method		183,453	-
Acquisition of property, plant and equipment and intangible assets	6(33)	(477,855)	(853,800)
Proceeds from disposal of property, plant and equipment and intangible assets		330	3,007
Increase in refundable deposits		(197,101)	(16,001)
Decrease in refundable deposits		231,327	13,770
(Increase) decrease in other financial assets - current		(307,586)	260,703
Increase in other financial assets - non-current		(12,586)	(40,783)
Decrease in other financial assets - non-current		11,375	31,577
(Increase) decrease in other non-current assets		(75,320)	13,492
Acquisition of financial assets at fair value through profit or loss - non-current		(83,175)	-
Proceeds from disposal of financial assets at fair value through profit or loss - non-current		791,259	-
Increase in financial assets at amortised cost-current		(156,707)	-
Decease in current financial assets at amortised cost		11,375	-
Increase in prepayments for investments		(73,000)	(54,065)
Investees' capital reduction by returning cash		-	27,211
Net cash used in investing activities		(154,211)	(771,830)
Cash flows from financing activities			
Increase in short-term borrowings		527,525,937	519,370,999
Decrease in short-term borrowings		(518,170,734)	(515,262,990)
Increase in long-term borrowings (including current portion of long-term liabilities)		3,376,130	7,599,618
Decrease in long-term borrowings (including current portion of long-term liabilities)		(1,964,859)	(7,503,673)
Increase in short-term notes and bills payable		23,697,446	29,460,386
Decrease in short-term notes and bills payable		(22,729,743)	(29,816,120)
Increase in guarantee deposit received		71,994	148,745
Decrease in guarantee deposit received		(30,447)	(164,551)
Distribution of cash bonus to shareholders	6(23)	(4,380,148)	(4,178,311)
Repayment of convertible bonds		-	(4,900)
Decrease in non-controlling interest		(25,143)	(25,717)
Net cash provided by (used in) financing activities		7,370,433	(376,514)
Effect of exchange rate changes on cash and cash equivalents		1,371,782	(4,098,441)
Net increase (decrease) in cash and cash equivalents		1,292,706	(1,435,032)
Cash and cash equivalents at beginning of period		7,097,914	8,456,912
Cash and cash equivalents at end of period		$ 8,390,620	$ 7,021,880

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

WPG HOLDINGS LIMITED AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
NINE MONTHS ENDED SEPTEMBER 30, 2018 AND 2017
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,
EXCEPT AS OTHERWISE INDICATED)
(REVIEWED, NOT AUDITED)

1. HISTORY AND ORGANISATION

(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. After the Company's organisation restructuring on January 1, 2014, World Peace Industrial Co., Ltd., Silicon Application Corp. and Yosun Industrial Corp. acquired 100% shares in AECO Technology Co., Ltd., Pernas Electronics Co., Ltd. and Richpower Electronic Devices Co., Ltd. through share exchange, and consequently, AECO Technology Co., Ltd., Pernas Electronics Co., Ltd. and Richpower Electronic Devices Co., Ltd. became indirectly owned subsidiaries. The Company originally evaluated Genuine C&C, Inc. using equity method. The Company acquired partial stocks of Genuine C&C, Inc. on April 8, 2015 and completed the purchase on April 15, 2015. After the purchase, the Company held 60.5% shares of Genuine C&C, Inc. which became the Company's directly owned subsidiary. On September 1, 2017, the stock swap between Trigold Holdings Limited (Trigold) and the shareholders who previously owned Genuine C&C, Inc. was conducted at a stock swap ratio of 1:1. On the same day, Trigold was established and began OTC trading whereas Genuine C&C, Inc. was unlisted at OTC. The Company and subsidiaries owned a total of 60.51% equity of Trigold after the stock swap. The Company and the subsidiaries included in these consolidated financial statements are collectively referred as the "Group".

(2) The Company was organised 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 authorised common stock

is 2 billion shares (including 50 million shares of warrant, warrant preferred stock and warrant bond conversion). As of September 30, 2018, the Company has issued capital of $16,790,568 with a par value of $10 (in dollars) per share.

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

These consolidated financial statements were reported to the Board of Directors on November 13, 2018.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

New standards, interpretations and amendments endorsed by the FSC effective from 2018 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 2, 'Classification and measurement of share-based payment transactions'	January 1, 2018
Amendments to IFRS 4, 'Applying IFRS 9 Financial instruments with IFRS 4 Insurance contracts'	January 1, 2018
IFRS 9, 'Financial instruments'	January 1, 2018
IFRS 15, 'Revenue from contracts with customers'	January 1, 2018
Amendments to IFRS 15, 'Clarifications to IFRS 15 Revenue from contracts with customers'	January 1, 2018
Amendments to IAS 7, 'Disclosure initiative'	January 1, 2017
Amendments to IAS 12, 'Recognition of deferred tax assets for unrealised losses'	January 1, 2017
Amendments to IAS 40, 'Transfers of investment property'	January 1, 2018
IFRIC 22, 'Foreign currency transactions and advance consideration'	January 1, 2018
Annual improvements to IFRSs 2014-2016 cycle-Amendments to IFRS 1, 'First-time adoption of International Financial Reporting Standards'	January 1, 2018
Annual improvements to IFRSs 2014-2016 cycle-Amendments to IFRS 12, 'Disclosure of interests in other entities'	January 1, 2017
Annual improvements to IFRSs 2014-2016 cycle-Amendments to IAS 28, 'Investments in associates and joint ventures'	January 1, 2018

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

A. IFRS 9, 'Financial instruments'

(a) Classification of debt instruments is driven by the entity's business model and the contractual cash flow characteristics of the financial assets, which would be classified as financial asset at fair value through profit or loss, financial asset measured at fair

value through other comprehensive income or financial asset measured at amortised cost. Equity instruments would be classified as financial asset at fair value through profit or loss, unless an entity makes an irrevocable election at inception to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument that is not held for trading.

(b) The impairment losses of debt instruments are assessed using an 'expected credit loss' approach. An entity assesses at each balance sheet date whether there has been a significant increase in credit risk on that instrument since initial recognition to recognise 12-month expected credit losses ('ECL') or lifetime ECL (interest revenue would be calculated on the gross carrying amount of the asset before impairment losses occurred); or if the instrument that has objective evidence of impairment, interest revenue after the impairment would be calculated on the book value of net carrying amount (i.e. net of credit allowance). The Company shall always measure the loss allowance at an amount equal to lifetime expected credit losses for trade receivables that do not contain a significant financing component.

(c) The Group has elected not to restate prior period financial statements using the modified retrospective approach under IFRS 9. For details of the significant effect as at January 1, 2018, please refer to Note 12(4) B.

B. IFRS 15, 'Revenue from contracts with customers' and amendments

(a) IFRS 15, 'Revenue from contracts with customers' replaces IAS 11, 'Construction Contracts', IAS 18, 'Revenue' and relevant interpretations. According to IFRS 15, revenue is recognised when a customer obtains control of promised goods or services. A customer obtains control of goods or services when a customer has the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset.

The core principle of IFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

Step 1: Identify contracts with customer

Step 2: Identify separate performance obligations in the contract(s)

Step 3: Determine the transaction price

Step 4: Allocate the transaction price

Step 5: Recognise revenue when the performance obligation is satisfied

Further, IFRS 15 includes a set of comprehensive disclosure requirements that requires an entity to disclose sufficient information to enable users of financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

(b) The Group initially adopted IFRS 15 using the modified retrospective approach. The significant effects of applying the standard as of January 1, 2018 are summarised below.

In line with IFRS 15 requirements, the Group changed the presentation of certain accounts in the balance sheet as follows:

Under IFRS 15, liabilities in relation to expected volume discounts and refunds to customers are recognised as contract liabilities, but were previously presented as accounts receivable - allowance for sales returns and discounts in the balance sheet. As of January 1, 2018, the balance amounted to $2,701,510.

C. Amendments to IAS 7, 'Disclosure initiative'

This amendment requires that an entity shall provide more disclosures related to changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

The Group expects to provide additional disclosure to explain the changes in liabilities arising from financing activities.

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

New standards, interpretations and amendments endorsed by the FSC effective from 2019 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 9, 'Prepayment features with negative compensation'	January 1, 2019
IFRS 16, 'Leases'	January 1, 2019
Amendments to IAS 19, 'Plan amendment, curtailment or settlement'	January 1, 2019
Amendments to IAS 28, 'Long-term interests in associates and joint ventures'	January 1, 2019
IFRIC 23, 'Uncertainty over income tax treatments'	January 1, 2019
Annual improvements to IFRSs 2015-2017 cycle	January 1, 2019

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment. The quantitative impact will be disclosed when the assessment is complete.

A. IFRS 16, 'Leases'

IFRS 16, 'Leases', replaces IAS 17, 'Leases' and related interpretations and SICs. The standard requires lessees to recognise a 'right-of-use asset' and a lease liability (except for those leases with terms of 12 months or less and leases of low-value assets). The accounting stays the same for lessors, which is to classify their leases as either finance

leases or operating leases and account for those two types of leases differently. IFRS 16 only requires enhanced disclosures to be provided by lessors.

In the first quarter of 2018, the Group reported to the Board of Directors that IFRS 16 has material impact to the Group.

The Group will adopt the simple modified retrospective transitional provisions of IFRS 16 'Leases', and classify the effects on the lease contract of lessee to January 1, 2019 in accordance with IFRS 16.

B. Amendments to IAS 19, 'Plan amendment, curtailment or settlement'

When a change to a plan takes place, the amendments require a company to use the updated assumptions from this remeasurement to determine current service cost and net interest for the remainder of the reporting period after the change to the plan.

C. Amendments to IAS 28, 'Long-term interests in associates and joint ventures'

The amendment clarifies that, for any long-term interest that, in substance, form part of the entity's net investment in an associate or joint venture, an entity should apply IFRS 9 to such interests before it applies IAS 28 to recognise losses.

D. IFRIC 23, 'Uncertainty over income tax treatments'

This Interpretation clarifies when there is uncertainty over income tax treatments, an entity shall recognise and measure its current or deferred tax asset or liability applying the requirements in IAS 12 , 'Income taxes' based on taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined applying this Interpretation.

E. Annual improvements to IFRSs 2015-2017 cycle

(a) Amendments to IAS 12, 'Income taxes'

The amendment clarified that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised. These requirements apply to all income tax consequences of dividends.

(b) Amendments to IAS 23, 'Borrowing costs'

The amendments clarified that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendment to IAS 1 and IAS 8, 'Disclosure Initiative-Definition of Material'	January 1, 2020
Amendments to IFRS 3, 'Definition of a business'	January 1, 2020

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2021

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2017, except for the compliance statement, basis of preparation, basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

A. The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Accounting Standards 34, 'Interim financial reporting' endorsed by the FSC.

B. These consolidated financial statements are to be read in conjunction with the consolidated financial statements for the year ended December 31, 2017.

(2) Basis of preparation

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

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

(b) Financial assets at fair value through other comprehensive income/Available-for-sale financial assets measured at fair value.

(c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its 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.

C. In adopting IFRS 9 and IFRS 15 effective January 1, 2018, the Group has elected to apply

modified retrospective approach whereby the cumulative impact of the adoption was recognised as retained earnings, other equity and non-controlling interest as of January 1, 2018 and the financial statements for the year ended December 31, 2017 and the third quarter of 2017 were not restated. The financial statements for the year ended December 31, 2017 and the third quarter of 2017 were prepared in compliance with International Accounting Standard 39 ('IAS 39') and related financial reporting interpretations. Please refer to Notes 12(4) and (5) for details of significant accounting policies and details of significant accounts.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

The basis for preparation of consolidated financial statements are consistent with those of the year ended December 31, 2017.

B. Subsidiaries included in the consolidated financial statements:

			Ownership (%)			
Name of investor	Name of subsidiary	Main business activities	September 30, 2018	December 31, 2017	September 30, 2017	Description
WPG Holdings Limited	World Peace Industrial Co., Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	100.00	
WPG Holdings Limited	Silicon Application Corporation	Sales of computer software and electronic products	100.00	100.00	100.00	
WPG Holdings Limited	WPG Korea Co., Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 21 and 22
WPG Holdings Limited	WPG Electronic Ltd.	〃	100.00	100.00	100.00	Notes 21 and 22
WPG Holdings Limited	WPG International (CI) Limited	Holding company	100.00	100.00	100.00	Notes 21 and 22
WPG Holdings Limited	Asian Information Technology Inc.	Sales of electronic / electrical components	100.00	100.00	100.00	
WPG Holdings Limited	Yosun Industrial Corp.	〃	100.00	100.00	100.00	
WPG Holdings Limited	WPG Investment Co., Ltd.	Investment company	100.00	100.00	100.00	Notes 21 and 22
WPG Holdings Limited	WPG Core Investment Co., Ltd.	〃	0.00	0.00	100.00	Note 7
WPG Holdings Limited	Genuine C&C Inc.	Sales of computer and its peripherals	0.00	0.00	0.00	Notes 2 and 8

Name of investor	Name of subsidiary	Main business activities	Ownership (%) September 30, 2018	December 31, 2017	September 30, 2017	Description
WPG Holdings Limited	Trigold Holdings Limited	Holding company	60.50	60.50	60.50	Note 8
WPG Investment Co., Ltd.	Trigold Holdings Limited	〃	0.01	0.00	0.00	Note 19
World Peace Industrial Co., Ltd.	World Peace International (BVI) Ltd.	Holding company	100.00	100.00	100.00	Notes 21 and 22
World Peace Industrial Co., Ltd.	WPI Investment Holding (BVI) Company Ltd.	〃	100.00	100.00	100.00	
World Peace Industrial Co., Ltd.	Longview Technology Inc.	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 21 and 22
World Peace Industrial Co., Ltd.	AECO Technology Co., Ltd.	〃	100.00	100.00	100.00	Notes 21 and 22
World Peace Industrial Co., Ltd.	Genuine C&C Inc.	Sales of computer and its peripherals	0.00	0.00	0.00	Note 2
AECO Technology Co., Ltd.	Teco Enterprise Holding (B.V.I.) Co., Ltd.	Investment company	100.00	100.00	100.00	Notes 21 and 22
Teco Enterprise Holding (B.V.I.) Co., Ltd.	AECO Electronic Co., Ltd.	Trading of electronic / electrical products	100.00	100.00	100.00	Notes 21 and 22
AECO Electronic Co., Ltd.	AECO Electronic (Ningbo) Co., Ltd.	〃	0.00	0.00	0.00	Note 16
World Peace International (BVI) Ltd.	Prime Future Technology Limited	Holding company	100.00	100.00	100.00	Notes 21 and 22
Prime Future Technology Limited	World Peace International Pte. Ltd.	〃	100.00	100.00	100.00	Notes 21 and 22
World Peace International Pte. Ltd.	Genuine C&C (IndoChina) Pte., Ltd.	Agent and sales of electronic / electrical components	80.00	80.00	80.00	Notes 21 and 22
World Peace International Pte. Ltd.	WPG Americas Inc.	〃	4.31	4.31	4.31	Note 3

Name of investor	Name of subsidiary	Main business activities	Ownership (%) September 30, 2018	Ownership (%) December 31, 2017	Ownership (%) September 30, 2017	Description
World Peace International Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	100.00	
World Peace International Pte. Ltd.	Genuine C&C (South Asia) Pte., Ltd.	〃	0.00	0.00	0.00	Note 13
World Peace International (South Asia) Pte Ltd.	World Peace International (India) Pvt., Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 21 and 22
World Peace International (South Asia) Pte Ltd.	WPG C&C (Malaysia) Sdn. Bhd	〃	100.00	100.00	100.00	Notes 21 and 22
World Peace International (South Asia) Pte Ltd.	WPG C&C (Thailand) Co., Ltd.	Agent and sales of information products	100.00	100.00	100.00	Notes 4, 21 and 22
World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 21 and 22
WPI Investment Holding (BVI) Company Ltd.	WPI International (Hong Kong) Limited	〃	100.00	100.00	100.00	
WPI Investment Holding (BVI) Company Ltd.	World Peace International (Asia) Limited	〃	100.00	100.00	100.00	Notes 21 and 22
WPI International (Hong Kong) Limited	WPI International Trading (Shanghai) Ltd.	Agent and sales of information products	100.00	100.00	100.00	Notes 21 and 22
WPI International (Hong Kong) Limited	WPG C&C Limited	Agent and sales of information products	100.00	100.00	100.00	
WPI International (Hong Kong) Limited	AIO Components Company Limited	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 21 and 22
AIO Components Company Limited	AIO (Shanghai) Components Company Limited	〃	100.00	100.00	100.00	Notes 21 and 22
Longview Technology Inc.	Longview Technology GC Limited	Holding company	100.00	100.00	100.00	Notes 21 and 22

Name of investor	Name of subsidiary	Main business activities	Ownership (%) September 30, 2018	December 31, 2017	September 30, 2017	Description
Longview Technology Inc.	Long-Think International Co., Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 21 and 22
Longview Technology GC Limited	Long-Think International (Hong Kong) Limited	〃	100.00	100.00	100.00	Notes 21 and 22
Long-Think International (Hong Kong) Limited	Long-Think International (Shanghai) Limited	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 21 and 22
Silicon Application Corporation	Silicon Application (BVI) Corp.	Holding company	100.00	100.00	100.00	Notes 21 and 22
Silicon Application Corporation	Win-Win Systems Ltd.	〃	100.00	100.00	100.00	Notes 21 and 22
Silicon Application Corporation	SAC Components (South Asia) Pte. Ltd.	Sales of computer software and electronic products	100.00	100.00	100.00	Notes 21 and 22
Silicon Application Corporation	Pernas Electronic Co., Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 21 and 22
Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	〃	100.00	100.00	100.00	
Pernas Electronics Co., Ltd.	Pernas Enterprise (Samoa) Limited	International investment	0.00	0.00	0.00	Note 11
Pernas Enterprise (Samoa) Limited	World Components Agent (Shanghai) Inc.	Sales of electronic / electrical products	0.00	0.00	0.00	Note 17
Silicon Application (BVI) Corp.	Silicon Application Company Limited	Sales of computer software and electronic products	100.00	100.00	100.00	Notes 21 and 22
Silicon Application Company Limited	Dstar Electronic Company Limited	〃	100.00	100.00	100.00	Notes 21 and 22
WPG Korea Co., Ltd.	Apache Communication Inc. (B.V.I.)	Investment company	100.00	100.00	100.00	Notes 21 and 22
Apache Communication Inc. (B.V.I.)	Apache Korea Corp.	Sales of electronic / electrical products	100.00	100.00	100.00	Notes 21 and 22

Name of investor	Name of subsidiary	Main business activities	Ownership (%) September 30, 2018	Ownership (%) December 31, 2017	Ownership (%) September 30, 2017	Description
WPG International (CI) Limited	WPG International (Hong Kong) Limited	Holding company	100.00	100.00	100.00	Notes 21 and 22
WPG International (CI) Limited	WPG Americas Inc.	Agent and sales of electronic / electrical components	95.69	95.69	95.69	Note 3
WPG International (CI) Limited	WPG South Asia Pte. Ltd.	Sales of electronic / electrical products	100.00	100.00	100.00	Notes 21 and 22
WPG International (CI) Limited	WPG Cloud Service Limited	General trading	100.00	100.00	100.00	Notes 21 and 22
WPG International (CI) Limited	WPG Gain Tune Ltd.	Agent for selling electronic / electrical components	100.00	100.00	60.00	Notes 12, 21 and 22
WPG International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	〃	100.00	100.00	100.00	Notes 21 and 22
WPG International (Hong Kong) Limited	WPG China Inc.	〃	100.00	100.00	100.00	
WPG International (Hong Kong) Limited	WPG China (SZ) Inc.	Sales of computer software and electronic products	100.00	100.00	100.00	
WPG South Asia Pte. Ltd.	WPG Malaysia Sdn. Bhd	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 21 and 22
WPG South Asia Pte. Ltd.	WPG (Thailand) Co., Ltd.	〃	100.00	100.00	100.00	Notes 6, 21 and 22
WPG South Asia Pte. Ltd.	WPG India Electronics Pvt. Ltd.	Agent and sales of electronic / electrical components	99.99	99.99	99.99	Notes 9, 21 and 22
WPG South Asia Pte. Ltd.	WPG Electronics (Philippines) Inc.	〃	100.00	100.00	100.00	Notes 5, 21 and 22
WPG South Asia Pte. Ltd.	WPG SCM Limited	〃	100.00	100.00	100.00	
WPG Malaysia Sdn. Bhd	WPG India Electronics Pvt. Ltd.	〃	0.01	0.01	0.01	Notes 9, 21 and 22
Asian Information Technology Inc.	Apache Communication Inc.	Sales of electronic / electrical products	100.00	100.00	100.00	
Asian Information Technology Inc.	Henshen Electric Trading Co., Ltd.	〃	100.00	100.00	100.00	Notes 21 and 22

Name of investor	Name of subsidiary	Main business activities	Ownership (%) September 30, 2018	December 31, 2017	September 30, 2017	Description
Asian Information Technology Inc.	Frontek Technology Corporation	Sales of electronic / electrical products	100.00	100.00	100.00	
Asian Information Technology Inc.	Fame Hall International Co., Ltd.	Investment company	100.00	100.00	100.00	Notes 21 and 22
Frontek Technology Corporation	Frontek International Limited	〃	100.00	100.00	100.00	Notes 21 and 22
Fame Hall International Co., Ltd.	AIT Japan Inc.	Sales of electronic / electrical products	100.00	100.00	100.00	Notes 21 and 22
Frontek International Limited	AITG Electronic Limited	〃	100.00	100.00	100.00	Notes 21 and 22
Yosun Industrial Corp.	Sertek Incorporated	〃	100.00	100.00	100.00	
Yosun Industrial Corp.	Suntop Investments Limited	Investment company	100.00	100.00	100.00	
Yosun Industrial Corp.	Richpower Electronic Devices Co., Ltd.	Sales of electronic / electrical components	100.00	100.00	100.00	
Richpower Electronic Devices Co., Ltd.	Mec Technology Co., Ltd.	〃	0.00	100.00	100.00	Notes 20, 21 and 22
Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Co., Limited	Sales of electronic / electrical products	100.00	100.00	100.00	
Richpower Electronic Devices Co., Ltd.	Mec Technology Co., Limited	〃	100.00	0.00	0.00	Notes 20 and 22
Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Pte., Ltd.	〃	100.00	0.00	0.00	Notes 20 and 22
Mec Technology Co., Ltd.	Mec Technology Co., Limited	〃	0.00	100.00	100.00	Notes 20 and 21
Mec Technology Co., Ltd.	Richpower Electronic Devices Pte., Ltd.	〃	0.00	100.00	100.00	Notes 20 and 21
Sertek Incorporated	Sertek Limited	Sales of electronic / electrical components	100.00	100.00	100.00	Notes 21 and 22
Suntop Investments Limited	Yosun Hong Kong Corp. Ltd.	〃	100.00	100.00	100.00	

Name of investor	Name of subsidiary	Main business activities	Ownership (%) September 30, 2018	December 31, 2017	September 30, 2017	Description
Suntop Investments Limited	Yosun Singapore Pte Ltd.	Sales of electronic / electrical components	100.00	100.00	100.00	Notes 21 and 22
Yosun Hong Kong Corp. Ltd.	Giatek Corp. Ltd.	〃	100.00	100.00	100.00	Notes 21 and 22
Yosun Hong Kong Corp. Ltd.	Yosun South China Corp. Ltd.	〃	100.00	100.00	100.00	Notes 21 and 22
Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	Warehouse business and sales of electronic components	100.00	100.00	100.00	Notes 21 and 22
Yosun Singapore Pte Ltd.	Yosun Industrial (Malaysia) Sdn. Bhd.	Sales of electronic / electrical components	100.00	100.00	100.00	Notes 21 and 22
Yosun Singapore Pte Ltd.	Yosun India Private Ltd.	〃	100.00	100.00	100.00	Notes 21 and 22
Trigold Holdings Limited	Genuine C&C Inc.	Sales of computer and its peripherals	100.00	100.00	100.00	Note 8
Trigold Holdings Limited	Trigold (Hong Kong) Company Limited	Holding company	100.00	100.00	0.00	Note 14
Trigold (Hong Kong) Company Limited	Peng Yu (Shanghai) Digital Technology Co., Ltd.	Sales of electronic /electrical products	55.00	55.00	0.00	Note 15
Genuine C&C, Inc.	Hoban Inc.	General investment and retail of groceries	100.00	100.00	100.00	Notes 2, 18, 21 and 22
Genuine C&C, Inc.	Taibaoo Creation Co., Ltd.	Retail of groceries	100.00	100.00	100.00	Notes 2, 21 and 22
Genuine C&C, Inc.	Genuine C&C Holding Inc. (Seychelles)	Holding company	100.00	100.00	100.00	Note 2
Genuine C&C Holding Inc. (Seychelles)	Genuine Trading (Hong Kong) Company Limited	〃	100.00	100.00	100.00	Note 2
Genuine C&C Holding Inc. (Seychelles)	Peng Yu (Shanghai) Digital Technology Co., Ltd.	Sales of electronic /electrical products	0.00	0.00	55.00	Note 15
Peng Yu (Shanghai) Digital Technology Co., Ltd.	Peng Yu International Limited	〃	100.00	100.00	100.00	Note 10

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: The Company directly held 44.21% equity of Genuine C&C, Inc. plus the 16.29% equity of Genuine C&C, Inc. held by the wholly owned subsidiary, World Peace Industrial Co., Ltd., the total shareholding ratio was 60.50%. In

July 2017, the Company's ownership of Genuine C&C, Inc. reached 60.50% after acquiring the 16.29% equity from World Peace Industrial Co., Ltd.

Note 3: World Peace Industrial Co., Ltd. totally held 4.31% of shares of WPG Americas Inc. through World Peace International Pte Ltd. and WPI International (Hong Kong) Limited. Along with shares of WPG Americas Inc. held by WPG International (CI) Limited, the total shareholding ratio is 100%.

Note 4: 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 5: Due to 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 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%.

Note 7: It was liquidated in December 2017.

Note 8: On the effective date of September 1, 2017, the stock swap between Trigold Holdings Limited and the shareholders who previously owned Genuine C&C, Inc. was conducted at a stock swap ratio of 1:1. On the same day, Trigold Holdings Limited was established and began OTC trading whereas Genuine C&C, Inc. was unlisted at OTC.

Note 9: WPG South Asia Pte. Ltd. and WPG Malaysia Sdn. Bhd. separately holds 99.99% and 0.01% of shares of the subsidiary, and both companies together hold 100% of shares of the subsidiary.

Note 10: The subsidiary was set up in July 2017.

Note 11: It was liquidated in September 2017.

Note 12: WPG International (CI) Limited acquired 40% equity of WPG Gain Tune Ltd. from non-controlling interests in November 2017.

Note 13: It was liquidated in March 2017.

Note 14: The subsidiary completed registration of incorporation in November 2017.

Note 15: Trigold (Hong Kong) Company Limited acquired 55% equity of Peng Yu (Shanghai) Digital Technology Co., Ltd. from Genuine C&C Holding Inc. (Seychelles) in November 2017.

Note 16: It was liquidated in June 2017.

Note 17: It was liquidated in May 2017.

Note 18: It was formerly known as Hat-Trick Co., Ltd. and was renamed in April 2017.

Note 19: In May 2018, the subsidiary acquired 0.01% equity interest of Trigold Holdings

Limited.

Note 20: Richpower Electronic Devices Co., Ltd. conducted a simple merger with Mec Technology Co., Ltd. on the effective date of June 2018. Richpower Electronic Devices Co., Ltd. was the surviving company while Mec Technology Co., Ltd. was dissolved after the simple merger which was completed in July 2018. The equity interests of Technology Co., Limited and Richpower Electronic Devices Pte., Ltd. which were held by Mec Technology Co., Ltd. were transferred to Richpower Electronic Devices Co., Ltd.

Note 21: The financial statements as of September 30, 2017 were not reviewed by independent accountants since it did not meet the definition of significant subsidiaries.

Note 22: The financial statements as of September 30, 2018 were not reviewed by independent accountants since it did not meet the definition of significant subsidiaries.

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

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

E. Significant restrictions: None.

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

As of September 30, 2018, December 31, 2017 and September 30, 2017, the non-controlling interest amounted to $545,711, $536,465 and $542,147, respectively. The information on non-controlling interest and respective subsidiaries is as follows:

Name of subsidiary	Principal place of business	Non-controlling interest					
		September 30, 2018		December 31, 2017		September 30, 2017	
		Amount	Ownership	Amount	Ownership	Amount	Ownership
Trigold Holdings Limited and its subsidiaries (Note)	Taiwan	$435,287	39.49%	$438,690	39.5%	$433,962	39.5%

Note: Details of equity interest of Trigold Holdings Limited held by the Company are provided in Note 1(1).

Summarised financial information of the subsidiaries:

(a) Balance sheets

	Trigold Holdings Limited and its subsidiaries		
	September 30, 2018	December 31, 2017	September 30, 2017
Current assets	$ 5,138,087	$ 3,011,190	$ 2,932,215
Non-current assets	87,086	101,779	109,927
Current liabilities	(3,985,113)	(1,875,916)	(1,827,532)
Non-current liabilities	(65,460)	(64,284)	(55,175)
Total net assets	1,174,600	1,172,769	1,159,435
Less: Non-controlling interest	(72,615)	(62,169)	(60,804)
Equity attributable to owners of the parent company	$ 1,101,985	$ 1,110,600	$ 1,098,631

(b) Statements of comprehensive income

	Trigold Holdings Limited and its subsidiaries Three months ended September 30,	
	2018	2017
Revenue	$ 2,917,644	$ 2,484,487
Profit before tax	36,105	34,752
Income tax expense	(10,257)	(9,755)
Profit for the period	25,848	24,997
Other comprehensive (loss) income, net of tax	(5,217)	(18,153)
Total comprehensive income	$ 20,631	$ 6,844
Total comprehensive income (loss) attributable to non-controlling interest	$ 3,708	($ 14,409)
Dividends paid to non-controlling interests	$ -	$ -

	Trigold Holdings Limited and its subsidiaries Nine months ended September 30,	
	2018	2017
Revenue	$ 8,461,202	$ 7,286,460
Profit before tax	93,920	126,015
Income tax expense	(22,164)	(23,956)
Profit for the period	71,756	102,059
Other comprehensive loss, net of tax	(3,833)	(22,959)
Total comprehensive income	$ 67,923	$ 79,100
Total comprehensive income (loss) attributable to non-controlling interest	$ 10,446	($ 6,283)
Dividends paid to non-controlling interests	$ 25,138	$ 18,229

(c) Statements of cash flows

	Trigold Holdings Limited and its subsidiaries Nine months ended September 30,	
	2018	2017
Net cash provided by operating activities	$ 64,756	$ 50,357
Net cash provided by investing activities	6,097	244
Net cash provided by financing activities	216,645	155,850
Effect of exchange rates on cash and cash equivalents	(2,269)	(3,815)
Increase in cash and cash equivalents	285,229	202,636
Cash and cash equivalents, beginning of period	432,448	188,421
Cash and cash equivalents, end of period	$ 717,677	$ 391,057

(4) Financial assets measured at fair value through profit or loss

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.

D. The Group recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

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

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value. The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the

dividend will flow to the Group and the amount of the dividend can be measured reliably.

(6) Financial assets measured at amortised cost

The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(7) Accounts and notes receivable

A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(8) Impairment of financial assets

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

(9) Borrowings

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

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.

(10) Accounts and notes payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.

B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

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

A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorised as financial liabilities held for trading unless they are designated as hedges.

B. At initial recognition, the Group measures the financial liabilities at fair value. All related transaction costs are recognised in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognised in profit or loss.

(12) Non-hedging derivative instruments

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

(13) 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. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.

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

iii. Pension cost for the interim period is calculated on a year-to-date basis by using

the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. And, the related information is disclosed accordingly.

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

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

(14) 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 tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

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

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

E. Current income tax assets and liabilities are offset and the net amount 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.

F. The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

(15) Revenue recognition

A. The Group sells computer hardware, electronic components and peripheral products. Revenue from the sale of goods is recognised when the Group sells a product to the customer.

B. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts or sales discounts and allowances. Accumulated experience is used to estimate and provide for the volume discounts or sales discounts and allowances, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. A refund liability is recognised for expected volume discounts or sales discounts and allowances payable to customers in relation to sales made until the end of the reporting period.

C. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

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

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is

addressed below:

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

Revenue recognition on a net/gross basis

The Group determines whether the nature of its performance obligation is to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for the other party to provide those goods or services (i.e. the Group is an agent) based on the transaction model and its economic substance. The Group is a principal if it controls a promised good or service before it transfers the good or service to a customer. The Group recognises revenue at gross amount of consideration to which it expects to be entitled in exchange for those goods or services transferred. The Group is an agent if its performance obligation is to arrange for the provision of goods or services by another party. The Group recognises revenue at the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services.

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

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

(2) Critical accounting estimates and assumptions

A. 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(12) for the information on goodwill impairment.

B. Valuation of provision for allowance for accounts receivable

In the process of assessing uncollectible accounts, the Group must use judgements and assumptions to determine the collectability of accounts receivable. The collectability is affected by various factors: customers' financial conditions, the Company's internal credit ratings, historical experience, current economic conditions, etc. When sales are not expected to be collected, the Group recognises a specific allowance for doubtful receivables after the assessment. The assumptions and estimates of allowance for uncollectible accounts are based on concerning future events as that on the balance sheet date. Assumptions and estimates may differ from the actual results which may result in a material adjustment. Please refer to Note 12(2) for the information on assessing uncollectible accounts for doubtful receivables.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	September 30, 2018	December 31, 2017	September 30, 2017
Cash on hand and petty cash	$ 3,954	$ 4,579	$ 3,726
Checking accounts deposits	2,163,895	2,175,037	1,860,244
Demand deposits	5,862,305	4,770,422	4,925,346
Time deposits	360,466	147,876	232,564
	$ 8,390,620	$ 7,097,914	$ 7,021,880

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.

B. There were no cash and cash equivalents pledged to others.

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

Items	September 30, 2018
Current items:	
Financial assets mandatorily measured at fair value through profit or loss	
Listed stocks	$ 22,547
Derivatives	3,208
	25,755
Valuation adjustment	2,633
	$ 28,388

Items	September 30, 2018
Non-current items:	
Financial assets mandatorily measured at fair value through profit or loss	
Listed stocks	$ 116,311
Emerging stocks	54,012
Unlisted stocks	1,361,882
	1,532,205
Valuation adjustment	(180,453)
	$ 1,351,752

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

	Three months ended September 30, 2018	Nine months ended September 30, 2018
Financial assets mandatorily measured at fair value through profit or loss		
Equity instruments	($ 60,276)	$ 535,966
Derivatives	3,761	56,626
	($ 56,515)	$ 592,592

B. The Group entered into contracts relating to derivative financial assets which were not accounted for under hedge accounting. The information is listed below:

Derivative instruments	September 30, 2018 Contract amount (notional principal) (Note)		Contract period
Current items:			
Forward foreign exchange contracts			
- Sell	USD	2,000	2018.09.06~ 2018.10.12
- Sell-SWAP	USD	11,000	2018.09.05~ 2018.10.19
- Buy	USD	32,913	2018.03.13~ 2018.04.05
	EUR	1,500	2018.09.28~ 2018.10.12
Futures	$	11	2018.09.28~ 2018.10.17

Note: Expressed in thousands.

(a) Forward foreign exchange contracts

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.

(b) Futures

The futures which are owned by the Group are stock index futures aiming to earn the spread. As of September 30, 2018, the balance of margin in the account was $2,092, and the amount of excess margin was $2,021.

C. Details of the Group's financial assets at fair value through profit or loss pledged to others as collateral are provided in Note 8.

D. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Note 12(2).

E. The information on financial assets at fair value through profit or loss as of December 31, 2017 and September 30, 2017 is provided in Note 12(4).

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

Items	September 30, 2018
Non-current items:	
Equity instruments	
Unlisted stocks	$ 38,035
Valuation adjustment	(6,000)
	$ 32,035

A. The Group has elected to classify equity investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to $32,035 as at September 30, 2018.

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

	Three months ended September 30, 2018	Nine months ended September 30, 2018
Equity instruments at fair value through other comprehensive income		
Fair value change recognised in other comprehensive income	$ -	$ -
Cumulative gains (losses) reclassified to retained earnings due to derecognition	$ -	$ -
Dividend income recognised in profit or loss		
Held at end of period	$ -	$ -
Derecognised during the period	-	-
	$ -	$ -

C. As at September 30, 2018, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at fair value through other comprehensive income held by the Group was $38,035.

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

E. Information relating to credit risk of financial assets at fair value through other comprehensire income is provided in Note 12(2).

F. The information on available-for sale financial assets and financial assets at cost as of December 31, 2017 and September 30, 2017 is provided in Note 12(4).

(4) Financial assets at amortised cost

Items	September 30, 2018
Current items:	
Time deposits	$ 198,334
Non-current items:	
Time deposits	$ 1,000

A. Amounts recognised in profit or loss in relation to financial assets at amortised cost are listed below:

	Three months ended September 30, 2018	Nine months ended September 30, 2018
Interest income	$ 43	$ 109

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

C. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2).

D. Please refer to Note 12(4) for the information of other financial assets which were shown as other current assets and non-current assets as of December 31, 2017 and September 30, 2017.

(5) Notes and accounts receivable

	September 30, 2018	December 31, 2017	September 30, 2017
Notes receivable	$ 2,935,995	$ 4,180,550	$ 4,002,832
Less: Allowance for uncollectible accounts	(401)	(91,984)	(359)
	$ 2,935,594	$ 4,088,566	$ 4,002,473
Accounts receivable	$ 107,079,838	$ 87,816,552	$ 91,831,016
Less: Allowance for uncollectible accounts	(1,100,868)	(796,409)	(719,600)
	$ 105,978,970	$ 87,020,143	$ 91,111,416

A. The ageing analysis of accounts receivable and notes receivable that were past due but not impaired is as follows:

	September 30, 2018		December 31, 2017		September 30, 2017	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not past due	$100,912,267	$ 2,892,496	$ 82,246,363	$ 4,075,101	$ 86,109,221	$ 3,882,385
0 to 30 days	4,234,655	42,831	2,769,938	105,444	4,083,948	32,448
31 to 60 days	264,366	443	1,537,441	5	403,881	-
61 to 90 days	525,712	222	314,133	-	226,098	87,418
91 to 120 days	113,346	-	126,855	-	84,951	581
Over 120 days	1,029,492	3	821,822	-	922,917	-
	$107,079,838	$ 2,935,995	$ 87,816,552	$ 4,180,550	$ 91,831,016	$ 4,002,832

The above ageing analysis was based on past due date.

B. The Group has no notes and accounts receivable pledged to others as collateral.

C. As at September 30, 2018, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes and accounts receivable were $2,935,594 and $105,978,970, respectively.

D. Information relating to credit risk of accounts receivable and notes receivable is provided in Note 12(2).

E. The information on accounts receivable and notes receivable as of December 31, 2017 and September 30, 2017 is provided in Note 12(4).

(6) Transfer of financial assets

Transferred financial assets that are derecognised in their entirety

The Group entered into factoring of accounts receivable with banks. In accordance with the contract requirements, the Group shall only be liable for the losses incurred on any commercial dispute and did not assume the risk of uncollectible accounts receivable. The

Group does not have any continuing involvement in the transferred accounts receivable. The derecognised amounts had already deducted the estimated commercial disputes. The commercial papers and time deposits pledged to the banks are for losses incurred only on 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 September 30, 2018, December 31, 2017 and September 30, 2017, outstanding accounts receivable were as follows:

	September 30, 2018						
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognised	Facilities (In thousands)		Amount advanced	Interest rate of amount advanced	Pledged assets
Cathay United Bank	$ 834,216	$ 834,216	USD	47,500	$ 834,216	2.63%~3.16%	Note 1
Mega International Commercial Bank	4,024,145	4,024,145	USD	161,900	3,417,927	3.51%	Note 2
			$	640,000			
CTBC Bank	2,538,465	2,538,465	USD	58,800	2,061,347	3.28%	Note 3
			$	2,835,000			
E. SUN Commercial Bank	3,526,827	3,526,827	USD	181,000	3,017,221	3.54%	Note 4
			$	20,000			
Taipei Fubon Commercial Bank	736,278	736,278	$	1,474,300	705,715	2.42%~3.23%	Note 5
Yuanta Commercial Bank	720,682	720,682	USD	45,000	138,884	3.47%	Note 6
The Hong Kong and Shanghai Banking Corporation Limited	1,078,718	1,078,718	USD	60,500	997,000	4.11%	Note 7
Standard Chartered Bank	54,263	54,263	USD	4,520	-	-	None
Taishin International Bank	5,991,181	5,991,181	USD	15,000	1,689,627	3.25%	Note 8
			$	9,800,000			
Bank SinoPac	800,900	800,900	USD	103,900	719,762	2.75%	Note 9
Far Eastern International Bank	208,696	208,696	USD	19,000	109,554	3.57%	Note 10
			$	400,000			
Chang Hwa Bank	1,165,053	1,165,053	USD	91,600	1,020,797	2.42%~3.20%	Note 11
DBS Bank	5,499,828	5,499,828	USD	270,500	5,297,565	3.26%	Note 12
Taiwan Cooperative Bank	65,561	65,561	USD	3,000	62,283	3.48%	Note 13
Hang Seng Bank	1,373,752	1,373,752	USD	128,000	1,107,256	3.27%	Note 14
KGI Bank	1,161,840	1,161,840	$	2,150,000	469,560	3.34%	Note 15
ANZ Bank	1,070,873	1,070,873	USD	40,000	1,070,873	2.88%	None
Bank of Taiwan	98,734	98,734	USD	14,000	98,734	3.10%	Note 16

Note 1: The Group has signed commercial papers amounting to USD 47,500 thousand that were pledged to others as collateral.

Note 2: The Group has signed commercial papers amounting to USD 161,900 thousand and $690,000 that were pledged to others as collateral.

Note 3: The Group has signed commercial papers amounting to USD 56 million and $883,500 that were pledged to others as collateral.

Note 4: The Group has signed commercial papers amounting to USD 176,500 thousand and $20,000 that were pledged to others as collateral.

Note 5: The Group has signed commercial papers amounting to $37,000 that were pledged to others as collateral.

Note 6: The Group has signed commercial papers amounting to USD 45 million that were pledged to others as collateral.

Note 7: The Group has signed commercial papers amounting to USD 68,850 thousand that were pledged to others as collateral.

Note 8: The Group has signed commercial papers amounting to USD 15 million and $9,800,000 that were pledged to others as collateral.

Note 9: The Group has signed commercial papers amounting to USD 55,500 thousand and $550,000 that were pledged to others as collateral.

Note 10: The Group has signed commercial papers amounting to USD 19 million and $400,000 that were pledged to others as collateral.

Note 11: The Group has signed commercial papers amounting to USD 79,600 thousand that were pledged to others as collateral.

Note 12: The Group has signed commercial papers amounting to USD 278,500 thousand that were pledged to others as collateral.

Note 13: The Group has signed commercial papers amounting to USD 3 million that were pledged to others as collateral.

Note 14: The Group has provided demand deposits amounting to USD 140 thousand that were pledged to others as collateral.

Note 15: The Group has signed commercial papers amounting to $890,000 that were pledged to others as collateral.

Note 16: The Group has signed commercial papers amounting to USD 14 million that were pledged to others as collateral.

	December 31, 2017						
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognised	Facilities (In thousands)		Amount advanced	Interest rate of amount advanced	Pledged assets
Cathay United Bank	$ 1,359,321	$ 1,359,321	USD	47,500	$ 1,359,321	2.00%~2.65%	Note 1
Mega International Commercial Bank	4,345,605	4,345,605	USD	166,900	4,191,246	1.53%~2.81%	Note 2
			$	590,000			
CTBC Bank	2,153,391	2,153,391	USD	20,000	1,788,656	1.69%~3.02%	Note 3
			$	3,000,000			
E. SUN Commercial Bank	3,459,933	3,459,933	USD	180,500	2,977,084	1.15%~2.72%	Note 4
			$	20,000			
Taipei Fubon Commercial Bank	$ 615,462	$ 615,462	$	1,474,300	$ 338,700	1.10%~2.89%	Note 5

Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognised	Facilities (In thousands)		Amount advanced	Interest rate of amount advanced	Pledged assets
			December 31, 2017				
Yuanta Commercial Bank	388,144	388,144	USD	25,000	244,000	2.39%~2.92%	Note 6
The Hong Kong and Shanghai Banking Corporation Limited	1,488,626	1,488,626	USD	82,500	1,429,213	1.90%~3.40%	Note 7
Ta Chong Bank	226,921	226,921	USD	6,500	123,009	2.47%~2.84%	Note 8
			$	820,000			
Standard Chartered Bank	31,991	31,991	USD	4,520	-	-	None
Taishin International Bank	5,044,780	5,044,780	USD	15,000	2,741,648	2.22%~2.80%	Note 9
			$	9,000,000			
Bank SinoPac	786,843	786,843	USD	58,900	697,601	2.00%~2.48%	Note 10
Far Eastern International Bank	249,766	249,766	USD	19,000	122,221	2.14%~2.95%	Note 11
			$	400,000			
Chang Hwa Bank	2,117,330	2,117,330	USD	146,600	1,994,213	2.01%~2.84%	Note 12
DBS Bank	4,116,393	4,116,393	USD	224,500	3,819,847	1.53%~2.50%	Note 13
Shin Kong Bank	-	-	USD	300	-	-	Note 14
Taiwan Cooperative Bank	16,128	16,128	USD	3,000	15,321	2.12%	Note 15
Hang Seng Bank	1,636,541	1,636,541	USD	128,000	1,502,489	1.73%~2.52%	Note 16
KGI Bank	674,933	674,933	$	2,150,000	550,900	2.00%~2.40%	Note 17
ANZ Bank	707,834	707,834	USD	30,000	707,834	2.11%~2.13%	None
Sumitomo Mitsui Banking Corporation	234,068	234,068	USD	15,000	234,068	2.13%~2.19%	None
Bank of Taiwan	-	-	USD	7,000	-	-	None

Note 1: The Group has signed commercial papers amounting to USD 47,500 thousand that were pledged to others as collateral.

Note 2: The Group has signed commercial papers amounting to USD 166,900 thousand and $640,000 that were pledged to others as collateral.

Note 3: The Group has signed commercial papers amounting to USD 20 million and $327,600 that were pledged to others as collateral.

Note 4: The Group has signed commercial papers amounting to USD 183 million and $20,000 that were pledged to others as collateral.

Note 5: The Group has signed commercial papers amounting to $45,000 that were pledged to others as collateral.

Note 6: The Group has signed commercial papers amounting to USD 25 million that were pledged to others as collateral.

Note 7: The Group has signed commercial papers amounting to USD 152,280 thousand that were pledged to others as collateral.

Note 8: The Group has signed commercial papers amounting to USD 6,500 thousand and $820,000 that were pledged to others as collateral.

Note 9: The Group has signed commercial papers amounting to USD 15 million and $9,000,000 that were pledged to others as collateral.

Note 10: The Group has signed commercial papers amounting to USD 55,500 thousand and $600,000 that were pledged to others as collateral.

Note 11: The Group has signed commercial papers amounting to USD 19 million and $400,000 that were pledged to others as collateral.

Note 12: The Group has signed commercial papers amounting to USD 84,600 thousand that were pledged to others as collateral.

Note 13: The Group has signed commercial papers amounting to USD 246,500 thousand that were pledged to others as collateral.

Note 14: The Group has signed commercial papers amounting to USD 30 thousand that were pledged to others as collateral.

Note 15: The Group has signed commercial papers amounting to USD 3 million that were pledged to others as collateral.

Note 16: The Group has provided demand deposits amounting to USD 140 thousand that were pledged to others as collateral.

Note 17: The Group has signed commercial papers amounting to $890,000 that were pledged to others as collateral.

	September 30, 2017						
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognised	Facilities (In thousands)		Amount advanced	Interest rate of amount advanced	Pledged assets
Cathay United Bank	$ 1,316,098	$ 1,316,098	USD	47,500	$ 1,316,098	2.00%~2.30%	Note 1
Mega International Commercial Bank	3,964,582	3,964,582	USD	166,900	3,491,343	1.53%~2.47%	Note 2
			$	460,000			
CTBC Bank	2,850,344	2,850,344	USD	50,000	2,097,113	1.69%~2.24%	Note 3
			$	2,970,000			
E. SUN Commercial Bank	3,600,543	3,600,543	USD	180,500	2,725,796	1.15%~2.38%	Note 4
			$	20,000			
Taipei Fubon Commercial Bank	688,623	688,623	$	3,009,300	322,686	1.10%~2.17%	Note 5
Yuanta Commercial Bank	350,508	350,508	USD	25,000	142,988	2.28%~2.39%	Note 6
			$	100,000			
The Hong Kong and Shanghai Banking Corporation Limited	2,120,994	2,120,994	USD	146,200	1,090,506	1.87%	Note 7
Ta Chong Bank	280,688	280,688	USD	6,500	168,820	2.27%~2.65%	Note 8
			$	820,000			
Standard Chartered Bank	17,891	17,891	USD	4,520	-	-	None
Taishin International Bank	5,692,029	5,692,029	$	9,000,000	1,939,690	1.90%~2.30%	Note 9
Bank SinoPac	696,229	696,229	USD	46,90	609,702	1.64%~1.96%	Note 10

	September 30, 2017						
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognised	Facilities (In thousands)		Amount advanced	Interest rate of amount advanced	Pledged assets
Far Eastern International Bank	234,840	234,840	USD $	22,000 400,000	91,653	2.06%~2.35%	Note 11
Chang Hwa Bank	1,985,243	1,985,243	USD	144,600	1,545,188	1.85%~2.20%	Note 12
DBS Bank	1,450,171	1,450,171	USD	133,500	1,319,548	1.43%~2.24%	Note 13
Shin Kong Bank	-	-	USD	300	-	-	Note 14
Taiwan Cooperative Bank	47,216	47,216	USD	3,000	44,855	2.07%~2.12%	Note 15
Hang Seng Bank	1,070,766	1,070,766	USD	128,000	937,779	1.94%~2.24%	Note 16
KGI Bank	466,225	466,225	$	1,450,000	459,536	1.75%~2.10%	Note 17
ANZ Bank	646,059	646,059	USD	30,000	198,215	1.76%	None
Sumitomo Mitsui Banking Corporation	184,861	184,861	USD	15,000	184,861	1.82%	None

Note 1: The Group has signed commercial papers amounting to USD 47,500 thousand that were pledged to others as collateral.

Note 2: The Group has signed commercial papers amounting to USD 166,900 thousand and $510,000 that were pledged to others as collateral.

Note 3: The Group has signed commercial papers amounting to USD 50 million and $297,600 that were pledged to others as collateral.

Note 4: The Group has signed commercial papers amounting to USD 183 million and $20,000 that were pledged to others as collateral.

Note 5: The Group has signed commercial papers amounting to $190,500 that were pledged to others as collateral.

Note 6: The Group has signed commercial papers amounting to USD 25 million and $1,280,000 that were pledged to others as collateral.

Note 7: The Group has signed commercial papers amounting to USD 135,630 thousand that were pledged to others as collateral.

Note 8: The Group has signed commercial papers amounting to USD 650 thousand and $820,000 that were pledged to others as collateral.

Note 9: The Group has signed commercial papers amounting to $9,000,000 that were pledged to others as collateral.

Note 10: The Group has signed commercial papers amounting to USD 42,500 thousand and $600,000 that were pledged to others as collateral.

Note 11: The Group has signed commercial papers amounting to USD 22 million and $400,000 that were pledged to others as collateral.

Note 12: The Group has signed commercial papers amounting to USD 76,200 thousand that were pledged to others as collateral.

Note 13: The Group has signed commercial papers amounting to USD 155,500 thousand that were pledged to others as collateral.

Note 14: The Group has signed commercial papers amounting to USD 30 thousand that were pledged to others as collateral.

Note 15: The Group has signed commercial papers amounting to USD 3 million that were pledged to others as collateral.

Note 16: The Group has provided demand deposits amounting to USD 140 thousand that were pledged to others as collateral.

Note 17: The Group has signed commercial papers amounting to $820,000 that were pledged to others as collateral.

(7) Other receivables

	September 30, 2018	December 31, 2017	September 30, 2017
Retention amount of factoring accounts receivable	$ 8,131,693	$ 4,816,640	$ 8,977,534
VAT refund	321,581	292,840	355,000
Others	214,427	601,933	138,916
	$ 8,667,701	$ 5,711,413	$ 9,471,450

(8) Inventories

	September 30, 2018		
	Cost	Allowance for valuation	Book value
Inventories	$ 64,518,952	($ 1,040,586)	$ 63,478,366
Inventories in transit	4,210,229	-	4,210,229
	$ 68,729,181	($ 1,040,586)	$ 67,688,595

	December 31, 2017		
	Cost	Allowance for valuation	Book value
Inventories	$ 53,884,984	($ 872,265)	$ 53,012,719
Inventories in transit	4,460,934	-	4,460,934
	$ 58,345,918	($ 872,265)	$ 57,473,653

	September 30, 2017		
	Cost	Allowance for valuation	Book value
Inventories	$ 59,847,584	($ 1,008,690)	$ 58,838,894
Inventories in transit	2,238,699	-	2,238,699
	$ 62,086,283	($ 1,008,690)	$ 61,077,593

The cost of inventories recognised as expense for the period:

	Three months ended September 30,	
	2018	2017
Cost of goods sold	$ 143,859,317	$ 140,369,779
Loss on price decline in inventory	11,181	145,263
Loss (gain) on physical inventory	19	(79)
Cost of goods sold	$ 143,870,517	$ 140,514,963

	Nine months ended September 30,	
	2018	2017
Cost of goods sold	$ 394,999,022	$ 377,034,518
Loss on price decline in inventory	429,457	262,989
Loss on physical inventory	137	2,256
Cost of goods sold	$ 395,428,616	$ 377,299,763

(9) Investments accounted for under the equity method

A. Details of investments accounted for under the equity method:

Investee company	September 30, 2018	December 31, 2017	September 30, 2017
CECI Technology Co., Ltd.	$ -	$ 722,384	$ 605,221
ChainPower Technology Corp.	161,149	155,935	149,003
Sunrise Technology Co., Ltd.	65,869	66,960	68,704
Eesource Corp.	71,701	72,995	68,574
Suzhou Xinning Bonded Warehouse Co., Ltd.	79,772	62,695	59,665
Adivic Technology Co., Ltd.	35,072	54,557	59,715
Yosun Japan Corp.	-	9,735	9,242
Suzhou Xinning Logistics Co., Ltd.	35,684	33,082	31,292
Gain Tune Logistics (Shanghai) Co., Ltd.	32,908	32,944	31,671
VITEC WPG Limtied	42,690	40,419	41,364
Others	-	1,909	2,203
	$ 524,845	$ 1,253,615	$ 1,126,654

B. The carrying amount of the Group's interests in all individually immaterial associates and the Group's share of the operating results are summarised below:

As of September 30, 2018, December 31, 2017 and September 30, 2017, the carrying amount of the Group's individually immaterial associates amounted to $524,845, $1,253,615 and $1,126,654, respectively.

	Three months ended September 30,	
	2018	2017
Profit for the period from continuing operations	$ 15,601	$ 29,778
Other comprehensive income - net of tax	9,461	5,341
Total comprehensive income (loss)	$ 25,062	$ 35,119

	Nine months ended September 30,	
	2018	2017
Profit for the period from continuing operations	$ 29,891	$ 56,355
Other comprehensive income (loss) - net of tax	23,409	(33,443)
Total comprehensive income (loss)	$ 53,300	$ 22,912

C. There was no impairment on investments accounted for using equity method for the three months ended September 30, 2018 and 2017, and nine months ended September 30, 2018 and 2017.

D. The investment balance of the abovementioned investees accounted for using equity method as of and for the three months ended September 30, 2018 and 2017, and nine months ended September 30, 2018 and 2017 were assessed based on the investees' unreviewed financial statements of the same periods.

(10) Property, plant and equipment

	Land	Buildings and structures	Transportation equipment	Furniture and fixtures	Leasehold improvements	Others	Construction in progress and equipment to be tested	Total
At January 1, 2018								
Cost	$2,279,063	$2,095,661	$ 19,487	$ 472,432	$ 443,549	$ 208,089	$ 898,731	$6,417,012
Accumulated depreciation	-	(516,938)	(12,983)	(371,453)	(288,418)	(172,050)	-	(1,361,842)
Accumulated impairment	(1,582)	(10,764)	-	-	-	-	-	(12,346)
	$2,277,481	$1,567,959	$ 6,504	$ 100,979	$ 155,131	$ 36,039	$ 898,731	$5,042,824
Nine months ended September 30, 2018								
Opening net book amount	$2,277,481	$1,567,959	$ 6,504	$ 100,979	$ 155,131	$ 36,039	$ 898,731	$5,042,824
Additions	-	2,475	-	25,388	122,870	3,213	319,186	473,132
Disposals	-	(31)	(407)	(820)	(1,732)	(378)	-	(3,368)
Transfer (Note)	15,344	23,011	-	910	-	-	-	39,265
Depreciation charge	-	(49,390)	(1,722)	(29,863)	(40,074)	(12,459)	-	(133,508)
Effect due to changes in exchange rates	(173)	(18,938)	-	165	709	(38)	-	(18,275)
Closing net book amount	$2,292,652	$1,525,086	$ 4,375	$ 96,759	$ 236,904	$ 26,377	$ 1,217,917	$5,400,070
At September 30, 2018								
Cost	$2,294,234	$2,112,163	$ 18,940	$ 439,695	$ 501,532	$ 191,454	$ 1,217,917	$6,775,935
Accumulated depreciation	-	(572,312)	(14,565)	(342,936)	(264,628)	(165,077)	-	(1,363,518)
Accumulated impairment	(1,582)	(10,765)	-	-	-	-	-	(12,347)
	$2,292,652	$1,525,086	$ 4,375	$ 96,759	$ 236,904	$ 26,377	$ 1,217,917	$5,400,070

Note: Inventories amounting to $910 were transferred to property, plant and equipment, property, plant and equipment amounting to $23,070 were transferred to investment property and investment property amounting to $61,425 were transferred to property, plant and equipment.

	Land	Buildings and structures	Transportation equipment	Office equipment	Leasehold improvements	Others	Construction in progress and equipment to be tested	Total
At January 1, 2017								
Cost	$2,281,371	$2,103,545	$ 18,809	$ 526,282	$ 499,499	$ 210,204	$ 2,688	$5,642,398
Accumulated depreciation	-	(451,224)	(11,322)	(423,925)	(300,335)	(164,588)	-	(1,351,394)
Accumulated impairment	(1,582)	(10,764)	-	-	-	-	-	(12,346)
	$2,279,789	$1,641,557	$ 7,487	$ 102,357	$ 199,164	$ 45,616	$ 2,688	$4,278,658
Nine months ended September 30, 2017								
Opening net book amount	$2,279,789	$1,641,557	$ 7,487	$ 102,357	$ 199,164	$ 45,616	$ 2,688	$4,278,658
Additions	-	1,490	3,629	14,342	6,094	6,358	815,512	847,425
Disposals	-	-	(1,687)	(1,976)	(92)	(25)	-	(3,780)
Transfer	-	352	-	1,424	(1,369)	4,088	(2,093)	2,402
Depreciation charge	-	(50,892)	(2,015)	(33,488)	(36,461)	(17,699)	-	(140,555)
Effect due to changes in exchange rates	(2,208)	(14,065)	(272)	(3,521)	(2,702)	(783)	(653)	(24,204)
Closing net book amount	$2,277,581	$1,578,442	$ 7,142	$ 79,138	$ 164,634	$ 37,555	$ 815,454	$4,959,946
At September 30, 2017								
Cost	$2,279,163	$2,089,321	$ 19,595	$ 459,381	$ 471,836	$ 215,401	$ 815,454	$6,350,151
Accumulated depreciation	-	(500,114)	(12,453)	(380,243)	(307,202)	(177,846)	-	(1,377,858)
Accumulated impairment	(1,582)	(10,765)	-	-	-	-	-	(12,347)
	$2,277,581	$1,578,442	$ 7,142	$ 79,138	$ 164,634	$ 37,555	$ 815,454	$4,959,946

Note: Inventories amounting to $2,050 were transferred to property, plant and equipment, other assets – non-current amounting to $352 were transferred to property, plant and equipment.

A. Amount of borrowing costs capitalised as part of property, plant and equipment and the range of the interest rates for such capitalisation are as follows:

	Three months ended September 30,	
	2018	2017
Amount capitalised	$ 2,764	$ 2,160
Range of the interest rates for capitalisation	1.03%~1.05%	1.05%~1.06%

	Nine months ended September 30,	
	2018	2017
Amount capitalised	$ 7,639	$ 4,040
Range of the interest rates for capitalisation	1.03%~1.05%	1.05%~1.09%

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

(11) Investment property

	Land	Buildings and structures	Total
At January 1, 2018			
Cost	$ 354,034	$ 1,013,552	$ 1,367,586
Accumulated depreciation	-	(183,219)	(183,219)
	$ 354,034	$ 830,333	$ 1,184,367
Nine months ended September 30, 2018			
Opening net book amount	$ 354,034	$ 830,333	$ 1,184,367
Transfer (Note)	(15,344)	(23,011)	(38,355)
Depreciation charge	-	(17,803)	(17,803)
Effect due to changes in exchange rates	-	(20,245)	(20,245)
Closing net book amount	$ 338,690	$ 769,274	$ 1,107,964
At September 30, 2018			
Cost	$ 338,690	$ 953,974	$ 1,292,664
Accumulated depreciation	-	(184,700)	(184,700)
	$ 338,690	$ 769,274	$ 1,107,964

Note: Property, plant and equipment amounting to $23,070 were transferred to investment property and investment property amounting to $61,425 were transferred to property, plant and equipment.

	Land	Buildings and structures	Total
At January 1, 2017			
Cost	$ 354,128	$ 1,023,373	$ 1,377,501
Accumulated depreciation	-	(160,370)	(160,370)
	$ 354,128	$ 863,003	$ 1,217,131
Nine months ended September 30, 2017			
Opening net book amount	$ 354,128	$ 863,003	$ 1,217,131
Additions	-	190	190
Depreciation charge	-	(17,682)	(17,682)
Others	(94)	-	(94)
Effect due to changes in exchange rates	-	(11,455)	(11,455)
Closing net book amount	$ 354,034	$ 834,056	$ 1,188,090
At September 30, 2017			
Cost	$ 354,034	$ 1,010,909	$ 1,364,943
Accumulated depreciation	-	(176,853)	(176,853)
	$ 354,034	$ 834,056	$ 1,188,090

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

	Three months ended September 30,	
	2018	2017
Rental revenue from investment property	$ 14,174	$ 18,338
Direct operating expenses arising from the investment property that generated rental income during the period	$ 4,153	$ 4,827
Direct operating expenses arising from the investment property that did not generate rental income during the period	$ 1,671	$ 1,128

	Nine months ended September 30,	
	2018	2017
Rental revenue from investment property	$ 46,383	$ 49,383
Direct operating expenses arising from the investment property that generated rental income during the period	$ 12,961	$ 13,146
Direct operating expenses arising from the investment property that did not generate rental income during the period	$ 4,842	$ 4,536

B. The fair value of the investment property held by the Group as of September 30, 2018, December 31, 2017 and September 30, 2017 was $1,568,038, $1,685,783 and $1,662,465, respectively. The fair value as of September 30, 2018, December 31, 2017 and September

30, 2017 was based on independent appraisers' valuation, which was made using comparative method and income approach. Comparison method is to compare the valuation target with similar property which is traded around the valuation period. Valuations were made using the income approach with key assumptions as follows:

	September 30, 2018	December 31, 2017	September 30, 2017
Discount rate	2%~2.75%	2%~2.75%	2%~2.75%
Growth rate	0%~1%	0%~1%	0%~1%
Gross margin	1.87%~2.88%	1.87%~2.88%	1.87%~2.88%

C. There is no impairment loss on investment property.

D. For investment property pledged for guarantee, please refer to Note 8.

(12) Intangible assets

	Operating right	Software	Goodwill	Others	Total
At January 1, 2018					
Cost	$ 285,526	$ 228,039	$ 5,656,517	$ 61,668	$6,231,750
Accumulated amortisation and impairment	(285,526)	(191,396)	(121,448)	(61,611)	(659,981)
	$ -	$ 36,643	$ 5,535,069	$ 57	$5,571,769
Nine months ended September 30, 2018					
Opening net book amount	$ -	$ 36,643	$ 5,535,069	$ 57	$5,571,769
Additions-acquired separately	-	1,420	-	-	1,420
Disposals	-	(267)	-	-	(267)
Amortisation charge	-	(14,502)	-	-	(14,502)
Effect due to changes in exchange rates	-	(231)	5,097	2	4,868
Closing net book amount	$ -	$ 23,063	$ 5,540,166	$ 59	$5,563,288
At September 30, 2018					
Cost	$ 292,501	$ 226,961	$ 5,664,736	$ 65,916	$6,250,114
Accumulated amortisation and impairment	(292,501)	(203,898)	(124,570)	(65,857)	(686,826)
	$ -	$ 23,063	$ 5,540,166	$ 59	$5,563,288

	Operating right	Software	Goodwill	Others	Total
At January 1, 2017					
Cost	$ 308,230	$ 228,230	$ 5,683,269	$ 69,970	$6,289,699
Accumulated amortisation and impairment	(306,659)	(185,850)	(131,609)	(65,637)	(689,755)
	$ 1,571	$ 42,380	$ 5,551,660	$ 4,333	$5,599,944
Nine months ended September 30, 2017					
Opening net book amount	$ 1,571	$ 42,380	$ 5,551,660	$ 4,333	$5,599,944
Additions-acquired separately	-	4,207	-	-	4,207
Amortisation charge	(1,571)	(14,706)	-	(3,662)	(19,939)
Effect due to changes in exchange rates	-	(394)	(13,260)	(212)	(13,866)
Closing net book amount	$ -	$ 31,487	$ 5,538,400	$ 459	$5,570,346
At September 30, 2017					
Cost	$ 290,085	$ 221,840	$ 5,661,889	$ 63,077	$6,236,891
Accumulated amortisation and impairment	(290,085)	(190,353)	(123,489)	(62,618)	(666,545)
	$ -	$ 31,487	$ 5,538,400	$ 459	$5,570,346

The details of amortisation charge are as follows:

	Three months ended September 30,	
	2018	2017
Selling and marketing expenses	$ 883	$ 2,108
General and administrative expenses	3,751	3,888
	$ 4,634	$ 5,996

	Nine months ended September 30,	
	2018	2017
Selling and marketing expenses	$ 2,663	$ 8,101
General and administrative expenses	11,839	11,838
	$ 14,502	$ 19,939

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

	September 30, 2018	December 31, 2017	September 30, 2017
Yosun subgroup	$ 3,647,777	$ 3,643,587	$ 3,646,326
World Peace subgroup	1,648,106	1,647,199	1,647,792
Others	244,283	244,283	244,282
	$ 5,540,166	$ 5,535,069	$ 5,538,400

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.

Management determined budgeted gross margin based on past performance and its expectations of market development. The assumptions used for weighted average growth rates are based on past historical experience and expectations of industry; the assumption used for discount rate is the weighted average capital cost of the Group. As of September 30, 2018, December 31, 2017 and September 30, 2017, the key valuations used for pre-tax discount rate were 6.40%, 5.93% and 5.91%, respectively.

C. There is no impairment loss on intangible assets.

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

The Group recognised impairment loss amounting to $0, $8,742, $0, and $9,111 for the three months ended September 30, 2018 and 2017, and nine months ended September 30, 2018 and 2017, respectively. Details of such loss are as follows:

	Three months ended September 30,			
	2018		2017	
	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 - non-current	$ -	$ -	$ 8,742	$ -

	Nine months ended September 30,			
	2018		2017	
	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 - non-current	$ -	$ -	$ 9,111	$ -

(14) Overdue receivables (shown as "other non-current assets")

	September 30, 2018	December 31, 2017	September 30, 2017
Overdue receivables	$ 1,037,012	$ 1,016,375	$ 1,041,395
Less: Allowance for doubtful accounts	(951,446)	(1,004,043)	(1,041,395)
	$ 85,566	$ 12,332	$ -

Movement analysis of financial assets that were impaired is as follows:

	2018	2017
	Individual provision	Individual provision
At January 1	$ 1,004,043	$ 718,231
Reversal of impairment	(95,588)	(31,487)
Write-off of bad debts	(167,862)	(17,748)
Transferred from accounts receivable	181,994	412,891
Other (Note)	13,884	-
Effect due to changes in exchange rates	14,975	(40,492)
At September 30	$ 951,446	$ 1,041,395

Note: A direct reversal of write-offs for bad debts from prior years resulted in a decrease in loss allowance.

(15) Short-term borrowings

Type of borrowings	September 30, 2018	December 31, 2017	September 30, 2017
Loans for overseas purchases	$ 27,125,194	$ 22,021,829	$ 34,594,965
Short-term loans	36,003,617	31,751,778	22,367,118
	$ 63,128,811	$ 53,773,607	$ 56,962,083
Annual interest rates	0.94%~9.35%	0.90%~8.33%	0.90%~4.57%

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

(16) Short-term notes and bills payable

	September 30, 2018	December 31, 2017	September 30, 2017
Commercial papers payable	$ 4,860,000	$ 3,890,000	$ 3,850,000
Less: Unamortised discount	(4,692)	(2,395)	(2,815)
	$ 4,855,308	$ 3,887,605	$ 3,847,185
Annual interest rates	0.53%~1.16%	0.48%~1.16%	0.52%~1.16%

The abovementioned short-term notes and bills payable are guaranteed by financial institutions.

(17) Bonds payable

A. Related information on the issuance of domestic convertible bonds by the Company is as follows:

(a) The terms of the first domestic unsecured convertible bonds issued by the Company are as follows:

The Company issued $6,000,000, 0% first domestic unsecured convertible bonds, as approved by the regulatory authority. The bonds mature 3 years from the issue date (July 25, 2014 ~ July 25, 2017) and will be redeemed in cash at face value at the maturity date. The bonds were listed on the Taiwan Over-The-Counter Securities Exchange on July 25, 2014.

(b) The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after one month of the bonds issue to the maturity date, except the stop transfer period as specified in the terms of the bonds

or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

(c) The conversion price ($42.8 (in dollars) per share) of the bonds is set up based on the pricing model in the terms of the bonds, and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The conversion price will be reset based on the pricing model in the terms of the bonds on each effective date regulated by the terms. Before maturity, the conversion price was $35.4.

(d) Under the terms of the bonds, all bonds redeemed (including bonds repurchased from the Taiwan Over-The-Counter Securities Exchange), matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.

B. Regarding the issuance of convertible bonds, the equity conversion options amounting to $232,800 were separated from the liability component and were recognised in 'capital surplus-stock warrants' in accordance with IAS 32. As of July 25, 2017, the maturity date, the balance of capital surplus, share options was $0 after the bondholder exercised conversion right.

C. As of July 25, 2017, the maturity date, convertible bonds with face value of $5,995,100 had been converted to 169,353 thousand ordinary shares. As for the other unconverted bonds totaling $4,900 at face value, the Company redeemed the bonds in cash accordingly.

D. The amortisation of discount on bonds payable was $163 and $20,723 for the three months ended September 30, 2017 and nine months ended September 30, 2017, respectively.

(18) Long-term borrowings

Type of borrowings	Borrowing period / repayment term	September 30, 2018	December 31, 2017	September 30, 2017
Secured bank borrowings (Note 1 and Note 2)	2012.01.02~ 2027.01.02	$ 445,871	$ 485,990	$ 500,013
Unsecured bank borrowings (Note 3~ Note 9)	2015.10.26~ 2020.09.14	13,298,956	11,854,736	12,205,920
		13,744,827	12,340,726	12,705,933
Less : Discount on borrowings		(7,520)	(10,480)	-
Less : Current portion of long-term borrowings (shown as other current liabilities)		(6,840,408)	(5,092,236)	(386,544)
		$ 6,896,899	$ 7,238,010	$ 12,319,389
Interest rate range		1.25%~3.33%	1.32%~3.14%	1.20%~3.14%

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

Note 1: (a) 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.

(b) In November 2014, the lending financial institution agreed to grant a grace period of one year, therefore the start of the repayment of the principal has been moved to January 2016, which will be in equal monthly installments.

(c) 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, plus 0.25% from January 2, 2014, plus 0.35% from January 2, 2015, plus 0.42% from January 2, 2016 and plus 0.44% from January 2, 2017, plus 0.45% from January 2, 2018.

Note 2: AIT Japan Inc., the Company's indirect subsidiary, had entered into a long-term loan agreement for a period of ten years with the Daiwa Bank, Limited on March 28, 2012, and the facility is JPY 250,000,000. The pledged assets are land, and furniture and fixtures, which amount to $69,494 and $68,447, respectively. 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 3: Frontek Technology Corporation, an indirect subsidiary, entered into a two-year borrowing contract with Yuanta Commercial Bank in December 2016 in the amount of $300,000. The interest is repayable monthly, the principal is payable in full at maturity and the borrowings could be used and repaid any time during the valid period.

Note 4: Silicon Application Corporation, the Company's subsidiary, had entered into a syndicated borrowing agreement with Bank of Taiwan and other financial institutions on May 16, 2017. The terms and conditions of the contract were as follows:

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

(b) Facility and drawdown: The facility is $2,600,000, could be multiple drawdowns or revolving, however the total amount at any time cannot exceed the facility amount.

(c) Repayment: For each drawdown, the principal and the interest payable must be repaid in full at the end of that specific drawdown's term. At the end of the contract term, the principal, interest payable and any related expense of each drawdown must be repaid in full.

(d) Loan covenant: During the contract term, Silicon Application Corporation is required to maintain financial ratios as follows: the liquidity ratio should not be less than 100%, debt ratio should not be higher than 220%, time interest earned ratio should not be less than 3 and net value (net intangible assets) should be maintained at or above $3,000,000.

Silicon Application Corporation met all the financial commitments stated in the contract.

Note 5: The Company's subsidiary, World Peace Industrial Co., Ltd., had entered into a syndicated borrowing agreement with Hua Nan Commercial Bank, Mizuho

Corporate Bank, E. SUN Commercial Bank, Taiwan Cooperative Bank, Chang Hwa Commercial Bank, Far Eastern International Bank and other financial institutions on August 31, 2017. The terms and conditions of the contract were as follows:

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

(b) Facility and drawdown: The facility must be less than $7,200,000. Each drawdown amount must be no less than $100,000 or USD 3 million. The repayment period could be 30 or 180 days: One month at the least and nine months at the most.

(c) Repayment: For each drawdown, the principal and interest must be repaid in full at the end of each drawdown's term. For re-utilization of the revolving loan after maturity date, application should be submitted to the lead bank five days before the maturity date. Based on the credit term in the contract, all or part of the loan will be re-utilized. If the amount of drawdown is the same as the last time, the syndicate of banks would not make an additional procedure of remittance and loan, as if the borrower has actually received the loan, and uses the loan contract as proof of receipt.

(d) Loan covenant: 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 250%, time interest earned ratio should not be less than 2.5 and net value (net intangible assets) should not be less than $10,000,000.

During the contract period, World Peace Industrial Co., Ltd. met all the financial commitments stated in the contract.

Note 6: The Company's subsidiary, World Peace Industrial Co., Ltd., had entered into a long-term loan agreement with Taipei Fubon Commercial Bank, E. SUN Commercial Bank, Mizuho Corporate Bank, Bank of Taiwan and other financial institutions on October 26, 2015. The terms and conditions of the contract were as follows:

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

(b) Facility and drawdown: The facility must be less than $7,200,000. Each drawdown amount must be no less than $100,000 or USD 3 million. The repayment period could be 60, 90 or 180 days, and nine months at the most.

(c) Repayment: For each drawdown, the principal and interest must be repaid in full at the end of each drawdown's term. For re-utilization of the revolving loan after maturity date, application should be submitted to the lead bank five days before the maturity date. Based on the credit term in the contract, all or part of the loan will be re-utilized. If the amount of drawdown is the same as the last time, the

syndicate of banks would not make an additional procedure of remittance and loan, as if the borrower has actually received the loan, and uses the loan contract as proof of receipt.

(d) Loan covenant: 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 (net intangible assets) should not be less than $10,000,000.

During the contract period, World Peace Industrial Co., Ltd. met all the financial commitments stated in the contract.

Note 7: The Company's subsidiary, World Peace Industrial Co., Ltd., had entered into a long-term loan agreement with The Bank of Tokyo-Mitsubishi UFJ on September 23, 2016. The terms and conditions of the contract were as follows:

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

(b) Facility and drawdown: The facility must be less than $700,000. This pertains to a revolving loan facility of World Peace Industrial Co., Ltd., the Company's subsidiary, wherein the principal amount can be renewed after the corresponding interest is paid, and payment of the existing loan can be repaid by the new loan. If the amounts equal, then the banks would not make a procedure of remittance and loan.

(c) Repayment: For each drawdown, the principal must be repaid in full at the end of each drawdown's term. Interests shall be paid quarterly.

(d) Loan covenant: The Company's 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, net value (net intangible assets) should not be less than $10,000,000 and the ratio of liability divided by earnings before interest, taxes, depreciation and amortization (EBITDA) should not be higher than 10. If the covenants are not met, right to drawdown is immediately terminated, and the lead bank can decide to take the following actions:

a. Rescind part or all of the undrawn facility;

b. Demand World Peace Industrial Co., Ltd. to immediately repay all drawn principals, interest payable and other related payables as specified in the contract;

c. Demand all rights of the promissory note obtained from signing of the

contract.

World Peace Industrial Co., Ltd. met all the financial commitments stated in the contract.

Note 8: On June 12, 2017, WPG Korea Co., Ltd. entered into a long-term loan agreement with Kookmin Bank for a loan of KRW 2 billion until March 15, 2020. The principal is payable in 10 quarterly installments of KRW 200 million each starting from December 15, 2017. The interest is payable quarterly.

Note 9: On June 12, 2017, WPG Korea Co., Ltd. entered into a long-term loan agreement with Kookmin Bank for a loan of KRW 1 billion until June 15, 2020. The principal is payable in 10 quarterly installments of KRW 100 million each starting from March 15, 2018. The interest is payable quarterly.

(19) Other current liabilities

	September 30, 2018	December 31, 2017	September 30, 2017
Long-term borrowings-current portion	$ 6,840,408	$ 5,092,236	$ 386,544
Refund liabilities	3,527,610	-	-
Others	532,901	466,968	771,650
	$ 10,900,919	$ 5,559,204	$ 1,158,194

Under the initial application of IFRS 15 on January 1, 2018, refund liabilities were generated from sales discounts which is shown as 'other current liabilities'.

(20) Pensions

A. Defined benefit plans

(a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Law, 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 and its domestic subsidiaries contribute monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is not enough to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic

subsidiaries will make contribution for the deficit by next March.

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) For the aforementioned pension plan, the Group recognised pension costs of $3,723, $4,314, $9,811 and $12,951 for the three months ended September 30, 2018 and 2017, and nine months ended September 30, 2018 and 2017, respectively.

(c) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2019 are $15,918.

B. Defined contribution plans

(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) Other overseas companies have defined contribution plans. Contributions for pensions and retirement allowance to independent fund administered by the government in accordance with the local pension regulations are based on certain percentage of employees' monthly salaries and wages. Other than the monthly contributions, the companies have no further obligations.

(c) The pension costs of the Group under the defined contribution pension plans for the three months ended September 30, 2018 and 2017, and nine months ended September 30, 2018 and 2017 were $85,280, $83,162, $252,668 and $235,917, respectively.

(21) Share capital

A. As of September 30, 2018, the Company's authorised capital was $20,000,000 (including $500,000 for stock options, convertible preferred stock and convertible bonds), and the paid-in capital was $16,790,568 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

B. On June 21, 2018, the stockholders during their meeting resolved to reduce its capital by returning cash in the amount of $1,460,050, and the record date for capital reduction was August 6, 2018.

C. Movements in the number of the Company's ordinary shares outstanding (in thousands of shares) for the nine months ended September 30, 2018 and 2017 are as follows:

	2018	2017
At January 1	1,825,062	1,723,895
Convertible bonds converted to shares	-	101,167
Cash capital decrease	(146,005)	-
At September 30	1,679,057	1,825,062

(22) Capital surplus

A. 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 as 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.

B. Details of capital surplus - stock options are provided in Note 6 (17).

	2018				
	Share premium	Treasury share transaction	Recognised changes in subsidiaries' equity	Changes in associates' net equity	Total
At January 1	$ 19,389,875	$ 45,177	$ 431	$ 134,042	$ 19,569,525
Proceeds from disposal of investments accounted for using equity method	-	-	-	(112,053)	(112,053)
September 30	$ 19,389,875	$ 45,177	$ 431	$ 21,989	$ 19,457,472

	2017					
	Share premium	Treasury share transaction	Recognised changes in subsidiaries' equity	Changes in associates' net equity	Stock options	Total
January 1	$ 16,694,715	$ 45,177	$ 431	$ 21,989	$ 138,741	$ 16,901,053
Convertible bonds converted to shares	2,695,160	-	-	-	(138,741)	2,556,419
September 30	$ 19,389,875	$ 45,177	$ 431	$ 21,989	$ -	$ 19,457,472

(23) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall be used to set aside as legal reserve, and set aside as special reserve in accordance with Article 41 of Securities and Exchange Act. The remainder, if any, to be appropriated shall be proposed by the Board of Directors. If cash dividends are distributed, they shall account for at least 20% of the total dividends distributed.

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. 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.

D. The appropriations of earnings for 2017 and 2016 had been resolved at the stockholders' meeting on June 21, 2018 and June 19, 2017, respectively. Details are summarised below:

	Years ended December 31,			
	2017		2016	
	Amount	Dividend per share (in dollars)	Amount	Dividend per share (in dollars)
Legal reserve	$ 730,799	$ -	$ 531,288	$ -
Special reserve	4,124,936	-	-	-
Cash dividends	4,380,148	2.40	4,178,311	2.40
	$ 9,235,883	$ 2.40	$ 4,709,599	$ 2.40

The above appropriations of earnings for 2017 and 2016 as resolved by the shareholders are the same with the amounts resolved by the Board of Directors.

E. For the information relating to employees' compensation and directors' remuneration, please refer to Note 6(30).

(24) Other equity items

	2018		
	Unrealised gains on valuation	Currency translation	Total
At January 1	$ 129,342	($ 4,254,279)	($ 4,124,937)
Adjustments under new standards	(135,342)	-	(135,342)
At January 1_IFRS 9	(6,000)	(4,254,279)	(4,260,279)
Cumulative translation differences:			
- Group	-	1,217,461	1,217,461
- Tax on Group	-	3,523	3,523
- Associates	-	23,409	23,409
At September 30	($ 6,000)	($ 3,009,886)	($ 3,015,886)

	2017		
	Available-for-sale investment	Currency translation	Total
At January 1	($ 10,088)	$ 918,151	$ 908,063
Revaluation - gross	59,228	-	59,228
Revaluation-associates	28	-	28
Cumulative translation differences:			
- Group	-	(4,063,018)	(4,063,018)
- Tax on Group	-	(1,216)	(1,216)
- Associates	-	(33,471)	(33,471)
At September 30	$ 49,168	($ 3,179,554)	($ 3,130,386)

(25) Operating revenue

	Three months ended September 30, 2018	Nine months ended September 30, 2018
Revenue from contracts with customers	$ 150,362,425	$ 413,306,808

A. Disaggregation of revenue from contracts with customers

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

	Three months ended September 30, 2018	Nine months ended September 30, 2018
Core components	$ 46,315,212	$ 122,053,100
Analog IC and mixed signal components	27,200,216	73,024,125
Discrete IC, logic IC	22,299,283	59,888,333
Memory	34,953,719	103,155,514
Optical components	9,972,160	26,357,108
Passive connector and magnetic components	7,737,124	18,299,928
Others	1,884,711	10,528,700
	$ 150,362,425	$ 413,306,808

B. Related disclosures on operating revenue for the three months ended September 30, 2017 and nine months ended September 30, 2017 are provided in Note 12(5) B.

(26) Other income

	Three months ended September 30,	
	2018	2017
Interest income:		
Interest income from bank deposits	$ 12,693	$ 11,105
Interest income from financial assets measured at amortised cost	43	-
	12,736	11,105
Rental revenue	17,551	19,260
Dividend income	9,533	21,892
Gain on doubtful debt recoveries	-	34,497
Other income - others	31,708	10,197
	$ 71,528	$ 96,951

	Nine months ended September 30,	
	2018	2017
Interest income:		
Interest income from bank deposits	$ 29,110	$ 22,535
Interest income from financial assets measured at amortised cost	109	-
	29,219	22,535
Rental revenue	51,556	51,926
Dividend income	14,988	30,462
Gain on doubtful debt recoveries	-	351,718
Other income - others	132,017	95,309
	$ 227,780	$ 551,950

(27) Other gains and losses

	Three months ended September 30,	
	2018	2017
Loss on disposal of property, plant and equipment	($ 2,300)	($ 222)
Gain on disposal of investments	16,455	1,726
Currency exchange (loss) gain	(16,099)	87,489
(Loss) gain on financial assets and liabilities at fair value through profit or loss	(56,515)	13,984
Impairment loss	-	(8,742)
Other losses	(21,525)	(17,592)
	($ 79,984)	$ 76,643

	Nine months ended September 30,	
	2018	2017
Loss on disposal of property, plant and equipment	($ 3,039)	($ 773)
Gain on disposal of investments	58,516	17,969
Currency exchange gain	176,982	329,312
Gain (loss) on financial assets and liabilities at fair value through profit or loss	592,592	(5,532)
Impairment loss	-	(9,111)
Other losses	(84,321)	(38,461)
	$ 740,730	$ 293,404

(28) Finance costs

	Three months ended September 30,	
	2018	2017
Interest expense:		
Bank borrowings	$ 620,925	$ 427,439
Convertible bonds	-	163
Less: Capitalisation of qualifying assets	(2,764)	(2,160)
Others	59,312	46,135
	$ 677,473	$ 471,577

	Nine months ended September 30,	
	2018	2017
Interest expense:		
Bank borrowings	$ 1,628,467	$ 1,145,090
Convertible bonds	-	20,723
Less: Capitalisation of qualifying assets	(7,639)	(4,040)
Others	150,395	139,260
	$ 1,771,223	$ 1,301,033

(29) Additional information of expenses by nature

	Three months ended September 30,	
	2018	2017
Employee benefit expense	$ 2,180,712	$ 2,229,410
Depreciation charges on property and equipment (including investment property)	$ 54,987	$ 51,105
Amortisation charges on intangible assets	$ 4,634	$ 5,996

	Nine months ended September 30,	
	2018	2017
Employee benefit expense	$ 6,055,311	$ 6,039,956
Depreciation charges on property and equipment (including investment property)	$ 151,311	$ 158,237
Amortisation charges on intangible assets	$ 14,502	$ 19,939

(30) Employee benefit expense

	Three months ended September 30,	
	2018	2017
Wages and salaries	$ 1,926,404	$ 1,998,213
Labor and health insurance fees	94,899	84,348
Pension costs	89,003	87,476
Other personnel expenses	70,406	59,373
	$ 2,180,712	$ 2,229,410

	Nine months ended September 30,	
	2018	2017
Wages and salaries	$ 5,326,107	$ 5,367,270
Labor and health insurance fees	264,706	247,684
Pension costs	262,479	248,868
Other personnel expenses	202,019	176,134
	$ 6,055,311	$ 6,039,956

A. According to the Articles of Incorporation of the Company, a ratio of profit of the current year distributable, after covering accumulated losses, shall be distributed as employees' compensation and directors' and supervisors' remuneration. According to the Articles of Incorporation of the Company, a ratio of profit of the current year distributable, after covering accumulated losses, shall be distributed as employees' compensation and directors' and supervisors' remuneration. The ratio shall be between 0.01%~5% for employees' compensation and shall not be higher than 3% for directors' and supervisors' remuneration.

B. For the three months ended September 30, 2018 and 2017, and nine months ended September 30, 2018 and 2017, employees' compensation was accrued at $4,527, $7,348, $18,052 and $18,294, respectively; while directors' and supervisors' remuneration was accrued at $10,500, $8,750, $31,500 and $26,250, respectively. The aforementioned amounts were recognised in salary expenses.

   For the three months ended September 30, 2018 and nine months ended September 30, 2018, the employees' compensation and directors' and supervisors' remuneration were estimated and accrued based on the profit of current year and the percentage as prescribed by the Company's Articles of Incorporation.

   The difference between employees' compensation of $23,334 and directors' and supervisors' remuneration of $42,000 as resolved by the Board of Directors on April 24, 2018 and employees' compensation of $24,392 and directors' and supervisors' remuneration of $42,000 recognised in the 2017 financial statements by $1,058 had been adjusted in the profit or loss of the first quarter in 2018. The employees' compensation was distributed in the form of cash.

C. Information about employees' compensation and directors' and supervisors' remuneration

of the Company as resolved by the Board of Directors and shareholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(31) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Three months ended September 30,	
	2018	2017
Current tax		
Current tax on profits for the period	$ 475,440	$ 425,661
Tax on undistributed surplus earnings	-	-
Prior year income tax (over) under estimation	(655)	2,782
Total current tax	474,785	428,443
Deferred tax		
Origination and reversal of temporary differences	(8)	(3,830)
Total deferred tax	(8)	(3,830)
Income tax expense	$ 474,777	$ 424,613

	Nine months ended September 30,	
	2018	2017
Current tax		
Current tax on profits for the period	$ 1,251,138	$ 1,156,153
Tax on undistributed surplus earnings	-	53,736
Prior year income tax under (over) estimation	21,436	(5,759)
Total current tax	1,272,574	1,204,130
Deferred tax		
Origination and reversal of temporary differences	57,377	18,001
Impact of change in tax rate	29,768	-
Total deferred tax	87,145	18,001
Income tax expense	$ 1,359,719	$ 1,222,131

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

	Three months ended September 30,	
	2018	2017
Currency translation differences	($ 2,892)	($ 4,151)

	Nine months ended September 30,	
	2018	2017
Currency translation differences	($ 2,294)	$ 1,216
Impact of change in tax rate	(7,432)	-
	($ 9,726)	$ 1,216

B. The Company's income tax returns through 2013 have been assessed and approved by the Tax Authority.

C. Under the amendments to the Income Tax Act which was promulgated by the President of the Republic of China on February 7, 2018, the Company's applicable income tax rate was raised from 17% to 20% effective from January 1, 2018. The Group has assessed the impact of the change in income tax rate.

(32) Earnings per share

	Three months ended September 30, 2018		
	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	$ 1,768,723	1,736,189	$ 1.02
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,768,723	1,736,189	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	119	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 1,768,723	1,736,308	$ 1.02

	Three months ended September 30, 2017		
	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	$ 2,025,996	1,823,753	$ 1.11
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 2,025,996	1,823,753	
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	138	1,347	
Employees' compensation	-	182	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 2,026,134	1,825,282	$ 1.11

	Nine months ended September 30, 2018		
	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	$ 5,863,312	1,795,112	$ 3.27
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 5,863,312	1,795,112	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	720	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 5,863,312	1,795,832	$ 3.26

	Nine months ended September 30, 2017		
	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	$ 5,663,132	1,768,813	$ 3.20
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 5,663,132	1,768,813	
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	20,549	56,353	
Employees' compensation	-	578	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 5,683,681	1,825,744	$ 3.11

(33) Supplemental cash flow information

A. Partial payment of cash from investing activities

	Nine months ended September 30,	
	2018	2017
Acquisition of property, plant and equipment and intangible assets	$ 474,552	$ 851,822
Add: Accounts payable at the beginning of period	3,303	-
Add: Prepayments at the end of period	-	1,978
Cash paid during the period for property, plant and equipment	$ 477,855	$ 853,800

B. Financing activities with no cash flow effects

	Nine months ended September 30,	
	2018	2017
Payables on capital reduction by returning cash	$ 1,460,050	$ -

(34) Changes in liabilities from financing activities

	Short-term borrowings	Short-term notes and bills payable	Long-term borrowings (Note)	Liabilities from financing activities-gross
At January 1, 2018	$ 53,773,607	$ 3,887,605	$ 12,326,036	$ 69,987,248
Changes in cash flow from financing activities	8,794,836	967,703	1,364,735	11,127,274
Impact of changes in foreign exchange rate	560,368	-	46,536	606,904
At September 30, 2018	$ 63,128,811	$ 4,855,308	$ 13,737,307	$ 81,721,426

Note: Including long-term borrowings-current portion less unamortised discounts.

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) Names of related parties and relationship

Names of related parties	Relationship with the Group
Chain Power Technology Corp.	Investee accounted for using equity method
Adivic Techology Co., Ltd. (Note 1)	Investee accounted for using equity method
Yosun Japan Corp.	〃
VITEC WPG Limited	〃
CECI Technology Co. Ltd. (Note 2)	〃
Gain Tune Logistics (Shanghai) Co., Ltd.	〃
Suzhou Xinning Logistics Co., Ltd.	〃
Suzhou Xinning Bonded Warehouse Co., Ltd.	〃
Eesource Corp.	〃
CEAC Technology HK Limited (Note 2)	Subsidiary of investee accounted for using equity method
CEAC International Limited (Note 2)	Subsidiary of investee accounted for using equity method
P.T. WPG Electrindo Jaya	Stockholder of a Group's subsidiary accounted for using equity method
WPG Holdings Education Foundation	One third of paid-in-capital was granted by the Group

Note 1: The Group lost its significant influence over Yosun Japan Corp. due to disposal of all the shares of Yosun Japan Corp. held by the Group in May 2018.

Note 2: In June 2018, the Group lost significant influence on CECI Technology Co. Ltd., thus the 'investment accounted for using equity method' was reclassified as 'non-current financial assets at fair value through profit or loss'.

(3) Significant transactions and balances with related parties

A. Operating revenues

	Three months ended September 30,	
	2018	2017
Sales of goods		
Others	$ 97,364	$ 217,217
Associates	52,591	80,392
	$ 149,955	$ 297,609

	Nine months ended September 30,	
	2018	2017
Sales of goods		
Others	$ 388,193	$ 487,984
Associates	180,794	238,702
	$ 568,987	$ 726,686

The terms and sales prices with other 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 of collection.

B. Purchases

	Three months ended September 30,	
	2018	2017
Purchases of goods		
Associates	$ 176	$ 10,309

	Nine months ended September 30,	
	2018	2017
Purchases of goods		
Associates	$ 13,381	$ 415,443

The purchase prices and terms of payment for associates including products, market, competition and other conditions are the same as those for general suppliers.

C. Receivables from related parties

	September 30, 2018	December 31, 2017	September 30, 2017
Accounts receivable			
Others	$ 63,487	$ 257,511	$ 216,609
Associates	17,509	17,217	25,560
	$ 80,996	$ 274,728	$ 242,169

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.

D. Other receivables

	September 30, 2018	December 31, 2017	September 30, 2017
Other receivables			
Associates	$ 5,002	$ 2,046	$ 7,714

The above represents receivables from payments on behalf of others and purchase on behalf of others.

E. Payables to related parties

	September 30, 2018	December 31, 2017	September 30, 2017
Accounts payable			
Associates	$ 174	$ 1,312	$ 821

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.

F. Endorsements and guarantees provided to related parties

	September 30, 2018	December 31, 2017	September 30, 2017
Associates			
VITEC WPG Limited	$ 68,681	$ 66,960	$ 68,085

G. Others

The Group's donations to WPG Holding Education Foundation were $1,800, $1,500, $5,500 and $4,900 for the three months ended September 30, 2018 and 2017, and nine months ended September 30, 2018 and 2017, respectively.

(4) Key management compensation

	Three months ended September 30,	
	2018	2017
Salaries and other short-term employee benefits	$ 56,955	$ 64,423
Post-employment benefits	706	975
	$ 57,661	$ 65,398

	Nine months ended September 30,	
	2018	2017
Salaries and other short-term employee benefits	$ 169,585	$ 165,306
Post-employment benefits	2,345	2,015
	$ 171,930	$ 167,321

8. PLEDGED ASSETS

Pledged assets (Note 1)	September 30, 2018	December 31, 2017	September 30, 2017	Purpose of Collateral
Other current assets and other non-current assets (Note 3)				
-Time deposits	$ 43,843	$ 86,867	$ 87,352	Security for purchases deposits for litigation, etc.
Financial assets at fair value though other comprehensive income - non-current (Note 2)	7,503	-	-	Security for purchases
Available-for-sale financial assets - non-current (Note 2)	-	4,507	4,507	Security for purchases
Property, plant and equipment (including investment property)				
-Land	1,382,621	1,381,359	1,382,596	Long-term and short-term borrowings guarantee and security for purchases
-Buildings and structures	618,729	627,562	633,682	〃
	$ 2,052,696	$ 2,100,295	$ 2,108,137	

Note 1: The Company held 100% of shares of WPG Investment Co., Ltd., in which 8,999 thousand shares have been pledged for purchases as of September 30, 2018, December 31, 2017 and September 30, 2017.

Note 2: As of September 30, 2018, December 31, 2017 and September 30, 2017, the subsidiary - Silicon Application Corporation held 566 thousand shares of Kingmax Technology Inc., which have been pledged for purchases.

Note 3: Includes 'financial assets at amortised cost - current' and 'financial assets at amortised cost - non-current'.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

In addition to Note 6(6), other commitments were as follows:

(1) Contingencies

None.

(2) Commitments

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

	September 30, 2018	December 31, 2017	September 30, 2017
Property, plant and equipment and intangible assets	$ 5,435,856	$ 5,560,734	$ 5,644,122

B. Operating lease

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

	September 30, 2018	December 31, 2017	September 30, 2017
Not later than one year	$ 454,800	$ 374,960	$ 376,397
Later than one year but not later than five years	873,294	425,944	460,697
Later than five years	2,504	2,003	-
	$ 1,330,598	$ 802,907	$ 837,094

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

September 30, 2018	December 31, 2017	September 30, 2017
$ 610,231	$ 569,998	$ 707,492
USD 98,417,000	USD 103,368,000	USD 100,391,000

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENT AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital risk management

There was no significant change in the reporting period. Please refer to Note 12 in the consolidated financial statements for the year ended December 31, 2017.

(2) Financial instruments

A. Financial instruments by category

	September 30, 2018	December 31, 2017	September 30, 2017
Financial assets			
Financial assets measured at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	$ 1,380,140	$ -	$ -
Financial assets held for trading	-	2,539	16,919
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	32,035	-	-
Available-for-sale financial assets	-	521,274	492,995
Financial assets at cost	-	585,837	528,342
Financial assets at amortised cost/Loans and receivables			
Cash and cash equivalents	8,390,620	7,097,914	7,021,880
Financial assets at amortised cost	199,334	-	-
Notes receivable	2,935,594	4,088,566	4,002,473
Accounts receivable (including related parties)	106,059,966	87,294,871	91,353,585
Other accounts receivable (including related parties)	8,672,703	5,713,459	9,479,164
Guarantee deposits paid	218,026	250,910	251,582
Other financial assets	751,957	627,278	1,116,287
	$ 128,640,375	$ 106,182,648	$ 114,263,227

	September 30, 2018	December 31, 2017	September 30, 2017
Financial liabilities			
Financial liabilities measured at fair value through profit or loss			
Financial liabilities held for trading	$ -	$ 24,765	$ 1,155
Financial liabilities at amortised cost			
Short-term borrowings	63,128,811	53,773,607	56,962,083
Short-term notes and bills payable	4,855,308	3,887,605	3,847,185
Notes payable	250,356	214,347	645,038
Accounts payable (including related parties)	63,241,753	48,910,934	57,208,895
Other accounts payable	6,731,020	5,040,757	5,557,240
Long-term borrowings (including current portion)	13,737,307	12,326,036	12,689,523
Guarantee deposits received	117,919	98,498	90,349
	$ 152,062,474	$ 124,276,549	$ 137,001,468

B. Risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. To minimise any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts are used to hedge certain exchange rate risk. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

(b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(c) Information about derivative financial instruments that are used to hedge certain exchange rate risk are provided in Note 6(2).

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Group operates internationally and is exposed to exchange rate risk arising

from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD and RMB. Exchange rate risk arises from future commercial transactions and recognised assets and liabilities.

ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury. Exchange rate risk is measured through a forecast of highly probable USD and RMB expenditures. Forward foreign exchange contracts are adopted to minimise the volatility of the exchange rate affecting cost of forecast inventory purchases.

iii. The Group hedges foreign exchange rate by using forward exchange contracts. However, the Group does not adopt hedging accounting. Details of financial assets or liabilities at fair value through profit or loss are provided in Note 6(2).

iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain foreign 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:

	September 30, 2018		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
Foreign currency: functional currency			
Financial assets			
Monetary items			
USD：TWD	$ 572,812	30.53	$ 17,485,091
USD：RMB	15,318	6.88	467,578
USD：KRW	17,977	1,100.40	548,750
USD：JPY	7,303	113.39	222,924
HKD：USD	80,799	0.13	315,194
Non-monetary items			
RMB：USD	30,955	0.15	137,318
Financial liabilities			
Monetary items			
USD：TWD	545,817	30.53	16,661,061
USD：RMB	86,331	6.88	2,635,268
USD：KRW	31,557	1,100.40	963,264
USD：JPY	5,346	113.39	163,182
HKD：USD	42,037	0.13	163,987

	December 31, 2017		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
Foreign currency: functional currency			
Financial assets			
Monetary items			
USD：TWD	$ 499,674	29.76	$ 14,870,295
USD：RMB	16,143	6.52	480,405
USD：HKD	6,144	7.82	182,832
USD：KRW	17,977	1,058.32	534,998
USD：JPY	16,260	112.64	483,907
USD：INR	7,682	64.03	228,618
HKD：USD	69,517	0.13	264,653
EUR：USD	3,812	1.20	134,455
Non-monetary items			
RMB：USD	28,197	0.15	128,721
Financial liabilities			
Monetary items			
USD：TWD	463,625	29.76	13,797,493
USD：RMB	92,409	6.52	2,750,099
USD：KRW	31,557	1,058.32	939,123
USD：JPY	15,702	112.64	467,284
HKD：USD	83,409	0.13	317,539

	September 30, 2017		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
Foreign currency: functional currency			
Financial assets			
Monetary items			
USD：TWD	$ 408,712	30.26	$ 12,367,617
USD：RMB	14,919	6.65	451,452
USD：HKD	5,474	7.81	165,634
USD：KRW	23,649	1,135.89	715,613
USD：JPY	20,941	112.45	633,661
USD：INR	7,714	65.31	233,440
USD：THB	4,021	33.41	121,672
HKD：USD	65,579	0.13	253,987
Non-monetary items			
RMB：USD	26,945	0.15	122,627
Financial liabilities			
Monetary items			
USD：TWD	472,770	30.26	14,306,033
USD：RMB	91,259	6.65	2,761,497
USD：KRW	32,302	1,135.89	977,446
USD：JPY	20,193	112.45	611,031
HKD：USD	56,034	0.13	217,021
EUR：USD	3,119	1.18	113,276

v. The total exchange (loss) gain, including realised and unrealised arising from significant foreign exchange variation on the monetary items held by the Group for the three months ended September 30, 2018 and 2017, and nine months ended September 30, 2018 and 2017 amounted to ($16,099), $87,489, $176,982 and $329,312, respectively.

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

	Nine months ended September 30, 2018		
	Sensitivity Analysis		
	Degree of Variation	Effect on Profit or Loss	Effect on Other Comprehensive Income
Foreign currency: functional currency			
Financial assets			
Monetary items			
USD：TWD	1%	$ 174,851	$ -
USD：RMB	1%	4,676	-
USD：KRW	1%	5,488	-
USD：JPY	1%	2,229	-
HKD：USD	1%	3,152	-
Financial liabilities			
Monetary items			
USD：TWD	1%	166,611	-
USD：RMB	1%	26,353	-
USD：KRW	1%	9,633	-
USD：JPY	1%	1,632	-
HKD：USD	1%	1,640	-

	Nine months ended September 30, 2017		
	Sensitivity Analysis		
	Degree of Variation	Effect on Profit or Loss	Effect on Other Comprehensive Income
Foreign currency: functional currency			
Financial assets			
Monetary items			
USD：TWD	1%	$ 123,676	$ -
USD：RMB	1%	4,515	-
USD：HKD	1%	1,656	-
USD：KRW	1%	7,156	-
USD：JPY	1%	6,337	-
USD：INR	1%	2,334	-
USD：THB	1%	1,217	-
HKD：USD	1%	2,540	-
Financial liabilities			
Monetary items			
USD：TWD	1%	143,060	-
USD：RMB	1%	27,615	-
USD：KRW	1%	9,774	-
USD：JPY	1%	6,110	-
HKD：USD	1%	2,170	-
EUR：USD	1%	1,133	-

Price risk

i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and available-for-sale financial assets. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

ii. Shares and open-end funds issued by the domestic and foreign companies. 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 nine months ended September 30, 2018 and 2017 would have increased/decreased by $13,769 and $104, 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 $320 and $4,930, respectively, as a result of other comprehensive income classified as available-for-sale equity investment and equity

investment at fair value thorugh other comprehensive income.

Cash flow and fair value interest rate risk

i. The Group's main interest rate risk arises from short-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. For the nine months ended September 30, 2018 and 2017, the Group's borrowings at variable rate were mainly denominated in New Taiwan dollars, US Dollars and KRW dollars.

ii. If the borrowing interest rate had increased by 1% with all other variables held constant, profit, net of tax for the nine months ended September 30, 2018 and 2017 would have decreased by $150,140 and $133,061, respectively. The main factor is that changes in interest expense result from floating-rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of notes receivable.

ii. The Group manages their credit risk taking into consideration the entire group's concern. For banks and financial institutions, only independently rated parties with good rating are accepted. 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.

iii. Under IFRS 9, if the contract payments are past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

iv. The Group adopts the assumption under IFRS 9, that is, the default occurs when the contract payments are past due over 120 days.

v. The Group classifies customer's accounts receivable and rent receivable in accordance with credit rating of customer and customer types. The Group applies the simplified approach using provision matrix, loss rate methodology to estimate expected credit loss under the provision matrix basis.

vi. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights.

vii. The Group used the forecastability to adjust historical and timely information to

assess the default possibility of accounts receivable. On September 30, 2018, the provision matrix and loss rate methodology are as follows:

(a) Accounts receivable of general customer:

	Not past due	Up to 30 days past due	31 to 60 days past due	61 to 90 days past due	91 to 120 days past due	Over 120 days past due	Total
September 30, 2018							
Expected loss rate	0.01%~3.34%	0.12%~11.61%	2.84%~67.26%	6.52%~77.54%	15.66%~85.98%	100%	
Total book value	$ 52,753,529	$ 3,170,087	$ 262,344	$ 503,442	$ 112,522	$324,951	$ 57,126,875
Loss allowance	$ 41,763	$ 54,119	$ 11,603	$ 68,355	$ 55,430	$324,951	$ 556,221

(b) Impaired and provisioned 100% allowance for loss

	Individual
September 30, 2018	
Total book value	$ 544,647
Loss allowance	$ 544,647

(c) For customers whose current ratio, debt ratio, earnings, etc. are within a certain range:

	September 30, 2018
Expected loss rate	0%
Total book value	$ 49,408,316
Loss allowance	$ -

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

	2018			
	Notes receivable	Accounts receivable		
	Individual provision	Individual provision	Group provision	Total
At January 1_IAS 39	$ 91,984	$ 537,280	$ 259,129	$ 796,409
Adjustments under new standards	-	-	201,396	201,396
At January 1_IFRS 9	91,984	537,280	460,525	997,805
(Reversal of) provision for impairment	(37,821)	47,377	189,754	237,131
Write-offs during the period	-	(34,013)	(6,881)	(40,894)
Effect of foreign exchange	(1,576)	14,833	19,713	34,546
Others (Note)	(52,186)	(20,830)	(106,890)	(127,720)
At September 30	$ 401	$ 544,647	$ 556,221	$1,100,868

Note: Others included decrease of recovery of write-offs of provision for impairment of accounts receivable and reclassified as overdue receivables in prior year amounting to $2,088 and $181,994, respectively.

xvi. Credit risk information for December 31, 2017 and September 30, 2017 and for the nine months ended September 30, 2017 is provided in Note 12(4).

(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:

September 30, 2018	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Short-term borrowings	$ 63,304,627	$ -	$ -	$ -
Short-term notes and bills payable	4,860,000	-	-	-
Notes payable	250,356	-	-	-
Accounts payable	63,241,579	-	-	-
Accounts payable - related parties	174	-	-	-
Other payables	6,731,020	-	-	-
Long-term borrowings (including current portion)	7,003,737	6,703,126	169,505	175,858

Non-derivative financial liabilities:

December 31, 2017	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Short-term borrowings	$ 53,895,301	$ -	$ -	$ -
Short-term notes and bills payable	3,890,000	-	-	-
Financial liabilities measured at fair value through profit or loss	24,765	-	-	-
Notes payable	214,347	-	-	-
Accounts payable	48,909,622	-	-	-
Accounts payable - related parties	1,312	-	-	-
Other payables	5,040,757	-	-	-
Long-term borrowings (including current portion)	5,015,620	647,368	6,960,155	211,361

September 30, 2017	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Short-term borrowings	$ 57,079,208	$ -	$ -	$ -
Short-term notes and bills payable	3,850,000	-	-	-
Financial liabilities measured at fair value through profit or loss	1,155	-	-	-
Notes payable	645,038	-	-	-
Accounts payable	57,208,074	-	-	-
Accounts payable - related parties	821	-	-	-
Other payables	5,557,240	-	-	-
Long-term borrowings (including current portion)	603,397	5,449,472	6,934,387	224,304

(3) Fair value information

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

Level 1: Inputs that are quoted prices (unadjusted) in active markets for identical assets or liabilities. A market is regarded as active if it meets all the following conditions: the items traded in the market are homogeneous; willing buyers and sellers can normally be found at any time; and prices are available to the public. The fair value of the Group's investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). The fair value of the Group's investment in emerging stocks, publicly traded equity investment, forward exchange and swap contracts is included in Level 2.

Level 3: Inputs for the asset or liability that are not based on observable market data. The fair value of the Group's investment in equity investment without active market is included in Level 3.

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

C. Financial instruments not measured at fair value: Including the carrying amounts of cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables (including related parties), other financial assets, guarantee deposits paid, financial assets at amortised cost, short-term borrowings, short-term bills payable, notes payable, accounts payable (including related parties), other payables, long-term borrowings-current portion, long-term borrowings and guarantee deposits received are approximate to their fair values.

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

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

September 30, 2018	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Forward exchange contracts	$ -	$ 3,208	$ -	$ 3,208
Equity securities	202,079	31,374	1,143,479	1,376,932
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	32,035	32,035
	$ 202,079	$ 34,582	$1,175,514	$1,412,175

December 31, 2017	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Forward exchange contracts	$ -	$ 2,539	$ -	$ 2,539
Available-for-sale financial assets				
Equity securities	479,063	31,020	11,191	521,274
	$ 479,063	$ 33,559	$ 11,191	$ 523,813
Liabilities				
Recurring fair value measurements				
Forward exchange contracts	$ -	$ 24,765	$ -	$ 24,765

September 30, 2017	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Equity securities	$ 10,396	$ -	$ -	$ 10,396
Forward exchange contracts	-	6,523	-	6,523
Available-for-sale financial assets				
Equity securities	420,629	28,393	43,973	492,995
	$ 431,025	$ 34,916	$ 43,973	$ 509,914
Liabilities				
Recurring fair value measurements				
Forward exchange contracts	$ -	$ 1,155	$ -	$ 1,155

(b) The methods and assumptions the Group used to measure fair value are as follows:

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

	Listed shares
Market quoted price	Closing price

(ii) Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques widely accepted in financial management.

(iii) When assessing non-standard and low-complexity financial instruments, for example, foreign exchange swap contracts, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

(iv) Forward exchange contracts are usually valued based on the current forward exchange rate.

(v) The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

(vi) The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.

E. Because the trading amount of the investment in Sunlux Energy Corporation was assessed to be unsteady and underperforming, the Group transferred the fair value from Level 1 to Level 2 in the first quarter of 2017.

F. The following chart is the movement of Level 3 for the nine months ended September 30, 2018 and 2017:

	2018	2017
At January 1_IAS 39	$ 11,191	$ 50,636
Adjustments under new standards	585,095	-
At January 1_IFRS 9	596,286	50,636
Acquired in the period	83,175	-
Disposals	(8,500)	(4,507)
Transfers into leve1 3	490,038	-
Gains on valuation	33,883	-
Effect of foreign exchange	(19,368)	(2,156)
At September 30	$ 1,175,514	$ 43,973

G. On September 30, 2018, transfers into Level 3 refer to the adjustments arising from the application of new standard and the transfers from investments accounted for using equity method. For the nine months ended September 30, 2017, there was no transfer into or out from Level 3.

H. Finance and accounting department is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions and frequently reviewed.

Finance and accounting department sets up valuation policies, valuation processes and rules for measuring fair value of financial instruments and ensure compliance with the related requirements in IFRS. The related valuation results are reported to management monthly. Management is responsible for managing and reviewing valuation processes.

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

	Fair value at September 30, 2018	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity:					
Equity investment without active market	$ 1,175,514	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value

	Fair value at December 31, 2017	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity:					
Equity investment without active market	$ 11,191	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value

	Fair value at September 30, 2017	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity:					
Equity investment without active market	$ 43,973	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value

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

			September 30, 2018			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Net asset value	± 1%	$ 11,435	$ 11,435	$ 320	$ 320

			December 31, 2017			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Net asset value	± 1%	$ -	$ -	$ 112	$ 112

			September 30, 2017			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Net asset value	± 1%	$ -	$ -	$ 440	$ 440

(4) Effects on initial application of IFRS 9 and information on application of IAS 39 for the year of 2017

A. Summary of significant accounting policies adopted for the year of 2017 and the third quarter of 2017:

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

i. 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.

ii. 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.

iii. 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.

(b) Available-for-sale financial assets

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

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

iii. 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’.

(c) Loans and receivables

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 recognised at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. However, short-term accounts receivable which are non-interest bearing are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(d) Impairment of financial assets

i. 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.

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

(i) Significant financial difficulty of the issuer or debtor;

(ii) 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;

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

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

(v) 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;

(vi) 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

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

iii. 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:

(i) 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.

(ii) 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.

(iii) 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.

A. The reconciliations of carrying amount of financial assets transferred from December 31, 2017, IAS 39, to January 1, 2018, IFRS 9, were as follows:

		Available-for-sale-equity	Other current and non-current assets			Effects		
	Measured at fair value through profit or loss	Measured at fair value through other comprehensive income-equity	Other financial assets	Measured at cost	Total	Retained earnings	Other equity	Non-controlling interest
IAS 39	$ 2,539	$ 521,274	$ 51,449	$ 585,837	$1,161,099	$ -	$ -	$ -
Transferred into and measured at fair value through profit or loss	-	(521,274)	-	(553,060)	(1,074,334)	129,342	(129,342)	-
Transferred into and measured at fair value through other comprehensive income-equity	-	-	-	(32,035)	(32,035)	6,000	(6,000)	-
Transferred into and measured at amortised cost	-	-	(51,449)	-	(51,449)	-	-	-
Fair value adjustment	-	-	-	(742)	(742)	(448)	-	(294)
IFRS 9	$ 2,539	$ -	$ -	$ -	$ 2,539	$ 134,894	($135,342)	($ 294)

(a) Under IAS 39, because the equity instruments, which were classified as financial assets at cost, amounting to $32,035, were not held for the purpose of trading, they were reclassified as “financial assets at fair value through other comprehensive income (equity instruments)”.

(b) Under IAS 39, the equity instruments, which were classified as available-for-sale financial assets and financial assets at cost, amounting to $521,274 and $553,802, respectively, were reclassified as “financial assets at fair value through profit or loss (equity instruments)”, and accordingly, retained earnings was increased and other equity interest and non-controlling interest were decreased by $134,894, $135,342 and $294 under IFRS 9, respectively.

(c) The reconciliation on allowance for impairment from December 31, 2017, as these are impaired under IAS 39, to January 1, 2018, as these are expected to be impaired under IFRS 9, are as follows:

			Effects	
	Accounts receivable	Deferred income tax assets	Retained earnings	Non-controlling interest
IAS 39	$ -	$ -	$ -	$ -
Impairment loss adjustment	(201,396)	-	(201,392)	(4)
Income tax adjustment	-	16,761	16,761	-
IFRS 9	($ 201,396)	$ 16,761	($ 184,631)	($ 4)

(d) In line with IFRS 9, the Group reclassified time deposits which did not meet the definition of cash equivalent, by increasing financial assets at amortised cost-current and

non-current in the amounts of $37,915 and $13,534, respectively, and decreasing other current assets and other non-current assets in the amounts of $37,915 and $13,534, respectively.

C. The significant accounts as of December 31, 2017 and September 30, 2017 are as follows:

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

Items	December 31, 2017	September 30, 2017
Current items:		
Financial assets held for trading		
Derivatives	$ 2,539	$ 6,523
Domestic open-end fund	-	10,132
	2,539	16,655
Valuation adjustment of financial assets held for trading	-	264
	$ 2,539	$ 16,919
Current items:		
Financial liabilities held for trading		
Derivatives	$ 24,765	$ 1,155

i. The Group recognised net gain (loss) of $13,984 and ($5,532) on financial assets and liabilities held for trading for the three months and nine months ended September 30, 2017, respectively.

ii. 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.

iii. The non-hedging derivative instrument transactions and contract information are as follows:

	December 31, 2017		September 30, 2017	
Derivative instruments	Contract amount (notional principal) (Note)	Contract period	Contract amount (notional principal) (Note)	Contract period
Forward foreign exchange contracts				
- Sell	USD 2,000	2017.12.08~ 2018.01.16	USD 1,000	2017.09.12~ 2017.10.16
	EUR 3,750	2017.11.15~ 2018.04.16	EUR 1,000	2017.05.17~ 2017.12.11
- Sell-SWAP	USD 8,200	2017.12.06~ 2018.01.22	USD 10,900	2017.09.06~ 2017.10.31
- Buy	USD 30,353	2017.04.19~ 2018.04.20	USD 33,754	2017.01.19~ 2018.04.20
	EUR 1,000	2017.12.08~ 2018.01.12	EUR 5,000	2017.09.14~ 2017.11.14

Note: expressed in thousands.

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.

(b) Available-for-sale financial assets

Investee company	December 31, 2017	September 30, 2017
Current items:		
Farglory FTZ Investment Holding Co., Ltd.	$ 13,799	$ 13,799
Dimerco Express Corporation	8,748	8,748
	22,547	22,547
Adjustment of available-for-sale financial assets	2,961	1,320
	25,508	23,867
Non-current items:		
Nichidenbo Corporation	231,990	231,990
Vitec Holdings Co., Ltd.	85,348	85,348
Promaster Technology Corp.	49,605	49,605
Apollo Electronics Group Ltd.	-	32,782
Murad Chia Jei Biotechnology Co., Ltd.	19,107	19,107
Hua-Jie (Taiwan) Corp.	10,500	10,500
Others	14,339	14,339
	410,889	443,671
Valuation adjustment	111,540	33,013
Accumulated impairment	(26,663)	(7,556)
	495,766	469,128
	$ 521,274	$ 492,995

i. The Group recognised ($5,420) and $59,228 in other comprehensive income (loss) for fair value change of current and non-current available-for-sale financial assets and no amount was reclassified from equity to profit or loss for the three months and nine months ended September 30, 2017, respectively.

ii. The Group had no investment in debt instruments that was classified as available-for-sale financial assets.

iii. As of December 31, 2017 and September 30, 2017, the Group pledged available-for-sale financial assets as guarantees for purchases. Please refer to Note 8 for details.

(c) Financial assets measured at cost

Investee company	December 31, 2017	September 30, 2017
Tyche Partners, LP.	$ 138,217	$ 138,217
Ability I Venture Capital Corporation	100,000	100,000
CDIB CME Fund Ltd.	100,000	100,000
Tyche Partners II, LP.	54,026	-
Ability Asia Capital Corporation	50,000	25,000
Nanjing Sunlord Electronics Corporation Ltd.	45,057	44,918
Silicon Line GmbH	40,851	40,851
DIGITIMES Inc.	33,035	33,035
M Cube Inc.	30,365	30,365
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
Fantasy Story Inc.	15,047	15,047
Liefco Optical Inc.	15,000	15,000
Systemweb Technologies Co., Ltd.	12,600	12,600
Centillion III Venture Capital Corp.	10,500	10,500
SmartDisplayer Technology Co., Ltd.	10,000	10,000
PTR-Tech Technology Co., Ltd.	10,000	10,000
Others	59,158	59,278
	781,850	702,805
Less: Accumulated impairment	(196,013)	(174,463)
	$ 585,837	$ 528,342

i. As of December 31, 2017 and September 30, 2017, no financial assets measured at cost held by the Group were pledged to others.

ii. 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. Accordingly, the Group classified those stocks as 'financial assets measured at cost'.

iii. Please refer to Note 6(13) for information on impairment of abovementioned financial assets for the nine months ended September 30, 2017.

(d) Credit risk information on December 31, 2017 and September 30, 2017 and for the third quarter of 2017 are as follows:

(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 and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transaction. For banks and financial institutions, only independently rated parties with good rating are accepted.

(ii) No credit limits were exceeded during the year ended December 31, 2017, and management does not expect any significant losses from non-performance by these counterparties.

(iii) The credit quality of financial assets that were neither past due nor impaired was in the following categories:

	December 31, 2017	September 30, 2017
Group 1	$ 32,366,221	$ 38,425,531
Group 2	49,880,142	47,683,690
	$ 82,246,363	$ 86,109,221

Group 1: Includes customers with current ratio, debt ratio, earnings, etc. within a certain range.

Group 2: Customers not belonging to Group 1.

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

	December 31, 2017	September 30, 2017
Accounts receivable		
0 to 30 days	$ 2,769,938	$ 4,083,948
31 to 60 days	1,537,441	403,881
61 to 90 days	314,133	226,098
91 to 120 days	126,855	84,951
121 to 150 days	26,105	68,634
151 to 180 days	14,333	9,804
Over 181 days	781,384	844,479
	$ 5,570,189	$ 5,721,795

The above ageing analysis was based on past due date.

(e) Movement analysis of financial assets that were impaired is as follows:

	2017		
	Individual provision	Group provision	Total
At January 1	$ 2,920,322	$ 326,549	$ 3,246,871
Reversal of impairment	(226,397)	(93,671)	(320,068)
Write-offs during the period	(1,597,128)	(30,589)	(1,627,717)
Effects of foreign exchange	(163,387)	(5,844)	(169,231)
Others (Note)	(395,543)	(14,712)	(410,255)
At September 30	$ 537,867	$ 181,733	$ 719,600

Note: Others included the amounts reclassified to overdue receivables and reversal and decrease of recovery of write-offs of provision for impairment of accounts receivable in prior year amounting to ($412,891) and $2,636, respectively.

(5) Effects of initial application of IFRS 15 and information on application of IAS 11 and IAS 18 in the year of 2017

A. The significant accounting policies applied on revenue recognition for the year ended December 31, 2017 and the third quarter of 2017 are set out below.

Sales of goods

The Group sells electronic component related products. Revenue is measured at the fair value of the consideration received or receivable taking into account of business 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 is unrealised 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.

B. The revenue recognised by using above accounting policies for the third quarter of 2017 were as follows:

	Three months ended September 30, 2017	Nine months ended September 30, 2017
Sales revenue	$ 146,628,292	$ 393,908,774
Service revenue	39,199	140,679
	$ 146,667,491	$ 394,049,453

13. SUPPLEMENTARY DISCLOSURES

The transactions with subsidiaries disclosed below had been eliminated when preparing consolidated financial statements. The following disclosures are for reference only.

(1) Significant transactions information

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

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

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

D. Aggregate purchases or sales of the same securities reaching $300 million or 20% of paid-in capital or more: Please refer to table 4.

E. Acquisition of real estate reaching $300 million or 20% of paid-in capital or more: Please refer to table 5.

F. Disposal of real estate reaching $300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 6.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 7.

I. Derivative financial instruments undertaken during the reporting periods: Please see Notes 6(2)B. and 12(3).

J. Significant inter-company transactions during the reporting periods: Please refer to table 8.

(2) Information on investee companies

Names, locations and other information of investee companies (including investees in Mainland China): Please refer to table 9.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 10.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area:

Any of the following significant transactions with investee companies in the Mainland Area, either directly or indirectly through a third area, and their prices, payment terms, and unrealised gains or losses: Information on significant transactions of the Company and subsidiary and investee company in Mainland China as of and for the nine months ended September 30, 2018 is provided in 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) Reconciliation for segment income (loss)

A. 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 comprehensive income. As the amounts in the statement provided to the chief operating decision-maker for managing segment are in agreement with the amounts in the statements of segment income, reconciliation is not needed.

B. The segment information of the reportable segments provided to the chief operating decision-maker for the three months and nine months ended September 30, 2018 and 2017 is as follows:

Three months ended September 30, 2018:

	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	Trigold Holdings Limited (Note)	Others	Eliminations	Total
Revenue from external customers	$ 72,688,131	$ 20,028,580	$ 19,913,057	$ 19,945,211	$ 2,520,969	$ 15,266,477	$ -	$ 150,362,425
Revenue from internal customers	4,387,582	1,391,411	345,450	2,260,978	396,675	689,490	(9,471,586)	-
Total revenue	$ 77,075,713	$ 21,419,991	$ 20,258,507	$ 22,206,189	$ 2,917,644	$ 15,955,967	($ 9,471,586)	$ 150,362,425
Segment profit	$ 1,819,600	$ 587,014	$ 502,321	$ 512,963	$ 64,374	$ 182,871	$ 392,308	$ 4,061,451
Net income	$ 1,022,176	$ 274,582	$ 257,859	$ 230,548	$ 25,565	$ 1,757,468	($ 1,785,820)	$ 1,782,378

Three months ended September 30, 2017:

	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	Trigold Holdings Limited (Note)	Others	Eliminations	Total
Revenue from external customers	$ 68,950,297	$ 20,482,941	$ 20,457,552	$ 20,906,948	$ 2,335,364	$ 13,534,389	$ -	$146,667,491
Revenue from internal customers	3,641,984	1,339,605	579,367	1,910,143	149,123	814,907	(8,435,129)	-
Total revenue	$ 72,592,281	$ 21,822,546	$ 21,036,919	$ 22,817,091	$ 2,484,487	$ 14,349,296	($ 8,435,129)	$146,667,491
Segment profit (loss)	$ 1,640,905	$ 450,342	$ 527,746	$ 416,120	$ 70,751	$ 223,518	$ 295,226	$ 3,624,608
Net income	$ 977,515	$ 237,652	$ 318,222	$ 259,577	$ 24,997	$ 2,286,376	($ 2,067,261)	$ 2,037,078

Nine months ended September 30, 2018:

	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	Trigold Holdings Limited (Note)	Others	Eliminations	Total
Revenue from external customers	$ 195,496,070	$ 55,567,612	$ 53,286,049	$ 58,212,379	$ 7,196,652	$ 43,548,046	$ -	$ 413,306,808
Revenue from internal customers	11,677,045	3,840,839	937,481	5,336,145	1,264,550	1,968,467	(25,024,527)	-
Total revenue	$ 207,173,115	$ 59,408,451	$ 54,223,530	$ 63,548,524	$ 8,461,202	$ 45,516,513	($ 25,024,527)	$ 413,306,808
Segment profit	$ 4,643,930	$ 1,692,450	$ 1,312,039	$ 1,418,640	$ 194,361	$ 643,180	$ 1,000,595	$ 10,905,195
Net income	$ 2,631,864	$ 819,150	$ 763,968	$ 1,300,960	$ 69,287	$ 6,181,599	($ 5,866,374)	$ 5,900,454

Nine months ended September 30, 2017:

	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	Trigold Holdings Limited (Note)	Others	Eliminations	Total
Revenue from external customers	$ 181,112,191	$ 52,113,953	$ 53,568,014	$ 61,807,272	$ 6,780,254	$ 38,667,769	$ -	$394,049,453
Revenue from internal customers	9,543,706	3,435,857	1,229,383	5,828,431	506,206	2,095,799	(22,639,382)	-
Total revenue	$ 190,655,897	$ 55,549,810	$ 54,797,397	$ 67,635,703	$ 7,286,460	$ 40,763,568	($ 22,639,382)	$394,049,453
Segment profit (loss)	$ 4,356,437	$ 1,163,911	$ 1,368,103	$ 1,310,814	$ 245,258	$ 700,441	$ 820,697	$ 9,965,661
Net income	$ 2,675,278	$ 607,178	$ 885,248	$ 837,218	$ 102,059	$ 6,337,270	($ 5,732,823)	$ 5,711,428

Note: Details of equity interest of Trigold Holdings Limited held by the Company are provided in Note 1(1).

WPG Holdings Limited and Subsidiaries

Loans to others

Nine months ended September 30, 2018

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the nine months ended September 30, 2018	Balance at September 30, 2018	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
1	Apache Korea Corp.	WPG Korea Co., Ltd.	Other receivables - related parties	Y	$ 61,028	$ 61,028	$ 61,028	2.50	2	$ -	Operation	$ -	None	-	$ 78,821	$ 78,821	Note 1
2	Genuine C&C (Indocina) Pte, Ltd.	World Peace International (South Asia) Pte Ltd.	Other receivables - related parties	Y	61,050	61,050	61,050	3.30	2	-	Operation	-	None	-	75,621	75,621	Note 2
3	Geniune C&C Holding Inc. (Seychelles)	Peng Yu International Limited	Other receivables - related parties	Y	122,100	122,100	112,943	1.50	2	-	Operation	-	None	-	129,239	129,239	Note 9
4	Giatek Corp. Ltd.	Yosun Hong Kong Corp. Ltd.	Other receivables - related parties	Y	164,835	-	-	0.00	2	-	Operation	-	None	-	-	-	Note 4
5	Richpower Electronic Devices Pte., Ltd.	Yosun Singapore Pte Ltd.	Other receivables - related parties	Y	305,250	213,675	213,675	3.12-3.30	2	-	Operation	-	None	-	438,502	438,502	Note 8
6	World Peace International (South Asia) Pte Ltd.	WPG Americas Inc.	Other receivables - related parties	Y	1,404,150	1,007,325	396,825	4.72	2	-	Operation	-	None	-	6,096,557	6,096,557	Note 3
6	World Peace International (South Asia) Pte Ltd.	WPI International (Hong Kong) Limited	Other receivables - related parties	Y	305,250	-	-	0.00	2	-	Operation	-	None	-	6,096,557	6,096,557	Note 3
6	World Peace International (South Asia) Pte Ltd.	WPG China Inc.	Other receivables - related parties	Y	610,500	305,250	305,250	4.20	2	-	Operation	-	None	-	6,096,557	6,096,557	Note 3
6	World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	Other receivables - related parties	Y	1,221,000	1,221,000	915,750	3.30	2	-	Operation	-	None	-	6,096,557	6,096,557	Note 3
6	World Peace International (South Asia) Pte Ltd.	WPG C&C (Thailand) Co., Ltd.	Other receivables - related parties	Y	30,525	30,525	-	0.00	2	-	Operation	-	None	-	6,096,557	6,096,557	Note 3

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the nine months ended September 30, 2018	Balance at September 30, 2018	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
6	World Peace International (South Asia) Pte Ltd.	SAC Components (South Asia) Pte. Ltd.	Other receivables - related parties	Y	$ 30,525	$ -	$ -	0.00	2	$ -	Operation	$ -	None	-	$ 6,096,557	$ 6,096,557	Note 3
6	World Peace International (South Asia) Pte Ltd.	WPG South Asia Pte. Ltd.	Other receivables - related parties	Y	152,625	152,625	-	0.00	2	-	Operation	-	None	-	6,096,557	6,096,557	Note 3
7	World Peace International Pte Ltd.	World Peace International (South Asia) Pte Ltd.	Other receivables - related parties	Y	122,100	122,100	115,995	3.30	2	-	Operation	-	None	-	2,298,103	2,298,103	Note 3
8	WPG India Electronics Pvt Ltd	World Peace International (India) Pvt., Ltd.	Other receivables - related parties	Y	42,083	42,083	37,875	9.30	2	-	Operation	-	None	-	147,399	147,399	Note 3
9	WPG South Asia Pte. Ltd.	Yosun Singapore Pte Ltd.	Other receivables - related parties	Y	152,625	-	-	0.00	2	-	Operation	-	None	-	1,326,795	1,326,795	Note 3
9	WPG South Asia Pte. Ltd.	WPG Korea Co., Ltd.	Other receivables - related parties	Y	763,125	457,875	213,675	4.56	2	-	Operation	-	None	-	1,326,795	1,326,795	Note 3
9	WPG South Asia Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	Other receivables - related parties	Y	457,875	305,250	-	0.00	2	-	Operation	-	None	-	1,326,795	1,326,795	Note 3
10	Yosun Hong Kong Corp. Ltd.	WPG Americas Inc.	Other receivables - related parties	Y	1,526,250	915,750	610,500	3.90~ 4.40	2	-	Operation	-	None	-	4,709,488	4,709,488	Note 7
10	Yosun Hong Kong Corp. Ltd.	Peng Yu International Limited	Other receivables - related parties	Y	213,675	213,675	106,838	3.05~ 3.75	2	-	Operation	-	None	-	4,709,488	4,709,488	Note 7
10	Yosun Hong Kong Corp. Ltd.	WPG Korea Co., Ltd.	Other receivables - related parties	Y	305,250	152,625	-	0.00	2	-	Operation	-	None	-	4,709,488	4,709,488	Note 7
10	Yosun Hong Kong Corp. Ltd.	WPG Electronics (HK) Limited	Other receivables - related parties	Y	854,700	854,700	579,975	3.34~ 3.75	2	-	Operation	-	None	-	4,709,488	4,709,488	Note 7
11	Yosun Singapore Pte Ltd	WPG Korea Co., Ltd.	Other receivables - related parties	Y	152,625	152,625	-	0.00	2	-	Operation	-	None	-	649,758	649,758	Note 8

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the nine months ended September 30, 2018	Balance at September 30, 2018	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
12	AECO Technology Co., Ltd.	World Peace Industrial Co., Ltd.	Other receivables - related parties	Y	$ 350,000	$ 200,000	$ 134,200	1.55	2	$ -	Operation	$ -	None	-	$ 419,847	$ 419,847	Note 2
13	AECO Electronics Co., Ltd.	WPG C&C Limited	Other receivables - related parties	Y	732,600	-	-	0.00	2	-	Operation	-	None	-	779,359	779,359	Note 7
13	AECO Electronics Co., Ltd.	Silicon Application Corp.	Other receivables - related parties	Y	305,250	305,250	305,250	2.90	2	-	Operation	-	None	-	779,359	779,359	Note 7
13	AECO Electronics Co., Ltd.	WPI International (Hong Kong) Limited	Other receivables - related parties	Y	396,825	396,825	396,825	2.90	2	-	Operation	-	None	-	779,359	779,359	Note 7
14	WPG Cloud Service Limited	WPG International (CI) Limited	Other receivables - related parties	Y	15,263	15,263	12,515	2.07	2	-	Operation	-	None	-	45,516	45,516	Note 7
15	Yosun Industrial Corp.	Trigold Holdings Limited	Other receivables - related parties	Y	150,000	150,000	-	0.00	2	-	Operation	-	None	-	1,858,881	3,717,763	Note 6
16	Yosun South China Corp. Ltd.	WPG China (SZ) Inc.	Other receivables - related parties	Y	110,900	110,900	110,900	2.80	2	-	Operation	-	None	-	203,346	203,346	Note 7
16	Yosun South China Corp. Ltd.	WPG China Inc.	Other receivables - related parties	Y	66,540	66,540	66,540	2.80	2	-	Operation	-	None	-	203,346	203,346	Note 7
17	Yosun Shanghai Corp. Ltd.	WPG China (SZ) Inc.	Other receivables - related parties	Y	181,876	181,876	181,876	2.80	2	-	Operation	-	None	-	361,226	361,226	Note 7
17	Yosun Shanghai Corp. Ltd.	WPG China Inc.	Other receivables - related parties	Y	141,952	141,952	141,952	2.80	2	-	Operation	-	None	-	361,226	361,226	Note 7
18	WPG Investment Co., Ltd.	WPG Holdings Limited	Other receivables - related parties	Y	150,000	-	-	0.00	2	-	Operation	-	None	-	169,951	169,951	Note 2

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the nine months ended September 30, 2018	Balance at September 30, 2018	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
19	WPI International (Hong Kong) Limited	WPG C&C Limited	Other receivables - related parties	Y	$ 1,617,825	$ 763,125	$ -	0.00	2	$ -	Operation	$ -	None	-	$ 16,039,845	$ 16,039,845	Note 7
19	WPI International (Hong Kong) Limited	Long-Think International (Hong Kong) Limited	Other receivables - related parties	Y	45,788	-	-	0.00	2	-	Operation	-	None	-	16,039,845	16,039,845	Note 7
19	WPI International (Hong Kong) Limited	WPG America Inc.	Other receivables - related parties	Y	915,750	915,750	-	0.00	2	-	Operation	-	None	-	16,039,845	16,039,845	Note 7
20	World Peace Industrial Co., Ltd.	Long-Think International Co., Ltd.	Other receivables - related parties	Y	91,575	45,788	14,042	2.90	2	-	Operation	-	None	-	4,491,203	8,982,407	Note 6
20	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	Other receivables - related parties	Y	1,526,250	-	-	0.00	2	-	Operation	-	None	-	4,491,203	8,982,407	Note 6
20	World Peace Industrial Co., Ltd.	Trigold Holdings Limited	Other receivables - related parties	Y	300,000	300,000	-	0.00	2	-	Operation	-	None	-	4,491,203	8,982,407	Note 6
21	Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	Other receivables - related parties	Y	200,000	200,000	200,000	1.37	2	-	Operation	-	None	-	261,005	261,005	Note 2
22	Silicon Application (BVI) Corporation	Silicon Application Corp.	Other receivables - related parties	Y	1,221,000	1,221,000	1,221,000	1.70	2	-	Operation	-	None	-	1,266,740	3,166,850	Note 7
22	Silicon Application (BVI) Corporation	WPI International (Hong Kong) Limited	Other receivables - related parties	Y	122,100	122,100	122,100	1.70	2	-	Operation	-	None	-	3,166,850	3,166,850	Note 7
23	Silicon Application Company Limited	Silicon Application Corp.	Other receivables - related parties	Y	671,550	671,550	671,550	1.30~1.50	2	-	Operation	-	None	-	709,975	1,774,937	Note 7
23	Silicon Application Company Limited	WPI International (Hong Kong) Limited	Other receivables - related parties	Y	213,675	-	-	0.00	2	-	Operation	-	None	-	1,774,937	1,774,937	Note 7
23	Silicon Application Company Limited	WPG Korea Co., Ltd.	Other receivables - related parties	Y	305,250	-	-	0.00	2	-	Operation	-	None	-	1,774,937	1,774,937	Note 7

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the nine months ended September 30, 2018	Balance at September 30, 2018	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
23	Silicon Application Company Limited	WPG Americas Inc.	Other receivables - related parties	Y	$ 274,725	$ -	$ -	0.00	2	$ -	Operation	$ -	None	-	$ 1,774,937	$ 1,774,937	Note 7
23	Silicon Application Company Limited	WPG SCM Limited	Other receivables - related parties	Y	244,200	-	-	0.00	2	-	Operation	-	None	-	1,774,937	1,774,937	Note 7
23	Silicon Application Company Limited	Yosun Hong Kong Corp. Ltd.	Other receivables - related parties	Y	610,500	610,500	610,500	2.54~3.10	2	-	Operation	-	None	-	1,774,937	1,774,937	Note 7
23	Silicon Application Company Limited	WPG C&C Limited	Other receivables - related parties	Y	427,350	427,350	427,350	2.90	2	-	Operation	-	None	-	1,774,937	1,774,937	Note 7
24	Sertek Limited	WPI International (Hong Kong) Limited	Other receivables - related parties	Y	427,350	427,350	427,350	1.70	2	-	Operation	-	None	-	440,004	440,004	Note 7
25	Sertek Incorporated	Richpower Electronic Devices Co., Ltd	Other receivables - related parties	Y	505,250	-	-	0.00	2	-	Operation	-	None	-	557,259	557,259	Note 2
26	Apache Communication Inc.	Frontek Technology Corporation	Other receivables - related parties	Y	200,000	200,000	200,000	1.33	2	-	Operation	-	None	-	401,999	643,198	Note 5
26	Apache Communication Inc.	Asian Information Technology Inc.	Other receivables - related parties	Y	396,825	396,825	396,825	2.75	2	-	Operation	-	None	-	401,999	643,198	Note 5
27	Genuine C&C Inc.	Peng Yu (Shanghai) Digital Technology Co., Ltd.	Other receivables - related parties	Y	88,720	88,720	-	0.00	2	-	Operation	-	None	-	442,630	442,630	Note 2
27	Genuine C&C Inc.	Hoban Inc.	Other receivables - related parties	Y	50,000	50,000	-	0.00	2	-	Operation	-	None	-	442,630	442,630	Note 2
27	Genuine C&C Inc.	Trigold Holdings Limited	Other receivables - related parties	Y	15,000	15,000	15,000	1.27	2	-	Operation	-	None	-	442,630	442,630	Note 2
28	Richpower Electronic Devices Co., Limited	WPG Americas Inc.	Other receivables - related parties	Y	610,500	610,500	-	0.00	2	-	Operation	-	None	-	2,194,329	2,194,329	Note 7

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the nine months ended September 30, 2018	Balance at September 30, 2018	Actual amount drawn down	Interest rate	Nature of loan (Note 10)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
28	Richpower Electronic Devices Co., Limited	Yosun Hong Kong Corp. Ltd.	Other receivables - related parties	Y	$ 610,500	$ -	$ -	0.00	2	$ -	Operation	$ -	None	-	$ 2,194,329	$ 2,194,329	Note 7
28	Richpower Electronic Devices Co., Limited	Silicon Application Corp.	Other receivables - related parties	Y	610,500	610,500	610,500	2.54-3.10	2	-	Operation	-	None	-	877,732	2,194,329	Note 7

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: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:
(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 assts.

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: Accumulated financing activities to any company or person should not be in excess of 100% of creditor's net assets. Limit on loans to a single company is as follows:
(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, 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 10% of the creditor's net assets.

Note 5: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:
(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 assets.
(3) The financing activities to an overseas company which is 100% directly or indirectly held by the creditor should not be restricted by (1) and (2).

Note 6: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:
(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 assets.

Note 7: Accumulated financing activities to any company or person should not be in excess of 100% of creditor's net assets. Limit on loans to a single company is as follows:
(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, 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 8: Accumulated financing activities to any company or person should not be in excess of 200% of creditor's net assets. Limit on loans to a single company is as follows:
(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, the financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 200% of creditor's net assets. For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor's net assets.

Note 9: Accumulated financing activities to any company or person should not be in excess of 60% of creditor's net assets. Limit on loans to a single company is as follows:
(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 an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 60% of creditor's net assets. For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor's net assets.

Note 10: The column of 'Nature of loan' shall fill in 1. 'Business transaction or 2. 'Short-term financing'.

WPG Holdings Limited and Subsidiaries

Provision of endorsements and guarantees to others

Nine months ended September 30, 2018

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

Number	Endorser/ guarantor	Party being endorsed/guaranteed: Company name	Party being endorsed/guaranteed: Relationship with the endorser/ guarantor	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of September 30, 2018	Outstanding endorsement/ guarantee amount at September 30, 2018	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
0	WPG Holdings Limited	World Peace Industrial Co., Ltd.	Note 1	$ 26,247,776	$ 151,906	$ 76,469	$ 76,469	$ 76,469	0.15	$ 26,247,776	Y	N	N	Notes 4 and 5
1	World Peace International Pte. Ltd.	WPG Americas Inc.	Note 3	6,729,959	183,150	167,888	167,888	-	4.99	6,729,959	N	N	N	Note 7
1	World Peace International Pte. Ltd.	WPG C&C Computers and Peripheral (India) Private Ltd.	Note 1	6,729,959	737,179	502,136	50,079	-	14.92	6,729,959	N	N	N	Note 7
1	World Peace International Pte. Ltd.	World Peace International (South Asia) Pte. Ltd.	Note 1	6,729,959	3,021,975	1,343,100	905,320	-	39.91	6,729,959	N	N	N	Note 7
2	WPG South Asia Pte. Ltd.	WPG India Electronics Private Limited	Note 1	1,326,795	15,263	15,263	-	-	2.30	1,326,795	N	N	N	Note 11
3	Yosun Industrial Corp.	Yosun Singapore Pte. Ltd.	Note 1	9,294,407	1,721,610	1,507,935	743,076	-	16.22	18,588,813	N	N	N	Note 9
3	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	Note 1	9,294,407	1,327,838	1,327,838	160,566	-	14.29	18,588,813	N	N	N	Note 9
3	Yosun Industrial Corp.	Sertek Incorporated	Note 1	9,294,407	4,884,000	2,442,000	1,319,071	-	26.27	18,588,813	N	N	N	Note 9
3	Yosun Industrial Corp.	Richpower Electronic Devices Co., Limited	Note 1	9,294,407	950,000	600,000	-	-	6.46	18,588,813	N	N	N	Note 9
4	World Peace Industrial Co., Ltd.	VITEC WPG Limited	Note 3	11,228,008	68,681	68,681	17,094	-	0.31	17,964,813	N	N	N	Note 6
4	World Peace Industrial Co., Ltd.	WPI International Trading (Shanghai) Ltd.	Note 1	11,228,008	1,614,704	221,800	221,800	-	0.99	17,964,813	N	N	Y	Note 6
4	World Peace Industrial Co., Ltd.	World Peace International (South Asia) Pte. Ltd.	Note 1	11,228,008	671,550	671,550	671,550	-	2.99	17,964,813	N	N	N	Note 6

Number	Endorser/ guarantor	Party being endorsed/guaranteed: Company name	Party being endorsed/guaranteed: Relationship with the endorser/ guarantor	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of September 30, 2018	Outstanding endorsement/ guarantee amount at September 30, 2018	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
4	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	Note 1	$ 11,228,008	$ 3,476,798	$ 2,255,798	$ 325,827	$ -	10.05	17,964,813	N	N	N	Note 6
4	World Peace Industrial Co., Ltd.	WPG China Inc.	Note 3	11,228,008	48,840	-	-	-	-	17,964,813	N	N	Y	Note 6
5	Frontek Technology Corporation	Asian Information Technology Inc.	Note 2	1,028,483	672,625	472,625	472,625	-	18.38	1,285,604	N	N	N	Note 8
6	Genuine C&C Inc.	Peng Yu (Shanghai) Digital Technology Co., Ltd.	Note 3	442,630	88,720	-	-	-	-	553,288	N	N	Y	Note 10
7	Asian Information Technology Inc.	Frontek Technology Corporation	Note 1	2,062,974	861,530	861,530	52,916	-	16.70	2,578,718	N	N	N	Note 8
7	Asian Information Technology Inc.	WPG China Inc.	Note 3	2,062,974	15,263	15,263	-	-	0.30	2,578,718	N	N	Y	Note 8
7	Asian Information Technology Inc.	AIT Japan Inc.	Note 1	2,062,974	1,159,950	183,150	-	-	3.55	2,578,718	N	N	N	Note 8
8	Trigold Holding Limited	Peng Yu (Shanghai) Digital Technology Co., Ltd.	Note 1	561,978	88,720	88,720	44,360	-	7.89	561,978	N	N	Y	Note 12

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; 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. The limit on the Company and its subsidiaries' total loan to other companies is 60% of the Company's net assets. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company should not exceed 10% of the Company's net assets, which is based on the latest audited or reviewed financial statements.

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 $76,469.

Note 6: The cumulative guarantee amount to others should not be in excess of 80% of guarantor's net assets. The guarantee amount to a single company should not be in excess of 50% 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 latest audited or reviewed financial statements.

Note 7: The cumulative guarantee amount and the guarantee amount to a single company both should not be in excess of 200% of guarantor's net assets.

Note 8: The cumulative guarantee amount to others should not be in excess of 50% of guarantor's net assets. The guarantee amount to a single company should not be in excess of 40% of guarantor's net assets. However, guarantee amount to a single overseas affiliate should not be in excess of 40% of guarantor's net assets.

Note 9: The cumulative guarantee amount to others should not be in excess of 200% of guarantor and its subsidiaries' total net assets. The guarantee amount to a single company should not be in excess of 100% of guarantor and its subsidiaries' total net assets. 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. The Company's guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the ultimate parent company should not exceed 10% of the ultimate parent company's net assets. The net asset value is based on the latest audited or reviewed financial statements.

Note 10: The cumulative guarantee amount to others should not be in excess of 50% of guarantor's net assets. The guarantee amount to a single company should not be in excess of 30% of guarantor's net assets. However, guarantee amount to a single overseas affiliate should not be in excess of 40% of guarantor's net assets.

Note 11: The cumulative guarantee amount to others should not be in excess of 200% of the Company's net assets. The guarantee amount to a single company should not be in excess of 200% of Company's net assets. 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. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company should not exceed 10% of the Company's net assets.

Note 12: The cumulative guarantee amount to others should not be in excess of 50% of the Company's net assets. The guarantee amount to a single company should not be in excess of 50% of Company's net assets. 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.

WPG Holdings Limited and Subsidiaries

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

Nine months ended September 30, 2018

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

				As of September 30, 2018				
Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares (in thousands)	Book value	Ownership (%)	Fair value (Note 1)	Footnote
WPG Holdings Limited	Vitec Holdings Co., Ltd. - Equity securities	None	Financial assets at at fair value through prfit or loss- non-current	230	$ 159,062	0.02	$ 159,062	
WPG Holdings Limited	Tyche Partners L.P. - Funds	None	Financial assets at at fair value through prfit or loss- non-current	-	138,217	-	138,217	
WPG Holdings Limited	CDIB CME Fund Ltd., etc. - Equity securities	None	Financial assets at at fair value through prfit or loss- non-current	-	297,496	-	297,496	
Silicon Application Corp.	Kingmax Technology Inc., etc. - Equity securities	None	Financial assets at at fair value through prfit or loss- non-current	-	15,895	-	15,895	Note 2
World Peace Industrial Co., Ltd.	Silicon Line GmbH, Munich etc. - Equity securities	None	Financial assets at at fair value through prfit or loss- non-current	-	26,401	-	26,401	
AECO Technology Co., Ltd.	Hua-Jie (Taiwan) Corp. - Equity securities	None	Financial assets at at fair value through prfit or loss- non-current	668	6,684	3.32	6,684	
Yosun Industrial Corp.	Fortend Taiwan Scientific Corp., etc. - Equity securities	None	Financial assets at at fair value through prfit or loss- non-current	-	3,442	-	3,442	
Yosun Industrial Corp.	Nichidenbo Corporation - Equity securities	None	Financial assets at at fair value through prfit or loss- non-current	267	16,162	0.15	16,162	
Genuine C&C Inc.	Systemweb Technology - Equity securities	None	Financial assets at at fair value through prfit or loss- non-current	700	9,245	9.52	9,245	
Richpower Electronic Devices Co., Ltd.	Promaster Technology Co., Ltd., etc. - Equity securities	None	Financial assets at at fair value through prfit or loss- non-current	-	34,492	-	34,492	
WPG Investment Co., Ltd.	DIGITIMES Inc. etc. - Equity securities	None	Financial assets at at fair value through prfit or loss- non-current, etc.	-	124,567	-	124,567	

				As of September 30, 2018				
Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares (in thousands)	Book value	Ownership (%)	Fair value (Note 1)	Footnote
Silicon Application (BVI) Corp.	Actiontec Electronics Inc. etc. - Equity securities	None	Financial assets at at fair value through prfit or loss- non-current	-	$ 6,659	-	$ 6,659	
Asian Information Technology Inc.	MCUBE. Inc. - Equity securities	None	Financial assets at at fair value through prfit or loss- non-current	-	-	-	-	
Win-Win Systems Ltd.	Silicon Electronics Company(s) Pte. Ltd. - Equity securities	None	Financial assets at at fair value through prfit or loss- non-current	180	-	-	-	
WPG South Asia Pte. Ltd.	ViMOS Technologies GmBH - Equity securities	None	Financial assets at at fair value through prfit or loss- non-current	20	660	9.00	660	
WPG China Inc.	CECI Technology Co. Ltd. - Equity securities	None	Financial assets at at fair value through prfit or loss- non-current	-	569,985	-	569,985	

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 566 thousand shares of Kingmax Technology Inc. which have been pledged for purchases as of September 30, 2018.

WPG Holdings Limited and Subsidiaries

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

Nine months ended September 30, 2018

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Balance as at January 1, 2018		Addition		Disposal				Balance as at September 30, 2018	
					Number of shares (thousands)	Amount	Number of shares (thousands)	Amount	Number of shares (thousands)	Selling price	Book value	Gain (loss) on disposal	Number of shares (thousands)	Amount
Yosun Industrial Corp.	Nichidenbo Corporation	Note 1	Non-specific counterperties in the market	None	9,647	$ 342,472	267 (Note 2)	$ 453,589 (Note 3)	(9,647)	($ 779,899)	($ 779,899) (Note 4)	$ -	267	$ 16,162

Note 1: It is recorded as financial assets at fair value through profit or loss - non-current.

Note 2: The shares are from capital increase through capitalisation of earnings of Nichidenbo Corporation.

Note 3: It refers to gain on valuation of financial assets at fair value through profit or loss.

Note 4:The carrying amount of the financial assets at fair value through profit or loss amounting to $779,899, including the cost of financial assets at fair value through profit or loss of $225,986 and valuation adjustment of $553,913.

WPG Holdings Limited and Subsidiaries

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

Nine months ended September 30, 2018

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

Real estate acquired by	Real estate acquired	Date of the event	Transaction amount	Status of payment (Note 2)	Counterparty	Relationship with the counterparty	If the counterparty is a 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
							Original owner who sold the real estate to the counterparty	Relationship between the original owner and the acquirer	Date of the original transaction	Amount			
The Company	Office building A in Taipei City Nangang Dist. Jingmao section No.70, No. 70-1	2016.12 (Note 1)	$ 4,533,954	$ 736,768	Ji Tai Development Co., Ltd.	Non-related party	-	-	-	$ -	It was appraised by Honda real estate appraising firm and China real estate appraising firm	Operation needs	None
The Company	Taipei City Nangang Dist. Jingmao section No.70, No. 70-1	2016.12 (Note 1)	1,063,114	172,756	Lee	Non-related party	-	-	-	-	It was appraised by Honda real estate appraising firm and China real estate appraising firm	Operation needs	None
The Company	Taipei City Nangang Dist. Jingmao section No.70, No. 70-1	2016.12 (Note 1)	843,765	137,112	Wang	Non-related party	-	-	-	-	It was appraised by Honda real estate appraising firm and China real estate appraising firm	Operation needs	None

Note 1: It was the date of contract.

Note 2: For the year ended December 31, 2017, and for the nine months ended September 30, 2018, the total amount was $885,615 and $161,021, respectively.

WPG Holdings Limited and Subsidiaries
Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more
Nine months ended September 30, 2018

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
WPG Holdings Limited	World Peace Industrial Co., Ltd.	Same parent company	Sales	($ 269,380)	(52.12)	Note 7	Note 7	Note 7	$ 31,085	53.47	
World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	"	"	(5,844,193)	(6.65)	Note 3	Note 3	Note 3	562,754	2.19	
"	AECO Technology Co., Ltd.	"	"	(158,860)	(0.18)	"	"	"	-	0.00	
"	WPG Electronics (HK) Limited	"	"	(486,775)	(0.55)	"	"	"	237,627	0.92	
"	WPG China (SZ) Inc.	"	"	(373,487)	(0.43)	"	"	"	325,359	1.27	
"	WPG China Inc.	"	"	(120,752)	(0.14)	"	"	"	41,465	0.16	
"	WPG SCM Limited	"	"	(486,746)	(0.55)	"	"	"	252,789	0.98	
"	WPG Korea Co., Ltd.	"	"	(134,124)	(0.15)	"	"	"	70,894	0.28	
"	Genuine C&C Inc.	"	"	(106,918)	(0.12)	"	"	"	27,741	0.11	
Genuine C&C (IndoChina) Pte Ltd	P.T. WPG Electrindo Jaya	Investment under equity method	"	(166,666)	(93.04)	"	"	"	19,706	90.95	
World Peace International (South Asia) Pte Ltd.	World Peace Industrial Co., Ltd.	Same parent company	"	(220,348)	(1.13)	"	"	"	6,826	0.15	
"	WPG C&C (Malaysia) Sdn. Bhd	"	"	(106,797)	(0.55)	"	"	"	17,516	0.38	
"	WPG C&C Computers And Peripheral (India) Private Limited	"	"	(1,079,925)	(5.54)	"	"	"	225,344	4.95	
"	WPI International (Hong Kong) Limited	"	"	(102,211)	(0.52)	"	"	"	19,459	0.43	
"	WPG SCM Limited	"	"	(4,664,375)	(23.94)	"	"	"	1,174,645	25.81	
"	P.T. WPG Electrindo Jaya	Investment under equity method	"	(221,528)	(1.14)	"	"	"	43,781	0.96	
WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	Same parent company	"	(5,940,610)	(5.60)	"	"	"	659,173	2.34	
"	World Peace International (South Asia) Pte Ltd.	"	"	(2,095,105)	(1.98)	"	"	"	188,373	0.67	
"	WPG C&C Limited	"	"	(596,364)	(0.56)	"	"	"	65,805	0.23	
"	WPI International Trading (Shanghai) Ltd.	"	"	(102,098)	(0.10)	"	"	"	46,831	0.17	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
WPI International (Hong Kong) Limited	WPG Electronics (HK) Limited	Same parent company	Sales	($ 196,377)	(0.19)	Note 3	Note 3	Note 3	$ 117,067	0.42	
"	WPG China (SZ) Inc.	"	"	(2,298,422)	(2.17)	"	"	"	587,288	2.08	
"	WPG China Inc.	"	"	(741,535)	(0.70)	"	"	"	28,448	0.10	
"	WPG SCM Limited	"	"	(754,363)	(0.71)	"	"	"	95,491	0.34	
"	WPG Korea Co., Ltd.	"	"	(102,948)	(0.10)	"	"	"	12,967	0.05	
"	Peng Yu International Limited	"	"	(451,548)	(0.43)	"	"	"	253,471	0.90	
WPG C&C Limited	WPI International (Hong Kong) Limited	"	"	(2,400,287)	(38.60)	"	"	"	468,998	55.76	
"	WPI Interational Trading (Shanghai) Ltd.	"	"	(256,924)	(4.13)	"	"	"	-	-	
"	Peng Yu International Limited	"	"	(439,089)	(7.06)	"	"	"	290,002	34.48	
Longview Technology Inc.	World Peace Industrial Co., Ltd.	"	"	(215,900)	(14.99)	"	"	"	39,349	10.08	
"	WPI International (Hong Kong) Limited	"	"	(451,637)	(31.36)	"	"	"	117,979	30.21	
Long-Think International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	"	(333,651)	(26.74)	"	"	"	52,080	21.26	
"	WPI International (Hong Kong) Limited	"	"	(470,073)	(37.68)	"	"	"	67,495	27.55	
"	Longview Technology Inc.	"	"	(113,714)	(9.12)	"	"	"	10,877	4.44	
Silicon Application Corp.	Pernas Electronics Co., Ltd.	"	"	(1,460,938)	(2.79)	30 days after monthly billings	Note 4	Note 4	202,325	1.43	
"	WPG Electronics (HK) Limited	"	"	(2,438,942)	(4.66)	90 days after monthly billings	"	"	1,198,391	8.48	
"	WPG China (SZ) Inc.	"	"	(961,475)	(1.84)	"	"	"	205,686	1.46	
"	WPG China Inc.	"	"	(174,725)	(0.33)	"	"	"	8,930	0.06	
"	WPG SCM Limited	"	"	(115,026)	(0.22)	30 days after monthly billings	"	"	8,900	0.06	
Pernas Electronics Co., Ltd.	Silicon Application Corp.	"	"	(339,427)	(5.08)	"	"	"	57,062	2.81	
"	Everwiner Enterprise Co., Ltd.	"	"	(213,066)	(3.19)	60 days and 90 days after monthly billing	"	"	68,713	3.38	
Everwiner Enterprise Co., Ltd.	Silicon Application Corp.	"	"	(109,783)	(2.45)	30 days after monthly billings	"	"	8,914	0.55	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	Same parent company	Sales	($ 2,149,496)	(48.04)	90 days after monthly billings	Note 4	Note 4	$ 910,188	55.67	
Asian Information Technology Inc.	WPI International (Hong Kong) Limited	"	"	(129,302)	(0.45)	Note 2	Note 2	Note 2	15,720	0.21	
"	Frontek Technology Corporation	"	"	(1,763,906)	(6.13)	"	"	"	10,392	0.14	
"	Apache Communication Inc.	"	"	(1,363,462)	(4.73)	"	"	"	3,745	0.05	
"	AIT Japan Inc.	"	"	(765,749)	(2.66)	"	"	"	161,370	2.15	
"	WPG China (SZ) Inc.	"	"	(120,910)	(0.42)	"	"	"	29,081	0.39	
Henshen Electric Trading Co., Ltd.	Asian Information Technology Inc.	"	"	(221,693)	(34.67)	"	"	"	48,904	37.05	
Frontek Technology Corporation	"	"	"	(1,399,791)	(7.84)	"	"	"	575,138	12.33	
"	WPG Electronics (HK) Limited	"	"	(311,402)	(1.74)	"	"	"	165,832	3.56	
Apache Communication Inc.	Asian Information Technology Inc.	"	"	(127,439)	(1.07)	"	"	"	76,023	2.86	
AIT Japan Inc.	"	"	"	(483,208)	(38.21)	"	"	"	-	0.00	
WPG Electronics (HK) Limited	World Peace Industrial Co., Ltd.	"	"	(134,923)	(2.57)	Note 7	Note 7	Note 7	-	0.00	
"	WPI International (Hong Kong) Limited	"	"	(185,507)	(3.54)	"	"	"	-	0.00	
WPG China Inc.	WPG China (SZ) Inc.	"	"	(430,625)	(6.43)	90 days after monthly billings	Note 5	Note 5	87,759	3.82	
WPG Americas Inc.	World Peace Industrial Co., Ltd.	"	"	(156,168)	(1.00)	Note 3	Note 3	Note 3	25,347	1.06	
WPG South Asia Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	"	"	(339,415)	(70.18)	Note 7	Note 7	Note 7	-	0.00	
Yosun Industrial Corp.	WPG China (SZ) Inc.	"	"	(517,171)	(2.62)	Note 6	Note 6	Note 6	108,964	3.07	
"	WPG China Inc.	"	"	(388,797)	(1.97)	Note 6	Note 6	Note 6	23,643	0.67	
"	Yosun Hong Kong Corp. Ltd.	"	"	(3,847,766)	(19.51)	Note 3	Note 3	Note 3	309,778	8.72	
"	Richpower Electronic Devices Co., Ltd.	"	"	(213,927)	(1.08)	"	"	"	19,034	0.54	
"	Richpower Electronic Devices Co., Limited	"	"	(120,858)	(0.61)	"	"	"	14,705	0.41	
Yosun Hong Kong Corp. Ltd.	WPG China (SZ) Inc.	"	"	(778,485)	(3.22)	Note 6	Note 6	Note 6	222,645	4.78	
"	WPG China Inc.	"	"	(1,974,748)	(8.18)	"	"	"	353,996	7.59	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Yosun Hong Kong Corp. Ltd.	Yosun Industrial Corp.	Same parent company	Sales	($ 514,124)	(2.13)	Note 3	Note 3	Note 3	$ 21,102	0.45	
"	Richpower Electronic Devices Co., Limited	"	"	(681,037)	(2.82)	"	"	"	51,404	1.10	
Yosun Singapore Pte Ltd.	WPG SCM Limited	"	"	(504,524)	(13.01)	Note 6	Note 6	Note 6	31,110	3.29	
Sertek Incorporated	Yosun Industrial Corp.	"	"	(404,488)	(3.49)	Note 3	Note 3	Note 3	27,238	3.99	
"	Yosun Hong Kong Corp. Ltd.	"	"	(514,249)	(4.44)	"	"	"	28,664	4.20	
Richpower Electronic Devices Co., Ltd.	WPG Electronics (HK) Limited	"	"	(899,785)	(16.67)	Note 6	Note 6	Note 6	418,608	25.57	
"	Yosun Hong Kong Corp. Ltd.	"	"	(1,720,684)	(23.71)	Note 3	Note 3	Note 3	100,850	5.68	
"	Richpower Electronic Devices Co., Ltd.	"	"	(162,827)	(2.24)	"	"	"	14,036	0.79	
Peng Yu (Shanghai) Digital Technology Co., Ltd.	WPI International Trading (Shanghai) Ltd.	"	"	(213,833)	(27.86)	45 days after monthly billings	"	"	81,670	49.31	
"	Peng Yu International Limited	"	"	(138,785)	(18.08)	90 days after monthly billings	Note 4	Note 4	26,906	16.24	
Peng Yu International Limited	WPI International Trading (Shanghai) Ltd.	"	"	(973,481)	(62.65)	Note 3	Note 3	Note 3	290,592	85.00	

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

WPG Holdings Limited and Subsidiaries
Receivables from related parties reaching $100 million or 20% of paid-in capital or more
Nine months ended September 30, 2018

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at September 30, 2018 (Note 1)	Turnover rate (Note 2)	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 3)	Allowance for doubtful accounts
					Amount	Action taken		
World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	Same parent company	$ 562,754	11.45	$ -	-	$ 562,754	$ -
World Peace Industrial Co., Ltd.	WPG Electronics (HK) Limited	"	237,627	2.20	-	-	50,545	-
World Peace Industrial Co., Ltd.	WPG China (SZ) Inc.	"	325,359	2.94	-	-	131,674	-
World Peace Industrial Co., Ltd.	WPG SCM Limited	"	252,789	5.11	-	-	252,789	-
World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	"	225,344	7.44	-	-	166,731	-
World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	"	1,174,645	6.64	-	-	379,729	-
WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	659,173	10.33	-	-	659,173	-
WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	"	188,373	19.35	-	-	188,373	-
WPI International (Hong Kong) Limited	WPG Electronics (HK) Limited	"	117,067	1.33	-	-	2,196	-
WPI International (Hong Kong) Limited	WPG China (SZ) Inc.	"	587,288	5.69	-	-	393,877	-
WPI International (Hong Kong) Limited	Peng Yu Interational Limited	"	253,471	4.75	-	-	55,398	-
WPG C&C Limited	WPI International (Hong Kong) Limited	"	468,998	13.07	-	-	468,998	-
WPG C&C Limited	Peng Yu Interational Limited	"	290,002	4.04	-	-	66,335	-
Longview Technology Inc.	WPI International (Hong Kong) Limited	"	117,979	7.84	-	-	117,979	-
Silicon Application Corp.	Pernas Electronics Co., Ltd.	"	202,325	9.92	-	-	201,331	-
Silicon Application Corp.	WPG Electronics (HK) Limited	"	1,198,391	2.98	-	-	308,359	-
Silicon Application Corp.	WPG China (SZ) Inc.	"	205,686	5.06	-	-	105,868	-
Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	"	910,188	3.73	-	-	242,287	-
Asian Information Technology Inc.	AIT Japan Inc.	"	161,370	4.52	-	-	87,090	-
Frontek Technology Corporation	Asian Information Technology Inc.	"	575,138	3.85	-	-	208,281	-

Creditor	Counterparty	Relationship with the counterparty	Balance as at September 30, 2018 (Note 1)	Turnover rate (Note 2)	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 3)	Allowance for doubtful accounts
					Amount	Action taken		
Frontek Technology Corporation	WPG Electronics (HK) Limited	Same parent company	$ 165,832	2.27	$ -	-	$ 48,402	$ -
Yosun Industrial Corp.	WPG China (SZ) Inc.	"	108,964	5.34	-	-	74,273	-
Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	"	309,778	20.80	-	-	309,778	-
Yosun Hong Kong Corp. Ltd.	WPG China (SZ) Inc.	"	222,645	4.77	-	-	194,652	-
Yosun Hong Kong Corp. Ltd.	WPG China Inc.	"	353,996	7.12	-	-	189,650	-
Richpower Electronic Devices Co., Ltd.	WPG Electronics (HK) Limited	"	418,608	2.73	-	-	119,879	-
Richpower Electronic Devices Co., Ltd.	Yosun Hong Kong Corp. Ltd.	"	100,850	33.47	-	-	-	-
Peng Yu International Limited	WPI Interational Trading (Shanghai) Ltd.	"	290,592	8.93	-	-	61,932	-
WPG Holdings Limited	World Peace Industrial Co., Ltd.	"	117,512	0.00	-	-	-	-
WPG Holdings Limited	Yosun Industrial Corp.	"	1,538,376	0.00	-	-	1,500,000	-
World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	"	527,592	0.00	-	-	527,592	-
World Peace International Pte Ltd	World Peace International (South Asia) Pte Ltd.	"	116,314	0.00	-	-	-	-
Genuine C&C (IndoChina) Pte Ltd	World Peace International (South Asia) Pte Ltd.	"	111,359	0.00	-	-	13,989	-
World Peace International (South Asia) Pte Ltd.	WPG China Inc.	"	308,384	0.00	-	-	-	-
World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	"	985,391	0.00	-	-	-	-
World Peace International (South Asia) Pte Ltd.	WPG Americas Inc.	"	399,860	0.00	-	-	396,824	-
AECO Electronics Co., Ltd.	World Peace Industrial Co., Ltd.	"	134,319	0.00	-	-	-	-
AECO Electronic Co., Ltd.	WPI International (Hong Kong) Limited	"	397,880	0.00	-	-	-	-
AECO Electronic Co., Ltd.	Silicon Application Corp.	"	309,307	0.00	-	-	-	-
Silicon Application (BVI) Corp.	WPI International (Hong Kong) Limited	"	123,184	0.00			-	
Silicon Application (BVI) Corp.	Silicon Application Corp.	"	1,228,899	0.00	-	-	-	-
Silicon Application Company Limited	WPG C&C Limited	"	433,237	0.00	-	-	-	-
Silicon Application Company Limited	Silicon Application Corp.	"	693,379	0.00	-	-	-	-
Silicon Application Company Limited	Yosun Hong Kong Corp. Ltd.	"	620,657	0.00	-	-	-	-
Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	"	201,419	0.00	-	-	-	-

Creditor	Counterparty	Relationship with the counterparty	Balance as at September 30, 2018 (Note 1)	Turnover rate (Note 2)	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 3)	Allowance for doubtful accounts
					Amount	Action taken		
Apache Communication Inc.	Asian Information Technology Inc.	Same parent company	$ 402,650	0.00	$ -	-	$ -	-
Apache Communication Inc.	Forntek Technology Corporation	"	202,092	0.00	-	-	-	-
WPG South Asia Pte. Ltd.	WPG Korea Co., Ltd.	"	214,488	0.00	-	-	32,321	-
Yosun Hong Kong Corp. Ltd.	WPG Electronics (HK) Limited	"	585,228	0.00	-	-	-	-
Yosun Hong Kong Corp. Ltd.	WPG Americas Inc.	"	627,910	0.00	-	-	627,910	-
Yosun Hong Kong Corp. Ltd.	Peng Yu International Limited	"	108,221	0.00	-	-	-	-
Yosun Shanghai Corp. Ltd.	WPG China (SZ) Inc.	"	181,876	0.00	-	-	-	-
Yosun Shanghai Corp. Ltd.	WPG China Inc.	"	141,952	0.00	-	-	-	-
Yosun South China Corp. Ltd.	WPG China (SZ) Inc.	"	110,900	0.00	-	-	110,900	-
Sertek Limited	WPI International (Hong Kong) Limited	"	433,243	0.00	-	-	-	-
Richpower Electronic Devices Co., Limited	Silicon Application Corp.	"	620,612	0.00	-	-	-	-
Richpower Electronic Devices Pte Ltd	Yosun Singapore Pte Ltd.	"	214,263	0.00	-	-	588	-
Genuine C&C Holding Inc. (Seychelles)	Peng Yu International Limited	"	113,656	0.00	-	-	-	-

Note 1: Balance as at September 30, 2018 includes other receivables that exceed $100,000.
Note 2: Turnover rate of 0.00 was caused by the receivables amount recorded as other receivables, and thus the turnover rate is not applicable.
Note 3: The subsequent collections are amounts collected as of November 13, 2018.

WPG Holdings Limited and Subsidiaries
Significant inter-company transactions during the reporting period
Nine months ended September 30, 2018

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
0	WPG Holdings Limited	World Peace Industrial Co., Ltd.	1	Sales	$ 269,380	Note 11	0.07
1	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	3	"	5,844,193	Note 5	1.41
1	World Peace Industrial Co., Ltd.	AECO Technology Co., Ltd.	3	"	158,860	Note 5	0.04
1	World Peace Industrial Co., Ltd.	WPG Electronics (HK) Limited	3	"	486,775	Note 5	0.12
1	World Peace Industrial Co., Ltd.	WPG China (SZ) Inc.	3	"	373,487	Note 5	0.09
1	World Peace Industrial Co., Ltd.	WPG China Inc.	3	"	120,752	Note 5	0.03
1	World Peace Industrial Co., Ltd.	WPG SCM Limited	3	"	486,746	Note 5	0.12
1	World Peace Industrial Co., Ltd.	WPG Korea Co., Ltd.	3	"	134,124	Note 5	0.03
1	World Peace Industrial Co., Ltd.	Genuine C&C Inc.	3	"	106,918	Note 5	0.03
2	World Peace International (South Asia) Pte Ltd.	World Peace Industrial Co., Ltd.	3	"	220,348	Note 5	0.05
2	World Peace International (South Asia) Pte Ltd.	WPG C&C (Malaysia) Sdn. Bhd	3	"	106,797	Note 5	0.03
2	World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	3	"	1,079,925	Note 5	0.26
2	World Peace International (South Asia) Pte Ltd.	WPI International (Hong Kong) Limited	3	"	102,211	Note 5	0.02
2	World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	3	"	4,664,375	Note 5	1.13
3	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	5,940,610	Note 5	1.44
3	WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	3	"	2,095,105	Note 5	0.51
3	WPI International (Hong Kong) Limited	WPG C&C Limited	3	"	596,364	Note 5	0.14
3	WPI International (Hong Kong) Limited	WPI International Trading (Shanghai) Ltd.	3	"	102,098	Note 5	0.02
3	WPI International (Hong Kong) Limited	WPG Electronics (HK) Limited	3	"	196,377	Note 5	0.05

				Transaction			
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
3	WPI International (Hong Kong) Limited	WPG China (SZ) Inc.	3	Sales	$ 2,298,422	Note 5	0.56
3	WPI International (Hong Kong) Limited	WPG China Inc.	3	"	741,535	Note 5	0.18
3	WPI International (Hong Kong) Limited	WPG SCM Limited	3	"	754,363	Note 5	0.18
3	WPI International (Hong Kong) Limited	WPG Korea Co., Ltd.	3	"	102,948	Note 5	0.02
3	WPI International (Hong Kong) Limited	Peng Yu International Limited	3	"	451,548	Note 5	0.11
4	WPG C&C Limited	WPI International (Hong Kong) Limited	3	"	2,400,287	Note 5	0.58
4	WPG C&C Limited	WPI International Trading (Shanghai) Ltd.	3	"	256,924	Note 5	0.06
4	WPG C&C Limited	Peng Yu International Limited	3	"	439,089	Note 5	0.11
5	Longview Technology Inc.	World Peace Industrial Co., Ltd.	3	"	215,900	Note 5	0.05
5	Longview Technology Inc.	WPI International (Hong Kong) Limited	3	"	451,637	Note 5	0.11
6	Long-Think International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	333,651	Note 5	0.08
6	Long-Think International (Hong Kong) Limited	WPI International (Hong Kong) Limited	3	"	470,073	Note 5	0.11
6	Long-Think International (Hong Kong) Limited	Longview Technology Inc.	3	"	113,714	Note 5	0.03
7	Silicon Application Corp.	Pernas Electronics Co., Ltd.	3	"	1,460,938	Notes 9 and 11	0.35
7	Silicon Application Corp.	WPG Electronics (HK) Limited	3	"	2,438,942	Notes 9 and 12	0.59
7	Silicon Application Corp.	WPG China (SZ) Inc.	3	"	961,475	Notes 9 and 12	0.23
7	Silicon Application Corp.	WPG China Inc.	3	"	174,725	Notes 9 and12	0.04
7	Silicon Application Corp.	WPG SCM Limited	3	"	115,026	Notes 9 and 11	0.03
8	Pernas Electronics Co., Ltd.	Silicon Application Corp.	3	"	339,427	Notes 9 and 11	0.08
8	Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	3	"	213,066	Notes 9, 10 and 12	0.05
9	Everwiner Enterprise Co., Ltd.	Silicon Application Corp.	3	"	109,783	Notes 9 and 11	0.03
9	Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	3	"	2,149,496	Notes 9 and 12	0.52
10	Asian Information Technology Inc.	WPI International (Hong Kong) Limited	3	"	129,302	Note 4	0.03
10	Asian Information Technology Inc.	Frontek Technology Corporation	3	"	1,763,906	Note 4	0.43
10	Asian Information Technology Inc.	Apache Communication Inc.	3	"	1,363,462	Note 4	0.33

				Transaction			
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
10	Asian Information Technology Inc.	AIT Japan Inc.	3	Sales	$ 765,749	Note 4	0.19
10	Asian Information Technology Inc.	WPG China (SZ) Inc.	3	"	120,910	Note 4	0.03
11	Henshen Electric Trading Co., Ltd.	Asian Information Technology Inc.	3	"	221,693	Note 4	0.05
12	Frontek Technology Corporation	Asian Information Technology Inc.	3	"	1,399,791	Note 4	0.34
12	Frontek Technology Corporation	WPG Electronics (HK) Limited	3	"	311,402	Note 4	0.08
13	Apache Communication Inc.	Asian Information Technology Inc.	3	"	127,439	Note 4	0.03
14	AIT Japan Inc.	Asian Information Technology Inc.	3	"	483,208	Note 4	0.12
15	WPG Electronics (HK) Limited	World Peace Industrial Co., Ltd.	3	"	134,923	Note 11	0.03
15	WPG Electronics (HK) Limited	WPI International (Hong Kong) Limited	3	"	185,507	Note 11	0.04
16	WPG China Inc.	WPG China (SZ) Inc.	3	"	430,625	Notes 9 and 12	0.10
17	WPG Americas Inc.	World Peace Industrial Co., Ltd.	3	"	156,168	Notes 9 and 11	0.04
18	WPG South Asia Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	3	"	339,415	Note 10	0.08
19	Yosun Industrial Corp.	WPG China (SZ) Inc.	3	"	517,171	Note 8	0.13
19	Yosun Industrial Corp.	WPG China Inc.	3	"	388,797	Note 8	0.09
19	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	3	"	3,847,766	Note 5	0.93
19	Yosun Industrial Corp.	Richpower Electronic Devices Co., Ltd.	3	"	213,927	Note 5	0.05
19	Yosun Industrial Corp.	Richpower Electornic Devices Co., Limited	3	"	120,858	Note 5	0.03
20	Yosun Hong Kong Corp. Ltd.	WPG China (SZ) Inc.	3	"	778,485	Note 8	0.19
20	Yosun Hong Kong Corp. Ltd.	WPG China Inc.	3	"	1,974,748	Note 8	0.48
20	Yosun Hong Kong Corp. Ltd.	Yosun Industrial Corp.	3	"	514,124	Note 5	0.12
20	Yosun Hong Kong Corp. Ltd.	Richpower Electornic Devices Co., Limited	3	"	681,037	Note 5	0.16
21	Yosun Singapore Pte Ltd.	WPG SCM Limited	3	"	504,524	Note 8	0.12
22	Sertek Incorporated	Yosun Industrial Corp.	3	"	404,488	Note 5	0.10
22	Sertek Incorporated	Yosun Hong Kong Corp. Ltd.	3	"	514,249	Note 5	0.12
23	Richpower Electronic Devices Co., Ltd.	WPG Electronics (HK) Limited	3	"	899,785	Note 8	0.22
24	Richpower Electornic Devices Co., Limited	Yosun Hong Kong Corp. Ltd.	3	"	1,720,684	Note 5	0.42
24	Richpower Electornic Devices Co., Limited	Richpower Electronic Devices Co., Ltd.	3	"	162,827	Note 5	0.04

				Transaction			
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
25	Peng Yu (Shanghai) Digital Technology Co., Ltd.	WPI International Trading (Shanghai) Ltd.	3	Sales	$ 213,833	Notes 9 and 14	0.05
25	Peng Yu (Shanghai) Digital Technology Co., Ltd.	Peng Yu International Limited	3	"	138,785	Notes 9 and 12	0.03
26	Peng Yu International Limited	WPI International Trading (Shanghai) Ltd.	3	"	973,481	Note 5	0.24
1	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	3	Accounts receivable	562,754	Note 5	0.27
1	World Peace Industrial Co., Ltd.	WPG Electronics (HK) Limited	3	"	237,627	Note 5	0.11
1	World Peace Industrial Co., Ltd.	WPG China (SZ) Inc.	3	"	325,359	Note 5	0.15
1	World Peace Industrial Co., Ltd.	WPG SCM Limited	3	"	252,789	Note 5	0.12
2	World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	3	"	225,344	Note 5	0.11
2	World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	3	"	1,174,645	Note 5	0.56
3	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	659,173	Note 5	0.31
3	WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	3	"	188,373	Note 5	0.09
3	WPI International (Hong Kong) Limited	WPG Electronics (HK) Limited	3	"	117,067	Note 5	0.06
3	WPI International (Hong Kong) Limited	WPG China (SZ) Inc.	3	"	587,288	Note 5	0.28
3	WPI International (Hong Kong) Limited	Peng Yu International Limited	3	"	253,471	Note 5	0.12
4	WPG C&C Limited	WPI International (Hong Kong) Limited	3	"	468,998	Note 5	0.22
4	WPG C&C Limited	Peng Yu International Limited	3	"	290,002	Note 5	0.14
5	Longview Technology Inc.	WPI International (Hong Kong) Limited	3	"	117,979	Note 5	0.06
7	Silicon Application Corp.	Pernas Electronics Co., Ltd.	3	"	202,325	Notes 9 and 11	0.10
7	Silicon Application Corp.	WPG Electronics (HK) Limited	3	"	1,198,391	Notes 9 and 12	0.57
7	Silicon Application Corp.	WPG China (SZ) Inc.	3	"	205,686	Notes 9 and 12	0.10
9	Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	3	"	910,188	Notes 9 and 12	0.43
10	Asian Information Technology Inc.	AIT Japan Inc.	3	"	161,370	Note 4	0.08
12	Frontek Technology Corporation	Asian Information Technology Inc.	3	"	575,138	Note 4	0.27
12	Frontek Technology Corporation	WPG Electronics (HK) Limited	3	"	165,832	Note 4	0.08

				Transaction			
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
19	Yosun Industrial Corp.	WPG China (SZ) Inc.	3	Accounts receivable	$ 108,964	Note 8	0.05
19	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	3	"	309,778	Note 5	0.15
20	Yosun Hong Kong Corp. Ltd.	WPG China (SZ) Inc.	3	"	222,645	Note 8	0.11
20	Yosun Hong Kong Corp. Ltd.	WPG China Inc.	3	"	353,996	Note 8	0.17
23	Richpower Electronic Devices Co., Ltd.	WPG Electronics (HK) Limited	3	"	418,608	Note 8	0.20
24	Richpower Electornic Devices Co., Limited	Yosun Hong Kong Corp. Ltd.	3	"	100,850	Note 5	0.05
26	Peng Yu International Limited	WPI International Trading (Shanghai) Ltd.	3	"	290,592	Note 5	0.14
0	WPG Holdings Limited	World Peace Industrial Co., Ltd.	1	Other receivables	117,512	Note 13	0.06
0	WPG Holdings Limited	Yosun Industrial Corp.	1	"	1,538,376	Notes 13 and 15	0.73
1	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	3	"	527,592	Note 17	0.25
27	World Peace International Pte Ltd	World Peace International (South Asia) Pte Ltd.	3	"	116,314	Note 7	0.05
28	Genuine C&C (IndoChina) Pte Ltd	World Peace International (South Asia) Pte Ltd.	3	"	111,359	Notes 7 and 17	0.05
2	World Peace International (South Asia) Pte Ltd.	WPG China Inc.	3	"	308,384	Note 7	0.15
2	World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	3	"	985,391	Notes 7 and 16	0.47
2	World Peace International (South Asia) Pte Ltd.	WPG Americas Inc.	3	"	399,860	Note 7	0.19
29	AECO Electronics Co., Ltd.	World Peace Industrial Co., Ltd.	3	"	134,319	Note 7	0.06
30	AECO Electronic Co., Ltd.	WPI International (Hong Kong) Limited	3	"	397,880	Note 7	0.19
30	AECO Electronic Co., Ltd.	Silicon Application Corp.	3	"	309,307	Note 7	0.15
31	Silicon Application (BVI) Corp.	WPI International (Hong Kong) Limited	3	"	123,184	Note 7	0.06
31	Silicon Application (BVI) Corp.	Silicon Application Corp.	3	"	1,228,899	Note 7	0.58
32	Silicon Application Company Limited	WPG C&C Limited	3	"	433,237	Note 7	0.20
32	Silicon Application Company Limited	Silicon Application Corp.	3	"	693,379	Note 7	0.33
32	Silicon Application Company Limited	Yosun Hong Kong Corp. Ltd.	3	"	620,657	Note 7	0.29
9	Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	3	"	201,419	Note 7	0.10

				Transaction			
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
13	Apache Communication Inc.	Asian Information Technology Inc.	3	Other receivables	$ 402,650	Note 7	0.19
13	Apache Communication Inc.	Frontek Technology Corporation	3	"	202,092	Note 7	0.10
18	WPG South Asia Pte. Ltd.	WPG Korea Co., Ltd.	3	"	214,488	Note 7	0.10
20	Yosun Hong Kong Corp. Ltd.	WPG Electronics (HK) Limited	3	"	585,228	Note 7	0.28
20	Yosun Hong Kong Corp. Ltd.	WPG Americas Inc.	3	"	627,910	Note 7	0.30
20	Yosun Hong Kong Corp. Ltd.	Peng Yu International Limited	3	"	108,221	Note 7	0.05
33	Yosun Shanghai Corp. Ltd.	WPG China (SZ) Inc.	3	"	181,876	Note 7	0.09
33	Yosun Shanghai Corp. Ltd.	WPG China Inc.	3	"	141,952	Note 7	0.07
34	Yosun South China Corp. Ltd.	WPG China (SZ) Inc.	3	"	110,900	Note 7	0.05
35	Sertek Limited	WPI International (Hong Kong) Limited	3	"	433,243	Note 7	0.20
24	Richpower Electornic Devices Co., Limited	Silicon Application Corp.	3	"	620,612	Note 7	0.29
36	Richpower Electronic Devices Pte Ltd	Yosun Singapore Pte Ltd.	3	"	214,263	Note 7	0.10
37	Genuine C&C Holding Inc. (Seychelles)	Peng Yu International Limited	3	"	113,656	Note 7	0.05

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 collection period is 120 days from the end of the month of sales.

Note 7: Mainly accrued financing charges.

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 collection period is 30 days from the end of the month of sales.

Note 12: The collection period is 90 days from the end of the month of sales.

Note 13: The amount receivable arose from filing of consolidated tax return.

Note 14: The collection period is 45 days from the end of the month of sales.

Note 15: The amount receivable arose from capital deducted by returning cash.

Note 16: The amount receivable pertains to receipts under custody.

Note 17: The amount receivable pertains to the payment on behalf of others to supplier.

WPG Holdings Limited and Subsidiaries

Information on investees

Nine months ended September 30, 2018

Table 9

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2018			Net profit (loss) of the investee for the nine months ended September 30, 2018	Investment income (loss) recognised by the Company for the nine monhts ended September 30, 2018 (Note 1)	Footnote
				Balance as at September 30, 2018	Balance as at December 31, 2017	Number of shares	Ownership (%)	Book value			
WPG Holdings Limited	World Peace Industrial Co., Ltd.	Taiwan	Sales of electronic components	$ 15,971,669	$ 15,971,669	1,097,252,407	100.00	$ 22,443,597	$ 2,630,600	$ 2,630,600	Note 4
WPG Holdings Limited	Asian Information Technology Inc.	Taiwan	Sales of electronic /electrical components	4,063,464	4,063,464	346,812,367	100.00	5,157,435	763,968	763,968	Note 4
WPG Holdings Limited	Silicon Application Corp.	Taiwan	Sales of computer software, hardware and electronic components	4,717,962	4,717,962	406,570,000	100.00	6,565,419	819,150	819,150	Note 4
WPG Holdings Limited	WPG Electronics Limited	Taiwan	Sales of electronic components	14,735	14,735	3,920,000	100.00	47,154	3,364	3,364	Note 4
WPG Holdings Limited	WPG Korea Co., Ltd.	South Korea	Sales of electronic components	169,071	169,071	1,087,794	100.00	484,597	45,800	45,800	Note 4
WPG Holdings Limited	WPG International (CI) Limited	Cayman Islands	Holding company	3,783,583	3,783,583	124,442,727	100.00	4,431,154	249,970	249,970	Note 4
WPG Holdings Limited	Yosun Industrial Corp.	Taiwan	Sales of electronic /electrical components	12,144,406	13,644,406	362,074,400	100.00	13,056,551	1,300,960	1,298,324	Note 4
WPG Holdings Limited	WPG Investment Co., Ltd.	Taiwan	Investment company	502,997	502,997	50,000,000	100.00	424,876	4,800	4,800	Note 4
WPG Holdings Limited	Trigold Holdings Limited	Taiwan	Investment company	707,968	707,968	48,139,319	60.50	718,193	56,833	35,356	Note 4
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	3,483,786	150,658	-	Notes 2 and 5
World Peace Industrial Co., Ltd.	WPI Investment Holding (BVI) Company Ltd.	British Virgin Islands	Holding company	2,774,146	2,774,146	83,179,435	100.00	16,090,368	1,395,868	-	Notes 2 and 5
World Peace Industrial Co., Ltd.	Longview Technology Inc.	Taiwan	Sales of electronic components	364,290	364,290	33,900,000	100.00	577,643	76,028	-	Notes 2 and 5
World Peace Industrial Co., Ltd.	Chainpower Technology Corp.	Taiwan	Sales of electronic components	66,261	66,261	9,781,452	39.00	161,149	70,734	-	Notes 2 and 3

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2018			Net profit (loss) of the investee for the nine months ended September 30, 2018	Investment income (loss) recognised by the Company for the nine monhts ended September 30, 2018 (Note 1)	Footnote
				Balance as at September 30, 2018	Balance as at December 31, 2017	Number of shares	Ownership (%)	Book value			
World Peace Industrial Co., Ltd.	AECO Technology Co., Ltd.	Taiwan	Sales of electronic components	$ 1,468,555	$ 1,468,555	94,600,000	100.00	$ 1,654,310	$ 12,726	$ -	Notes 2 and 5
Longview Technology Inc.	Longview Technology GC Limited	British Virgin Islands	Holding company	335,328	335,328	11,300,000	100.00	448,999	63,150	-	Notes 2 and 5
Longview Technology Inc.	Long-Think International Co., Ltd.	Taiwan	Sales of electronic components	37,302	37,302	4,000,000	100.00	48,606	3,143	-	Notes 2 and 5
AECO Technology Co., Ltd.	Teco Enterprise Holding (BVI) Co., Ltd.	British Virgin Islands	Investment company	436,280	436,280	12,610,000	100.00	779,484	10,789	-	Notes 2 and 5
Silicon Application Corp.	Silicon Application (BVI) Corp.	British Virgin Islands	Holding company	706,402	706,402	22,000,000	100.00	3,166,850	40,758	-	Notes 2 and 5
Silicon Application Corp.	Win-Win Systems Ltd.	British Virgin Islands	Holding company	24,015	24,015	765,000	100.00	25,454	344	-	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	110,754	594	-	Notes 2 and 5
Silicon Application Corp.	Pernas Electronics Co., Ltd.	Taiwan	Sales of electronic components	959,504	959,504	73,500,000	100.00	1,396,000	460,206	-	Notes 2 and 5
Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	Taiwan	Sales of electronic components	343,959	343,959	28,000,000	100.00	844,774	189,156	-	Notes 2 and 5
Asian Information Technology Inc.	Frontek Technology Corporation	Taiwan	Wholesale of electronic components	1,515,256	1,515,256	214,563,352	100.00	2,571,208	376,432	-	Notes 2 and 5
Asian Information Technology Inc.	Apache Communication Inc.	Taiwan	Wholesale of electronic components	680,313	680,313	157,000,000	100.00	1,607,995	36,647	-	Notes 2 and 5
Asian Information Technology Inc.	Henshen Electric Trading Co., Ltd.	Taiwan	Wholesale of electronic components	124,521	124,521	10,000,000	100.00	117,166	6,051	-	Notes 2 and 5
Asian Information Technology Inc.	Adivic Technology Co., Ltd.	Taiwan	Import and export business for electronic components	206,200	206,200	11,760,000	49.00	35,072	(39,766)	-	Notes 2 and 3
Asian Information Technology Inc.	Fame Hall International Co., Ltd.	British Virgin Islands	Investment company	155,558	155,558	4,703,107	100.00	313,103	3,203	-	Notes 2 and 5

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2018			Net profit (loss) of the investee for the nine months ended September 30, 2018	Investment income (loss) recognised by the Company for the nine monhts ended September 30, 2018 (Note 1)	Footnote
				Balance as at September 30, 2018	Balance as at December 31, 2017	Number of shares	Ownership (%)	Book value			
Frontek Technology Corporation	Frontek International Limited	British Virgin Islands	Investment company	$ 101,862	$ 101,862	2,970,000	100.00	$ 122,616	$ 2,041	$ -	Notes 2 and 5
Yosun Industrial Corp.	Suntop Investments Limited	Cayman Islands	Investment company	1,812,188	1,812,188	50,700,000	100.00	5,123,272	192,266	-	Notes 2 and 5
Yosun Industrial Corp.	Sertek Incorporated	Taiwan	Sales of electronic /electrical components	1,616,722	1,616,722	94,828,100	100.00	1,688,567	120,721	-	Notes 2 and 5
Yosun Industrial Corp.	Pan-World Control Technologies, Inc.	Taiwan	Wholesale of machinery	19,920	19,920	1,660,000	24.24	-	-	-	Notes 2 and 3
Yosun Industrial Corp.	Eesource Corp.	Taiwan	Sales of electronic /electrical components, office machinery and equipment	11,520	11,520	1,080,000	20.00	34,205	29,424	-	Notes 2 and 3
Yosun Industrial Corp.	Yosun Japan Corp.	Japan	Sales of electronic /electrical components	-	21,037	-	0.00	-	(8,089)	-	Notes 2 and 9
Yosun Industrial Corp.	Richpower Electronic Devices Co., Ltd.	Taiwan	Sales of electronic /electrical components	2,092,631	2,092,631	85,000,000	100.00	2,205,551	283,245	-	Notes 2 and 5
Sertek Incorporated	Sertek Limited	Hong Kong	Sales of electronic /electrical components	83,494	83,494	19,500,000	100.00	440,004	4,416	-	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	2,194,329	239,404	-	Notes 2 and 5
Richpower Electronic Devices Co., Ltd.	Mec Technology Co., Ltd.	Taiwan	Sales of electronic components	-	401,247	-	0.00	-	6,644	-	Notes 2 and 6
Richpower Electronic Devices Co., Ltd.	Mec Technology Co., Limited	Hong Kong	Sales of electronic components	-	1,092	-	0.00	-	(1)	-	Notes 2, 5, 6 and 7
Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Pte., Ltd.	Singapore	Sales of electronic components	1,988	1,988	10,000	100.00	219,251	3,960	-	Notes 2, 5 and 6
WPG Investment Co., Ltd.	Eesource Corp.	Taiwan	Sales of electronic /electrical components, office machinery and equipment	11,520	11,520	1,080,000	20.00	37,496	29,424	-	Notes 2 and 3
WPG Investment Co., Ltd.	Pan-World Control Technologies, Inc.	Taiwan	Wholesale of machinery	17,800	17,800	1,565,218	22.86	-	-	-	Notes 2 and 3

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2018			Net profit (loss) of the investee for the nine months ended September 30, 2018	Investment income (loss) recognised by the Company for the nine monhts ended September 30, 2018 (Note 1)	Footnote
				Balance as at September 30, 2018	Balance as at December 31, 2017	Number of shares	Ownership (%)	Book value			
WPG Investment Co., Ltd.	Sunrise Technology Co., Ltd.	Taiwan	Manufacturing of computer and its peripheral equipment	$ 50,000	$ 50,000	3,279,800	10.67	$ 54,632	$ 5,200	$ -	Notes 2 and 3
WPG Investment Co., Ltd.	Trigold Holdings Limited	Taiwan	Investment company	230	-	10,000	0.01	228	56,833	-	Note 8
Trigold Holdings Limited	Genuine C&C Inc.	Taiwan	Sales of computer, components and its peripheral equipment	1,093,697	1,093,697	79,569,450	100.00	1,106,576	62,404	-	Notes 2 and 5
Trigold Holdings Limited	Trigold (Hong Kong) Company Limited	Hong Kong	Holding company	78,594	768	200,000	100.00	89,259	13,549	-	Notes 2 and 5
Genuine C&C Inc.	Hoban Inc.	Taiwan	General investment and retail of groceries	79,999	79,999	8,000,000	100.00	14,628	(5,790)	-	Notes 2 and 5
Genuine C&C Inc.	Genuine C&C Holding Inc. (Seychelles)	Seychelles	Holding company	193,870	193,870	6,500,000	100.00	129,239	672	-	Notes 2 and 5
Genuine C&C Inc.	Taibaoo Creation Co., Ltd.	Taiwan	Retail of groceries	26,995	26,995	4,000,000	100.00	13,991	8	-	Notes 2 and 5
Genuine C&C Inc.	Sunrise Technology Co., Ltd.	Taiwan	Manufacturing of computer and its peripheral equipment	12,636	12,636	1,682,151	5.47	11,237	5,200	-	Notes 2 and 3

Note 1: Investment income (loss) recognised by the company including realised (unrealised) gain or loss from upstream intercompany transactions and amortisation of investment discount (premium).
Note 2: Investment income (loss) recognised 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: Please refer to Note 20 of Note 4(3)B for details of simple merger of Richpower Electronic Devices Co., Ltd. and Mec Technology Co., Ltd..
Note 7: In June 2018, Mec Technology Co., Limited has remitted back the share capital. However, the liquidation has not yet been completed.
Note 8: In May 2018, WPG Investment Co., Ltd. acquired 0.01% equity shares of Trigold.
Note 9: In May 2018, Yosun Industrial Corp. disposed all its equity shares of Yosun Japan Corp.

WPG Holdings Limited and Subsidiaries

Information on investments in Mainland China

Nine months ended September 30, 2018

Table 10

Expressed in thousands of NTD

(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2018	Amount remitted from Taiwan to Mainland China / Amount remitted back to Taiwan for the nine months ended September 30, 2018		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2018	Net income of investee for the nine months ended September 30, 2018	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine months ended September 30, 2018 (Note 7)	Book value of investments in Mainland China as of September 30, 2018	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2018	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
WPG China Inc.	Sales of electronic /electrical components	$ 1,678,791	1	$ 1,780,765	$ -	$ -	$ 1,780,765	$ 163,231	100.00	$ 163,231	$ 2,326,620	$ -	
WPG China (SZ) Inc.	Sales of computer software and electronic components	148,979	1	105,756	-	-	105,756	32,833	100.00	32,833	694,954	-	Note 4
Suzhou Xinning Bonded Warehouse Co., Ltd.	Warehousing services	36,686	1	28,642	-	-	28,642	14,756	49.00	6,494	79,772	-	
Gain Tune Logistics (Shanghai) Co., Ltd.	Sales of electronic components	44,360	1	15,127	-	-	15,127	5,849	40.00	2,370	32,908	-	
Suzhou Xinning Logistics Co., Ltd.	Warehousing services / extra work	66,540	1	18,765	-	-	18,765	11,936	29.40	3,508	35,684	-	
CECI Technology Co. Ltd.	Business e-commerce platform	2,528,188	1	-	-	-	-	127,092	4.80	2,636	-	-	Notes 8, 9 and 10
WPI International Trading (Shanghai) Ltd.	Sales of electronic components	235,715	1	19,841	-	-	19,841	24,692	100.00	24,692	251,521	-	
AIO (Shanghai) Components Company Limited	Sales of electronic components	7,344	1	-	-	-	-	(64)	100.00	(64)	7,537	-	Note 3
Long-Think International (Shanghai) Limited	Sales of electronic components	14,688	1	143,490	-	-	143,490	2,409	100.00	2,409	29,564	-	Note 2

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2018	Amount remitted from Taiwan to Mainland China / Amount remitted back to Taiwan for the nine months ended September 30, 2018		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2018	Net income of investee for the nine months ended September 30, 2018	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine months ended September 30, 2018 (Note 7)	Book value of investments in Mainland China as of September 30, 2018	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2018	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Yosun Shanghai Corp. Ltd.	Sales of electronic components and warehousing services	$ 278,651	1	$ 235,043	$ -	$ -	$ 235,043	$ 5,311	100.00	5,311	$ 236,560	$ -	
Yosun South China Corp. Ltd.	Sales of electronic /electrical components	142,257	1	-	-	-	-	2,763	100.00	2,763	130,882	-	
Qegoo Technology Co., Ltd.	Business e-commerce platform	56,471	1	4,894	-	-	4,894	-	15.00	-	-	-	
Peng Yu (Shanghai) Digital Technology Co., Ltd	Sales of electronic products	99,810	1	57,822	-	-	57,822	27,674	55.00	9,210	53,704	-	

Note 1: Through investing in an existing company in the third area, which then invested in the investee in Mainland China, is '1'.

Note 2: 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) Limitedas of August 31, 2012. The investment had been permitted by Investment Commission.

Note 3: WPI International (Hong Kong) Limited acquired AIO Components Company Limited as of July 1, 2010, and AIO (Shanghai) Company Limited became the Company's indirect subsidiary. The investment of USD 469 thousand in AIO (Shanghai) Company Limited had been permitted by Investment Commission.

Note 4: WPG International (Hong Kong) Limited invested in WPG (Shenzhen) Inc. in the amount of HKD 10 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 5: For paid-in capital, amount remitted from Taiwan to Mainland China/ amount remitted back to Taiwan for the nine months ended September 30, 2018, accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2018, book value of investments in Mainland China as of September 30, 2018, accumulated amount of investment income remitted back to Taiwan as of September 30, 2018, etc., the exchange rates used were USD 1: NTD 30.525, HKD 1: NTD 3.901 and RMB 1: NTD 4.436.

Note 6: The ending balance of investment was calculated based on combined ownership percentage held by the Company.

Note 7: Except for WPG China Inc., WPG China (SZ) Inc. and Peng Yu (Shanghai) Digital Technology Co., Ltd., the investment income/loss for the three months ended March 31, 2018 that was recognised by the Company was based on the financial statements reviewed by international accounting firm which has cooperative relationship with accounting firm in R.O.C. The remaining investment income/loss was measured based on unreviewed financial statements of investee during the same period.

Note 8: In August 2016, WPG China Inc. gained 15% of shares in the investee with its own capital.

Note 9: In December 2017, WPG China Inc. waived its right to participate in the investee's capital increase in proportion to its ownership and thus the ownership declined to 6.49%.

Note 10: In May 2018, this company disposed of 1.69% equity share. After the disposal, its shareholding ratio decreased to 4.8% and lost significant influence in June 2018, therefore, the investment was reclassified as 'financial assets at fair value through profit or loss - non-current'.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2018	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	$ 2,021,941	$ 2,125,793	$ 31,824,757
World Peace Industrial Co., Ltd. and its subsidiaries	380,669	719,993	13,496,297
Silicon Application Corp. and its subsidiaries	13,118	19,048	3,939,251
Yosun Industrial Corp. and its subsidiares	255,952	542,246	5,576,644
WPG Investment Co., Ltd.	4,894	14,908	254,926
Trigold Holdings Limited and its subsidiaries	152,783	151,987	717,942

(1) Exchange rates as of September 30, 2018 were USD 1: NTD 30.525, HKD 1 : NTD 3.901 and RMB 1 : NTD 4.436.
(2) The ceiling of investment amount of the company is calculated based on the investor's net assets.