WPG HOLDINGS LIMITED AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

REVIEW REPORT OF INDEPENDENT ACCOUNTANTS

SEPTEMBER 30, 2019 AND 2018

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, 2019 and 2018, 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$15,704,980 thousand and NT$20,370,959 thousand, constituting 7% and 10% of the consolidated total assets, and total liabilities of NT$7,070,015 thousand and NT$6,216,134 thousand, constituting 5% and 4% of the consolidated total liabilities as at September 30, 2019 and 2018, 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$64,192 thousand, NT$149,320 thousand, NT$181,447 thousand and NT$433,164 thousand, constituting 5%, 9%, 4% and 6% 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 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, 2019 and 2018, 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 12, 2019

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, 2019, DECEMBER 31, 2018 AND SEPTEMBER 30, 2018
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(THE CONSOLIDATED BALANCE SHEETS AS OF SEPTEMBER 30, 2019 AND 2018 ARE REVIEWED, NOT AUDITIED)

Assets	Notes	September 30, 2019 Amount	%	December 31, 2018 Amount	%	September 30, 2018 Amount	%
Current assets							
Cash and cash equivalents	6(1)	$ 9,600,092	5	$ 7,116,888	4	$ 8,390,620	4
Financial assets at fair value through profit or loss - current	6(2)	33,667	-	28,469	-	28,388	-
Current financial assets at amortized cost	6(4) and 8	200,244	-	197,942	-	198,334	-
Notes receivable, net	6(5)	1,763,366	1	2,884,889	1	2,935,594	2
Accounts receivable, net	6(5)	105,652,981	48	95,258,035	49	105,978,970	50
Accounts receivable - related parties, net	7(3)	156,792	-	82,590	-	80,996	-
Other receivables	6(7)	13,112,599	6	8,531,684	4	8,667,701	4
Other receivables - related parties	7(3)	13,847	-	1,610	-	5,002	-
Current income tax assets		29,798	-	77,016	-	26,706	-
Inventory	6(8)	69,858,941	32	64,772,967	33	67,688,595	32
Prepayments		1,936,501	1	1,507,232	1	1,858,259	1
Other current assets		458,991	-	515,584	-	754,230	-
		202,817,819	93	180,974,906	92	196,613,395	93
Non-current assets							
Financial assets at fair value through profit or loss - non-current	6(2) and 8	1,333,504	1	1,276,064	1	1,351,752	1
Financial assets at fair value through other comprehensive income - non-current	6(3)	32,035	-	32,035	-	32,035	-
Financial assets at amortized cost, net	6(4) and 8	-	-	-	-	1,000	-
Investments accounted for under equity method	6(9)	594,743	-	617,491	-	524,845	-
Property, plant and equipment	6(10) and 8	5,724,977	3	5,701,436	3	5,400,070	3
Right-of-use assets	6(11)	1,223,361	1	-	-	-	-
Investment property - net	6(12) and 8	1,072,516	-	1,107,246	1	1,107,964	-
Intangible assets	6(13)	5,569,085	2	5,567,934	3	5,563,288	3
Deferred income tax assets		488,372	-	482,037	-	383,087	-
Other non-current assets	6(14)	312,198	-	301,715	-	409,464	-
		16,350,791	7	15,085,958	8	14,773,505	7
TOTAL ASSETS		$ 219,168,610	100	$ 196,060,864	100	$ 211,386,900	100

(Continued)

Liabilities and Equity	Notes	September 30, 2019 Amount	%	December 31, 2018 Amount	%	September 30, 2018 Amount	%
Current liabilities							
Short-term borrowings	6(15)	$ 57,676,703	26	$ 57,221,436	29	$ 63,128,811	30
Short-term notes and bills payable	6(16)	4,696,502	2	4,957,027	3	4,855,308	2
Financial liabilities at fair value through profit or loss - current	6(2)	5,909	-	5,660	-	-	-
Notes payable		19,103	-	35,497	-	250,356	-
Accounts payable		63,682,660	29	53,161,904	27	63,241,579	30
Accounts payable - related parties	7(3)	4	-	401	-	174	-
Other payables		5,234,632	3	5,333,973	3	6,731,020	3
Current income tax liabilities		1,255,724	1	803,225	-	1,088,156	1
Current lease liabilities		418,900	-	-	-	-	-
Other current liabilities	6(17)(18)	11,066,740	5	4,945,142	2	10,900,919	5
		144,056,877	66	126,464,265	64	150,196,323	71
Non-current liabilities							
Long-term borrowings	6(17)	7,645,042	4	13,366,171	7	6,896,899	3
Deferred income tax liabilities		506,229	-	496,996	-	505,499	-
Non-current lease liabilities		832,159	-	-	-	-	-
Other non-current liabilities		845,962	-	909,437	1	746,917	1
		9,829,392	4	14,772,604	8	8,149,315	4
Total liabilities		153,886,269	70	141,236,869	72	158,345,638	75
Equity attributable to owners of parent							
Capital	1 and 6(20)						
Common stock		16,790,568	8	16,790,568	8	16,790,568	8
Preference stock		2,000,000	1	-	-	-	-
Capital reserve	6(21)						
Capital reserve		27,456,298	12	19,454,882	10	19,457,472	9
Retained earnings	6(22)						
Legal reserve		6,021,073	3	5,274,872	3	5,274,872	2
Special reserve		2,602,682	1	4,124,936	2	4,124,936	2
Unappropriated earnings		12,276,836	6	11,316,193	6	9,863,589	5
Other equity interest							
Other equity interest	6(23)	(2,351,353)	(1)	(2,602,682)	(1)	(3,015,886)	(1)
Total equity attributable to owners of parent		64,796,104	30	54,358,769	28	52,495,551	25
Non-controlling interest		486,237	-	465,226	-	545,711	-
Total equity		65,282,341	30	54,823,995	28	53,041,262	25
Significant contingent liabilities and unrecognized contract commitments	7(3) and 9						
Significant events after the balance sheet date	11						
TOTAL LIABILITIES AND EQUITY		$ 219,168,610	100	$ 196,060,864	100	$ 211,386,900	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, 2019 AND 2018
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE DATA)
(REVIEWED, NOT AUDITED)

		Three months ended September 30,				Nine months ended September 30,			
		2019		2018		2019		2018	
Items	Notes	Amount	%	Amount	%	Amount	%	Amount	%
Operating revenue	6(24) and 7(3)	$ 140,820,895	100	$ 150,362,425	100	$ 381,828,772	100	$ 413,306,808	100
Operating costs	6(8) and 7(3)	(134,841,633)	(96)	(143,870,517)	(96)	(365,188,480)	(96)	(395,428,616)	(96)
Gross profit		5,979,262	4	6,491,908	4	16,640,292	4	17,878,192	4
Operating expenses	6(28)(29) and 7(3)								
Selling and marketing		(2,373,049)	(1)	(2,430,457)	(1)	(6,640,885)	(1)	(6,972,997)	(2)
General and administrative		(1,029,154)	(1)	(1,040,205)	(1)	(2,856,237)	(1)	(2,768,478)	-
Expected credit impairment gain (loss)		(27,334)	-	(93,763)	-	54,707	-	(103,722)	-
Total operating expenses		(3,429,537)	(2)	(3,564,425)	(2)	(9,442,415)	(2)	(9,845,197)	(2)
Operating income		2,549,725	2	2,927,483	2	7,197,877	2	8,032,995	2
Non-operating income and expenses									
Other income	6(25)	89,264	-	71,528	-	214,751	-	227,780	-
Other gains and losses	6(26)	147,612	-	(79,984)	-	402,608	-	740,730	-
Finance costs	6(27)	(573,066)	(1)	(677,473)	(1)	(1,761,837)	-	(1,771,223)	-
Share of profit of associates and joint ventures accounted for under equity method		5,370	-	15,601	-	16,419	-	29,891	-
Total non-operating income and expenses		(330,820)	(1)	(670,328)	(1)	(1,128,059)	-	(772,822)	-
Income before income tax		2,218,905	1	2,257,155	1	6,069,818	2	7,260,173	2
Income tax expense	6(30)	(420,791)	-	(474,777)	-	(1,316,573)	(1)	(1,359,719)	(1)
Consolidated net income		$ 1,798,114	1	$ 1,782,378	1	$ 4,753,245	1	$ 5,900,454	1

(Continued)

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
NINE MONTHS ENDED SEPTEMBER 30, 2019 AND 2018
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE DATA)
(REVIEWED, NOT AUDITED)

Items	Notes	Three months ended September 30, 2019 Amount	%	Three months ended September 30, 2018 Amount	%	Nine months ended September 30, 2019 Amount	%	Nine months ended September 30, 2018 Amount	%
Other comprehensive income									
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(30)	$ -	-	$ -	-	$ -	-	$ 6,203	-
Other comprehensive income that will not be reclassified to profit or loss		-	-	-	-	-	-	6,203	-
Components of other comprehensive income that will be reclassified to profit or loss									
Exchange differences on translation of foreign financial statements		(424,177)	-	(116,589)	-	249,813	-	1,215,006	1
Share of other comprehensive income of associates and joint ventures accounted for using equity method		(5,243)	-	9,461	-	5,717	-	23,409	-
Income tax related to components of other comprehensive income (loss) that will be reclassified to profit or loss	6(30)	4,621	-	2,892	-	3,608	-	3,523	-
Other comprehensive income (loss) that will be reclassified to profit or loss		(424,799)	-	(104,236)	-	259,138	-	1,241,938	1
Total other comprehensive income (loss)		($ 424,799)	-	($ 104,236)	-	$ 259,138	-	$ 1,248,141	1
Total comprehensive income		$ 1,373,315	1	$ 1,678,142	1	$ 5,012,383	1	$ 7,148,595	2
Consolidated net income attributable to:									
Owners of the parent		$ 1,784,767	1	$ 1,768,723	1	$ 4,718,043	1	$ 5,863,312	1
Non-controlling interest		13,347	-	13,655	-	35,202	-	37,142	-
		$ 1,798,114	1	$ 1,782,378	1	$ 4,753,245	1	$ 5,900,454	1
Comprehensive income attributable to:									
Owners of the parent		$ 1,367,692	1	$ 1,668,659	1	$ 4,969,372	1	$ 7,113,908	2
Non-controlling interest		5,623	-	9,483	-	43,011	-	34,687	-
		$ 1,373,315	1	$ 1,678,142	1	$ 5,012,383	1	$ 7,148,595	2
Earnings per share	6(31)								
Basic earnings per share		$	1.06	$	1.02	$	2.81	$	3.27
Diluted earnings per share		$	1.06	$	1.02	$	2.81	$	3.26

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, 2019 AND 2018
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(REVIEWED, NOT AUDITED)

		Equity attributable to owners of the parent											
		Share capital			Retained Earnings			Other Equity Interest					
	Notes	Common stock	Preference stock	Capital reserve	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences of foreign financial statements	Unrealized gains (loss) on financial assets at fair value through other comprehensive income	Unrealized gain or loss on available-for-sale financial assets	Total	Non-controlling interest	Total equity
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		-	-	-	-	-	(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(22)												
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(20)	(1,460,050)	-	-	-	-	-	-	-	-	(1,460,050)	-	(1,460,050)
Disposal of investments accounted for using equity method	6(21)	-	-	(112,053)	-	-	-	-	-	-	(112,053)	-	(112,053)
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	-	(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
2019													
Balance at January 1, 2019		$ 16,790,568	$ -	$ 19,454,882	$ 5,274,872	$ 4,124,936	$ 11,316,193	($ 2,596,682)	($ 6,000)	$ -	$ 54,358,769	$ 465,226	$ 54,823,995
Total consolidated profit		-	-	-	-	-	4,718,043	-	-	-	4,718,043	35,202	4,753,245
Net other comprehensive income		-	-	-	-	-	-	251,329	-	-	251,329	7,809	259,138
Total comprehensive income		-	-	-	-	-	4,718,043	251,329	-	-	4,969,372	43,011	5,012,383
Appropriation and distribution of 2018 retained earnings	6(22)												
Legal reserve		-	-	-	746,201	-	(746,201)	-	-	-	-	-	-
Reversal of special reserve		-	-	-	-	(1,522,254)	1,522,254	-	-	-	-	-	-
Cash dividends		-	-	-	-	-	(4,533,453)	-	-	-	(4,533,453)	-	(4,533,453)
Issue of preference stock	6(20)(21)	-	2,000,000	7,994,638	-	-	-	-	-	-	9,994,638	-	9,994,638
Changes in equity of associate and joint ventures accounted for using equity method	6(21)	-	-	6,778	-	-	-	-	-	-	6,778	-	6,778
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	-	(22,000)	(22,000)
Balance at September 30, 2019		$ 16,790,568	$ 2,000,000	$ 27,456,298	$ 6,021,073	$ 2,602,682	$ 12,276,836	($ 2,345,353)	($ 6,000)	$ -	$ 64,796,104	$ 486,237	$ 65,282,341

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, 2019 AND 2018
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(REVIEWED, NOT AUDITED)

	Notes	Nine months ended September 30, 2019	Nine months ended September 30, 2018
Cash flows from operating activities			
Income before income tax		$ 6,069,818	$ 7,260,173
Adjustments			
Income and expenses			
Depreciation	6(28)	543,348	151,311
Amortization	6(13)(28)	12,670	14,502
Expected credit impairment (gain) loss		(54,707)	103,722
Interest expense	6(27)	1,609,706	1,620,828
Net gain on financial assets or liabilities at fair value through profit or loss	6(26)	(65,592)	(592,592)
Interest income	6(25)	(42,676)	(29,219)
Dividend income	6(25)	(13,408)	(14,988)
Share of profit of associates and joint ventures accounted for under equity method		(16,419)	(29,891)
Loss on disposal of property, plant and equipment	6(26)	1,719	3,039
Gain on disposal of investments	6(26)	(213)	(58,516)
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		498	(4,347)
Notes receivable		1,121,517	1,244,555
Accounts receivable		(10,340,233)	(16,654,018)
Accounts receivable - related parties, net		(74,202)	193,732
Other receivables		(4,579,453)	(2,957,684)
Other receivables - related parties		(12,237)	(2,956)
Inventories		(5,085,974)	(10,215,852)
Prepayments		(429,269)	(365,561)
Other current assets		17,273	133,594
Changes in liabilities relating to operating activities			
Notes payable		(16,394)	36,009
Accounts payable		10,520,756	14,331,957
Accounts payable - related parties		(397)	(1,138)
Other payables		(63,792)	191,272
Other current liabilities		894,910	887,823
Other non-current liabilities		(64,846)	(69,986)
Cash outflow generated from operations		(67,597)	(4,824,231)
Interest paid		(1,645,255)	(1,585,190)
Income tax paid		(825,208)	(980,923)
Interest received		41,214	30,615
Income tax refund		19,786	2,291
Dividends received		65,069	62,140
Net cash used in operating activities		(2,411,991)	(7,295,298)

(Continued)

	Notes	Nine months ended September 30, 2019	2018
Cash flows from investing activities			
Proceeds from disposal of investments accounted for using equity		$ -	$ 183,453
Acquisition of property, plant and equipment and intangible assets	6(32)	(244,397)	(477,855)
Proceeds from disposal of property, plant and equipment and intangible assets		1,589	330
Increase in guarantee deposits paid		(36,461)	(197,101)
Decrease in guarantee deposits paid		31,393	231,327
Decrease (increase) in other financial assets - current		39,320	(307,586)
Increase in other financial assets - non-current		(1)	(12,586)
Decrease in other financial assets - non-current		-	11,375
Increase in other non-current assets		(5,605)	(75,320)
Acquisition of financial assets at fair value through profit or loss - non-current		(102,096)	(83,175)
Proceeds from disposal of financial assets at fair value through profit or loss - non-current		14,971	791,259
Proceeds from capital reduction of financial assets at fair value through profit or loss		17,533	-
Increase in current financial assets at amortized cost		(11,540)	(156,707)
Decrease in current financial assets at amortized cost		10,888	11,375
Increase in prepayments for investments		-	(73,000)
Net cash used in investing activities		(284,406)	(154,211)
Cash flows from financing activities			
Principal repayment of lease liability		(333,215)	-
Increase in short-term borrowings		417,871,446	527,525,937
Decrease in short-term borrowings		(417,416,179)	(518,170,734)
Increase in long-term borrowings (including current portion of long-term liabilities)		2,110,697	3,376,130
Decrease in long-term borrowings (including current portion of long-term liabilities)		(2,605,138)	(1,964,859)
Increase in short-term notes and bills payable		26,345,815	23,697,446
Decrease in short-term notes and bills payable		(26,606,340)	(22,729,743)
Increase in guarantee deposit received		9,492	71,994
Decrease in guarantee deposit received		(4,456)	(30,447)
Issuance of preference stock		9,994,638	-
Cash dividends paid	6(22)	(4,533,453)	(4,380,148)
Change in non-controlling interest		(22,000)	(25,143)
Net cash provided by financing activities		4,811,307	7,370,433
Effect of exchange rate changes on cash and cash equivalents		368,294	1,371,782
Net increase in cash and cash equivalents		2,483,204	1,292,706
Cash and cash equivalents at beginning of period		7,116,888	7,097,914
Cash and cash equivalents at end of period		$ 9,600,092	$ 8,390,620

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, 2019 AND 2018
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,
EXCEPT AS OTHERWISE INDICATED)
(REVIEWED, NOT AUDITED)

1. HISTORY AND ORGANIZATION

(1) WPG Holdings Limited (the Company) was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China, and as a holding company of World Peace Industrial Co., Ltd. and Silicon Application Corporation by exchanging shares of common stock on November 9, 2005. The Company's shares were listed on the Taiwan Stock Exchange (TSE) and approved by the Financial Supervisory Commission, Executive Yuan, Securities and Futures Bureau on the same date. After restructuring, Richpower Electronic Devices Co., Ltd. became the Company's subsidiary on January 1, 2008. The Company acquired Pernas Electronics Co., Ltd., Asian Information Technology Inc., Yosun Industrial Corp. and AECO Technology Co., Ltd. by exchanging shares of common stock on July 16, 2008, February 6, 2009, November 15, 2010 and March 1, 2012, respectively. After the Company's organization 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 organized to create the management mechanism of the group, supervise the subsidiaries, integrate the whole group and improve operational efficiency. The Company's subsidiaries are mainly engaged in the distribution and sales of electronic / electrical components, sales of computer software and electrical products and sales of electronic / electrical components.

(3) As of September 30, 2019, the Company's authorized capital was $25,000,000 (certain shares can be issued as preference shares, and including $500,000 reserved for employee stock option certificate, restricted stocks to employees, convertible preferred stock and convertible bonds), and the paid-in capital was $18,790,568 with a par value of $10 (in dollars) per share.

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

These consolidated financial statements were reported to the Board of Directors on November 12, 2019.

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 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.

IFRS 16, 'Leases'

A. IFRS 16, 'Leases', replaces IAS 17, 'Leases' and related interpretations and SICs. The standard requires lessees to recognize 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.

B. The Group has elected to apply IFRS 16 by not restating the comparative information (referred herein as the 'modified retrospective approach') when applying "IFRSs" effective in 2019 as endorsed by the FSC. Accordingly, the Group increased 'right-of-use asset' by $1,435,802, increased 'lease liability' by $1,453,612 and decreased 'other payables' by $17,810 with respect to the lease contracts of lessees on January 1, 2019.

C. The Group has used the following practical expedients permitted by the standard at the date of initial application of IFRS 16:

(a) Reassessment as to whether a contract is, or contains, a lease is not required, instead, the application of IFRS 16 depends on whether or not the contracts were previously identified as leases applying IAS 17 and IFRIC 4.

(b) The use of a single discount rate to a portfolio of leases with reasonably similar characteristics.

(c) The accounting for operating leases whose period will end before December 31, 2019 as short-term leases and accordingly, rent expense of $11,752 was recognized for the nine months ended September 30, 2019.

(d) The exclusion of initial direct costs for the measurement of 'right-of-use asset'.

(e) The use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

(f) The adjustment of the 'right-of-use asset' by the amount of any provision for onerous leases.

D. The Group calculated the present value of lease liabilities by using weighted average incremental borrowing interest rate ranging from 1.355% to 4%.

E. The Group recognized lease liabilities which had previously been classified as 'operating leases' under the principles of IAS 17, 'Leases'. The reconciliation between operating lease commitments under IAS 17 measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate and lease liabilities recognized as of January 1, 2019 is as follows:

Operating lease commitments disclosed by applying IAS 17 as at December 31, 2018	$	1,448,331
Less: Short-term leases	(	10,790)
Less: Low-value assets	(	692)
Less: Contracts reassessed as service agreements	(	768)
Add/Less: Adjustments as a result of a different treatment of extension and termination options		6,131
Add/Less: Adjustments as a result of a different discounted interest rate of borrowings		11,400
Lease liabilities recognized as at January 1, 2019 by applying IFRS 16	$	1,453,612

(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 2020 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments 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

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

(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 endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 9, IAS 39 and IFRS 7, 'Interest rate benchmark reform'	January 1, 2020
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, 2018, 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, 2018.

(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 measured at fair value.

c) Defined benefit liabilities recognized 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.

(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, 2018.

B. Subsidiaries included in the consolidated financial statements:

			Ownership (%)			
Name of investor	Name of subsidiary	Main business activities	September 30, 2019	December 31, 2018	September 30, 2018	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 15 and 16
WPG Holdings Limited	WPG Electronic Ltd.	〃	100.00	100.00	100.00	Notes 15 and 16
WPG Holdings Limited	WPG International (CI) Limited	Holding company	100.00	100.00	100.00	Notes 15 and 16
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 15 and 16

Name of investor	Name of subsidiary	Main business activities	Ownership (%) September 30, 2019	Ownership (%) December 31, 2018	Ownership (%) September 30, 2018	Description
WPG Holdings Limited	Trigold Holdings Limited	Holding company	60.50	60.50	60.50	
WPG Investment Co., Ltd.	Trigold Holdings Limited	〃	0.01	0.01	0.01	Note 2
World Peace Industrial Co., Ltd.	World Peace International (BVI) Ltd.	〃	100.00	100.00	100.00	Notes 15 and 16
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 15 and 16
World Peace Industrial Co., Ltd.	AECO Technology Co., Ltd.	〃	100.00	100.00	100.00	Notes 15 and 16
AECO Technology Co., Ltd.	Teco Enterprise Holding (B.V.I.) Co., Ltd.	Investment company	100.00	100.00	100.00	Notes 15 and 16
Teco Enterprise Holding (B.V.I.) Co., Ltd.	AECO Electronic Co., Ltd.	Trading of electronic / electrical products	100.00	100.00	100.00	Notes 15 and 16
World Peace International (BVI) Ltd.	Prime Future Technology Limited	Holding company	100.00	100.00	100.00	Notes 15 and 16
Prime Future Technology Limited	World Peace International Pte. Ltd.	〃	100.00	100.00	100.00	Notes 15 and 16
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 15 and 16
World Peace International Pte. Ltd.	WPG Americas Inc.	〃	4.31	4.31	4.31	Note 3
World Peace International Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	〃	100.00	100.00	100.00	
World Peace International (South Asia) Pte Ltd.	World Peace International (India) Pvt., Ltd.	〃	100.00	100.00	100.00	Notes 15 and 16

Name of investor	Name of subsidiary	Main business activities	Ownership (%) September 30, 2019	Ownership (%) December 31, 2018	Ownership (%) September 30, 2018	Description
World Peace International (South Asia) Pte Ltd.	WPG C&C (Malaysia) Sdn. Bhd	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 15 and 16
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, 15 and 16
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 15 and 16
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 15 and 16
WPI International (Hong Kong) Limited	WPG C&C Shanghai Co., Ltd.	Sales of electronic /electrical products	0.00	0.00	100.00	Notes 10 and 15
WPI International (Hong Kong) Limited	WPG C&C Limited	Agent and sales of information products	100.00	100.00	100.00	Note 16
WPI International (Hong Kong) Limited	AIO Components Company Limited	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 15 and 16
AIO Components Company Limited	AIO (Shanghai) Components Company Limited	〃	0.00	0.00	100.00	Notes 13 and 15
Longview Technology Inc.	Longview Technology GC Limited	Holding company	100.00	100.00	100.00	Notes 15 and 16
Longview Technology Inc.	Long-Think International Co., Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 15 and 16
Longview Technology GC Limited	Long-Think International (Hong Kong) Limited	〃	100.00	100.00	100.00	Notes 15 and 16
Long-Think International (Hong Kong) Limited	Long-Think International (Shanghai) Limited	〃	100.00	100.00	100.00	Notes 15 and 16

Name of investor	Name of subsidiary	Main business activities	Ownership (%) September 30, 2019	Ownership (%) December 31, 2018	Ownership (%) September 30, 2018	Description
Silicon Application Corporation	Silicon Application (BVI) Corp.	Holding company	100.00	100.00	100.00	Notes 15 and 16
Silicon Application Corporation	Win-Win Systems Ltd.	〃	100.00	100.00	100.00	Notes 15 and 16
Silicon Application Corporation	SAC Components (South Asia) Pte. Ltd.	Sales of computer software and electronic products	100.00	100.00	100.00	Notes 15 and 16
Silicon Application Corporation	Pernas Electronic Co., Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 15 and 16
Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	〃	100.00	100.00	100.00	
Silicon Application (BVI) Corp.	Silicon Application Company Limited	Sales of computer software and electronic products	100.00	100.00	100.00	Notes 15 and 16
Silicon Application Company Limited	Dstar Electronic Company Limited	〃	100.00	100.00	100.00	Notes 15 and 16
WPG Korea Co., Ltd.	Apache Communication Inc. (B.V.I.)	Investment company	100.00	100.00	100.00	Notes 15 and 16
Apache Communication Inc. (B.V.I.)	Apache Korea Corp.	Sales of electronic / electrical products	100.00	100.00	100.00	Notes 15 and 16
WPG International (CI) Limited	WPG International (Hong Kong) Limited	Holding company	100.00	100.00	100.00	Notes 15 and 16
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 15 and 16
WPG International (CI) Limited	WPG Cloud Service Limited	General trading	100.00	100.00	100.00	Notes 15 and 16
WPG International (CI) Limited	WPG Gain Tune Ltd.	Agent for selling electronic / electrical components	100.00	100.00	100.00	Notes 15 and 16

Name of investor	Name of subsidiary	Main business activities	Ownership (%) September 30, 2019	Ownership (%) December 31, 2018	Ownership (%) September 30, 2018	Description
WPG International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	Agent for selling electronic / electrical components	100.00	100.00	100.00	Notes 15 and 16
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 15 and 16
WPG South Asia Pte. Ltd.	WPG (Thailand) Co., Ltd.	〃	100.00	100.00	100.00	Notes 6, 15 and 16
WPG South Asia Pte. Ltd.	WPG India Electronics Pvt. Ltd.	〃	99.99	99.99	99.99	Notes 9, 15 and 16
WPG South Asia Pte. Ltd.	WPG Electronics (Philippines) Inc.	〃	100.00	100.00	100.00	Notes 5, 15 and 16
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, 15 and 16
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 15 and 16
Asian Information Technology Inc.	Frontek Technology Corporation	〃	100.00	100.00	100.00	
Asian Information Technology Inc.	Fame Hall International Co., Ltd.	Investment company	100.00	100.00	100.00	Notes 15 and 16
Frontek Technology Corporation	Frontek International Limited	〃	100.00	100.00	100.00	Notes 15 and 16
Fame Hall International Co., Ltd.	AIT Japan Inc.	Sales of electronic / electrical products	100.00	100.00	100.00	Notes 15 and 16
Frontek International Limited	Gather Technology Incorporation Limited	Sales of electronic / electrical components	100.00	100.00	100.00	Notes 15, 16 and 17

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2019	December 31, 2018	September 30, 2018	
Yosun Industrial Corp.	Sertek Incorporated	Sales of electronic / electrical components	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.	Sales of electronic / electrical products	0.00	0.00	0.00	Note 8
Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Co., Limited	″	100.00	100.00	100.00	
Richpower Electronic Devices Co., Ltd.	Mec Technology Co., Limited	″	0.00	0.00	100.00	Notes 8 and 12
Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Pte., Ltd.	″	100.00	100.00	100.00	Notes 8, 15 and 16
Sertek Incorporated	Sertek Limited	Sales of electronic / electrical components	100.00	100.00	100.00	Notes15 and 16
Suntop Investments Limited	Yosun Hong Kong Corp. Ltd.	″	100.00	100.00	100.00	
Suntop Investments Limited	Yosun Singapore Pte Ltd.	″	100.00	100.00	100.00	Notes 15 and 16
Yosun Hong Kong Corp. Ltd.	Giatek Corp. Ltd.	″	0.00	100.00	100.00	Notes 7 and 15
Yosun Hong Kong Corp. Ltd.	Yosun South China Corp. Ltd.	″	100.00	100.00	100.00	Notes 15 and 16
Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	Warehouse business and sales of electronic components	100.00	100.00	100.00	Notes 15 and 16
Yosun Hong Kong Corp. Ltd.	Yosun Industrial (Malaysia) Sdn. Bhd.	Sales of electronic / electrical components	0.00	0.00	100.00	Notes 12, 15 and 16
Yosun Singapore Pte Ltd.	Yosun India Private Ltd.	″	100.00	100.00	100.00	Notes 15 and 16
Trigold Holdings Limited	Genuine C&C Inc.	Sales of computer and its peripherals	100.00	100.00	100.00	

Name of investor	Name of subsidiary	Main business activities	Ownership (%) September 30, 2019	Ownership (%) December 31, 2018	Ownership (%) September 30, 2018	Description
Trigold Holding Limited	Trigold (Hong Kong) Company Limited	Holding company	100.00	100.00	100.00	
Trigold (Hong Kong) Company Limited	Peng Yu (Shanghai) Digital Technology Co., Ltd.	Sales of electronic /electrical products	100.00	100.00	55.00	Notes 11 and 16
Trigold (Hong Kong) Company Limited	WPG C&C Shanghai Co., Ltd.	〃	100.00	100.00	0.00	Note 10
Triglod (Hong Kong) Company Limited	Trigolduo (Shanghai) Industrial Development Ltd.	Children's theme park	70.00	0.00	0.00	Notes 14 and 16
Trigolduo (Shanghai) Industrial Development Ltd.	Trigold Tongle (Shanghai) Industrial Development Ltd.	〃	100.00	0.00	0.00	Notes 14 and 16
Genuine C&C, Inc.	Hoban Inc.	An E-commerce company which operates B2C and O2O businesses	100.00	100.00	100.00	Notes 15 and 16
Genuine C&C, Inc.	Taibaoo Creation Co., Ltd.	Retail of groceries	0.00	0.00	100.00	Notes 13 and 15
Genuine C&C, Inc.	Genuine C&C Holding Inc. (Seychelles)	Holding company	100.00	100.00	100.00	Note 16
Genuine C&C Holding Inc. (Seychelles)	Genuine Trading (Hong Kong) Company Limited	〃	0.00	100.00	100.00	Note 18
Peng Yu (Shanghai) Digital Technology Co., Ltd.	Peng Yu International Limited	Sales of electronic/electrical products	100.00	100.00	100.00	

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 subsidiary acquired a 0.01% equity interest in Triglod in May 2018.

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 February 2019.

Note 8: 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 9: WPG South Asia Pte. Ltd. and WPG Malaysia Sdn. Bhd. separately hold 99.99% and 0.01% of shares of the subsidiary, respectively, and both companies together hold 100% of shares of the subsidiary.

Note 10: Trigold (Hong Kong) Company Limited acquired 100% equity of WPG C&C Shanghai Co., Ltd. from WPI International (Hong Kong) Limited in October 2018.

Note 11: Trigold (Hong Kong) Company Limited acquired 45% equity of Peng Yu (Shanghai) Digital Technology Co., Ltd. from non-controlling interests in October 2018.

Note 12: It was liquidated in November 2018.

Note 13: It was liquidated in October 2018.

Note 14: On January 31, 2019, Trigold (Hong Kong) Company Limited and Haomao (Shanghai) Enterprise Development Co., Ltd. jointly established a new company, Trigolduo (Shanghai) Industrial Development Ltd. (Trigolduo_SH), and the shareholding ratio is 70%. In addition, Trigolduo_SH established a wholly-owned subsidiary, Trigold Tongle (Shanghai) Industrial Development Ltd. on March 25, 2019.

Note 15: The financial statements as of September 30, 2018 were not reviewed by independent accountants since it did not meet the definition of significant subsidiaries.

Note 16: The financial statements as of September 30, 2019 were not reviewed by independent accountants since it did not meet the definition of significant subsidiaries.

Note 17: The subsidiary was renamed in May 2019.

Note 18: It was liquidated in May 2019.

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, 2019, December 31, 2018 and September 30, 2018, the non-controlling interest amounted to $486,237, $465,226 and $545,711, 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, 2019		December 31, 2018		September 30, 2018	
		Amount	Ownership	Amount	Ownership	Amount	Ownership
Trigold Holdings Limited and its subsidiaries (Note)	Taiwan	$436,996	39.49%	$426,726	39.49%	$435,287	39.49%

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

Summarized financial information of the subsidiaries:

(a) Balance sheets

	Trigold Holdings Limited and its subsidiaries		
	September 30, 2019	December 31, 2018	September 30, 2018
Current assets	$ 7,588,204	$ 5,379,093	$ 5,138,087
Non-current assets	332,610	127,670	87,086
Current liabilities	(6,568,089)	(4,351,486)	(3,985,113)
Non-current liabilities	(236,638)	(74,566)	(65,460)
Total net assets	1,116,087	1,080,711	1,174,600
Less: Non-controlling interest	(9,127)	-	(72,615)
Equity attributable to owners of the parent company	$ 1,106,960	$ 1,080,711	$ 1,101,985

(b) Statements of comprehensive income

	Trigold Holdings Limited and its subsidiaries	
	Three months ended September 30,	
	2019	2018
Revenue	$ 4,900,445	$ 2,917,644
Profit before tax	53,773	36,105
Income tax expense	(20,352)	(10,257)
Profit for the period	33,421	25,848
Other comprehensive loss, net of tax	(18,873)	(5,217)
Total comprehensive income	$ 14,548	$ 20,631
Total comprehensive (loss) income attributable to non-controlling interest	($ 1,460)	$ 3,708
Dividends paid to non-controlling interests	$ -	$ -

	Trigold Holdings Limited and its subsidiaries Nine months ended September 30,	
	2019	2018
Revenue	$ 11,625,045	$ 8,461,202
Profit before tax	131,126	93,920
Income tax expense	(38,821)	(22,164)
Profit for the period	92,305	71,756
Other comprehensive loss, net of tax	(14,708)	(3,833)
Total comprehensive income	$ 77,597	$ 67,923
Total comprehensive (loss) income attributable to non-controlling interest	($ 4,349)	$ 10,446
Dividends paid to non-controlling interests	$ 22,000	$ 25,138

(c) Statements of cash flows

	Trigold Holdings Limited and its subsidiaries Nine months ended September 30,	
	2019	2018
Net cash (used in) provided by operating activities	($ 2,224,784)	$ 64,756
Net cash (used in) provided by investing activities	(43,291)	6,097
Net cash provided by financing activities	1,832,756	216,645
Effect of exchange rates on cash and cash equivalents	(863)	(2,269)
(Decrease) increase in cash and cash equivalents	(436,182)	285,229
Cash and cash equivalents, beginning of period	911,837	432,448
Cash and cash equivalents, end of period	$ 475,655	$ 717,677

(4) 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 recognized as expenses in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognized as pension expenses when they are due on an accrual basis. Prepaid contributions are recognized 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 recognized 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 recognized 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 recognized 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.

(5) Income tax

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

D. Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized 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 recognized amounts and there is an intention to settle on a net basis or realize 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 realize the asset and settle the liability simultaneously.

F. The interim period income tax expense is recognized 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.

(6) Share capital

Ordinary shares are classified as equity. The classification of preference shares is determined according to the special rights attached to preference shares based on the substance of the contract and the definition of financial liabilities and equity instruments. Preference shares are classified as liabilities when they have the basic characteristics of financial liabilities; otherwise, they are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(7) Leasing arrangements (lessee) - right-of-use assets/ lease liabilities

Effective 2019

A. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of the following:

(a) Fixed payments, less any lease incentives receivable;

(b) Amounts expected to be payable by the lessee under residual value guarantees;

(c) The exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and

(d) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The Group subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

(a) The amount of the initial measurement of lease liability;

(b) Any lease payments made at or before the commencement date;

(c) Any initial direct costs incurred by the lessee; and

(d) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognized as an adjustment to the right-of-use asset.

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 recognizes 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 recognizes 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(13) 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 recognizes 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, 2019	December 31, 2018	September 30, 2018
Cash on hand and petty cash	$ 4,838	$ 3,851	$ 3,954
Checking accounts deposits	1,548,772	2,178,616	2,163,895
Demand deposits	6,344,080	4,672,007	5,862,305
Time deposits	1,702,402	262,414	360,466
	$ 9,600,092	$ 7,116,888	$ 8,390,620

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, 2019	December 31, 2018	September 30, 2018
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Listed stocks	$ 22,547	$ 22,547	$ 22,547
Derivatives	2,381	2,630	3,208
	24,928	25,177	25,755
Valuation adjustment	8,739	3,292	2,633
	$ 33,667	$ 28,469	$ 28,388
Financial liabilities at fair value through profit or loss, mandatorily measured at fair value			
Derivatives	$ 5,909	$ 5,660	$ -
Non-current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Listed stocks	$ 110,307	$ 116,311	$ 116,311
Emerging stocks	69,605	54,011	54,012
Unlisted stocks	1,472,190	1,366,555	1,361,882
	1,652,102	1,536,877	1,532,205
Valuation adjustment	(318,598)	(260,813)	(180,453)
	$ 1,333,504	$ 1,276,064	$ 1,351,752

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

	Three months ended September 30,	
	2019	2018
Financial assets mandatorily measured at fair value through profit or loss		
Equity instruments	$ 17,323	($ 60,276)
Derivatives	21,121	3,761
	$ 38,444	($ 56,515)

	Nine months ended September 30,	
	2019	2018
Financial assets mandatorily measured at fair value through profit or loss		
Equity instruments	$ 8,685	$ 535,966
Derivatives	56,907	56,626
	$ 65,592	$ 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:

	September 30, 2019		
Derivative instruments	Contract amount (notional principal) (Note)		Contract period
Current items:			
Forward foreign exchange contracts			
- Sell	USD	10,654	2018.12.14~ 2020.02.27
	RMB	10,000	2019.09.09~2019.11.08
- Sell-SWAP	USD	6,000	2019.09.26~2019.10.08
- Buy	USD	17,860	2019.05.14~2020.02.28
	EUR	500	2019.09.23~2019.10.07
Futures	$	6,174	2019.09.26~2019.10.16

	December 31, 2018		
Derivative instruments	Contract amount (notional principal) (Note)		Contract period
Current items:			
Forward foreign exchange contracts			
- Sell	USD	4,500	2018.10.23~ 2019.04.05
- Sell-SWAP	USD	4,400	2018.12.06~ 2019.01.17
- Buy	USD	26,960	2018.03.13~ 2019.04.05
Futures	$	1,536	2018.12.27~ 2019.01.16

		September 30, 2018	
Derivative instruments	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~ 2019.04.05
	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, 2019, December 31, 2018 and September 30, 2018, the balance of margin in the account were $13,026, $2,373 and $2,092, and the amount of excess margin were $1,682, $2,284 and $2,021, respectively.

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).

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

Items	September 30, 2019	December 31, 2018	September 30, 2018
Non-current items:			
Equity instruments			
Unlisted stocks	$ 38,035	$ 38,035	$ 38,035
Valuation adjustment	(6,000)	(6,000)	(6,000)
	$ 32,035	$ 32,035	$ 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, 2019, December 31, 2018 and September 30, 2018.

B. Amounts recognized in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income amounted to $0 for the

nine months ended September 30, 2019 and 2018.

C. As at September 30, 2019, December 31, 2018 and 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 amounted to $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 comprehensive income is provided in Note 12(2).

(4) Financial assets at amortized cost

Items	September 30, 2019	December 31, 2018	September 30, 2018
Current items:			
Time deposits	$ 200,244	$ 197,942	$ 198,334
Non-current items:			
Time deposits	$ -	$ -	$ 1,000

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

	Three months ended September 30,	
	2019	2018
Interest income	$ 1,259	$ 43

	Nine months ended September 30,	
	2019	2018
Interest income	$ 4,187	$ 109

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

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

(5) Notes and accounts receivable

	September 30, 2019	December 31, 2018	September 30, 2018
Notes receivable	$ 1,763,371	$ 2,887,235	$ 2,935,995
Less: Allowance for uncollectible accounts	(5)	(2,346)	(401)
	$ 1,763,366	$ 2,884,889	$ 2,935,594
Accounts receivable	$ 106,797,784	$ 96,447,741	$ 107,079,838
Less: Allowance for uncollectible accounts	(1,144,803)	(1,189,706)	(1,100,868)
	$ 105,652,981	$ 95,258,035	$ 105,978,970

A. The ageing analysis of accounts receivable and notes receivable is as follows:

	September 30, 2019		December 31, 2018	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not past due	$101,569,470	$ 1,761,931	$ 88,960,278	$ 2,837,799
One month	3,520,001	1,440	5,103,344	49,436
Two months	432,970	-	1,052,512	-
Three months	259,031	-	285,439	-
Four months	81,698	-	110,261	-
Over four months	934,614	-	935,907	-
	$106,797,784	$ 1,763,371	$ 96,447,741	$ 2,887,235

	September 30, 2018	
	Accounts receivable	Notes receivable
Not past due	$100,912,267	$ 2,892,496
One month	4,234,655	42,831
Two months	264,366	443
Three months	525,712	222
Four months	113,346	-
Over four months	1,029,492	3
	$107,079,838	$ 2,935,995

The above ageing analysis was based on past month.

B. As of September 30, 2019, December 31, 2018, September 30, 2018 and January 1, 2018, the Group's receivables (including notes receivable) arising from contracts with customers amounted to $108,561,155, $99,334,976, $110,015,833 and $91,997,102, respectively.

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

D. As at September 30, 2019, December 31, 2018 and 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 receivable were $1,763,366, $2,884,889 and $2,935,594, and accounts receivable were $105,652,981, $95,258,035 and $105,978,970, respectively.

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

(6) Transfer of financial assets

Transferred financial assets that are derecognized 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

derecognized 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, 2019, December 31, 2018 and September 30, 2018, outstanding accounts receivable were as follows:

	September 30, 2019						
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognized	Facilities (In thousands)		Amount advanced	Interest rate of amount advanced	Pledged assets
Cathay United Bank	$ 566,281	$ 566,281	USD	50,000	$ 566,281	3.05%~3.45%	Note 1
Mega International Commercial Bank	4,215,687	4,215,687	USD	159,000	3,533,629	2.88%~3.70%	Note 2
			$	540,000			
CTBC Bank	1,801,807	1,801,807	USD	57,300	61,880	2.85%~3.49%	Note 3
			$	2,527,000			
E. SUN Commercial Bank	2,870,859	2,870,859	USD	173,000	1,852,704	2.86%~3.39%	Note 4
			$	20,000			
Taipei Fubon Commercial Bank	973,636	973,636	USD	18,500	738,492	3.06%~3.35%	Note 5
			$	1,474,300			
Yuanta Commercial Bank	603,094	603,094	USD	39,000	237,437	3.05%~3.18%	Note 6
The Hong Kong and Shanghai Banking Corporation Limited	3,028,508	3,028,508	USD	140,500	1,400,685	2.42%~4.01%	Note 7
Standard Chartered Bank	38,609	38,609	USD	4,520	-	-	None
Taishin International Bank	3,889,395	3,889,395	$	9,800,000	367,928	2.28%~3.4%	Note 8
Bank SinoPac	494,119	494,119	USD	95,900	187,463	2.80%~3.00%	Note 9
Far Eastern International Bank	128,094	128,094	USD	19,000	24,313	2.96%	Note 10
			$	400,000			
Chang Hwa Bank	374,277	374,277	USD	51,600	318,329	2.92%~3.20%	Note 11
DBS Bank	5,261,225	5,261,225	USD	294,000	3,255,921	2.74%~3.67%	Note 12
Taiwan Cooperative Bank	33,608	33,608	USD	3,000	-	-	Note 13
Hang Seng Bank	668,070	668,070	USD	130,000	269,710	3.35%~3.45%	Note 14
KGI Bank	515,542	515,542	$	1,550,000	-	-	Note 15
Bank of Taiwan	221,955	221,955	USD	14,000	$ 221,955	3.06%~3.31%	Note 16

Note 1: The Group has signed commercial papers amounting to USD 50,000 thousand that were pledged to others as collateral.

Note 2: The Group has signed commercial papers amounting to USD 159,900 thousand and $640,000 that were pledged to others as collateral.

Note 3: The Group has signed commercial papers amounting to USD 71,572 thousand and $252,700 that were pledged to others as collateral.

Note 4: The Group has signed commercial papers amounting to USD 176,000 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 39,000 thousand that were pledged to others as collateral.

Note 7: The Group has signed commercial papers amounting to USD 122,850 thousand that were pledged to others as collateral.

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

Note 9: The Group has signed commercial papers amounting to USD 48,000 thousand and $550,000 that were pledged to others as collateral.

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

Note 11: The Group has signed commercial papers amounting to USD 43,600 thousand that were pledged to others as collateral.

Note 12: The Group has signed commercial papers amounting to USD 277,500 thousand that were pledged to others as collateral.

Note 13: The Group has signed commercial papers amounting to USD 3,000 thousand 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 $830,000 that were pledged to others as collateral.

Note 16: The Group has signed commercial papers amounting to USD 14,000 thousand that were pledged to others as collateral.

	December 31, 2018						
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognized	Facilities (In thousands)		Amount advanced	Interest rate of amount advanced	Pledged assets
Cathay United Bank	$ 670,332	$ 670,332	USD	50,000	$ 670,332	2.63%~3.75%	Note 1
Mega International Commercial Bank	4,350,553	4,350,553	USD	159,000	3,841,432	2.36%~3.79%	Note 2
			$	540,000			
CTBC Bank	3,368,259	3,368,259	USD	69,800	2,505,229	2.44%~3.94%	Note 3
			$	2,827,000			
E. SUN Commercial Bank	3,302,123	3,302,123	USD	181,000	2,583,291	2.39%~3.72%	Note 4
			$	20,000			
Taipei Fubon Commercial Bank	826,178	826,178	$	1,474,300	566,492	2.42%~3.87%	Note 5
Yuanta Commercial Bank	625,102	625,102	USD	45,000	264,585	3.40%~4.07%	Note 6

Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognized	Facilities (In thousands)		Amount advanced	Interest rate of amount advanced	Pledged assets
	December 31, 2018						
The Hong Kong and Shanghai Banking Corporation Limited	$ 1,646,552	$ 1,646,552	USD	72,500	$ 1,364,012	2.87%~4.11%	Note 7
Standard Chartered Bank	54,956	54,956	USD	6,000	-	-	None
Taishin International Bank	5,599,491	5,599,491	$	9,800,000	1,851,157	3.29%~4.01%	Note 8
Bank SinoPac	963,276	963,276	USD	119,900	824,266	2.65%~3.71%	Note 9
Far Eastern International Bank	116,939	116,939	USD	19,000	29,432	3.10%~3.57%	Note 10
			$	400,000			
Chang Hwa Bank	907,668	907,668	USD	92,200	677,201	2.42%~3.90%	Note 11
DBS Bank	6,481,531	6,481,531	USD	249,500	6,186,924	1.97%~3.89%	Note 12
Taiwan Cooperative Bank	42,257	42,257	USD	3,000	40,144	3.39%~3.48%	Note 13
Hang Seng Bank	1,496,235	1,496,235	USD	128,000	1,326,698	2.51%~3.52%	Note 14
KGI Bank	901,974	901,974	$	2,150,000	871,158	2.80%~3.58%	Note 15
ANZ Bank	1,080,523	1,080,523	USD	49,000	1,080,523	3.11%~3.16%	None
Bank of Taiwan	132,820	132,820	USD	14,000	132,820	3.10%~3.70%	Note 16

Note 1: The Group has signed commercial papers amounting to USD 50,000 thousand that were pledged to others as collateral.

Note 2: The Group has signed commercial papers amounting to USD 159,900 thousand and $690,000 that were pledged to others as collateral.

Note 3: The Group has signed commercial papers amounting to USD 44,793 thousand and $252,700 that were pledged to others as collateral.

Note 4: The Group has signed commercial papers amounting to USD 181,000 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 45,000 thousand that were pledged to others as collateral.

Note 7: The Group has signed commercial papers amounting to USD 73,350 thousand that were pledged to others as collateral.

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

Note 9: The Group has signed commercial papers amounting to USD 71,500 thousand and $550,000 that were pledged to others as collateral.

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

Note 11: The Group has signed commercial papers amounting to USD 80,200 thousand that

were pledged to others as collateral.

Note 12: The Group has signed commercial papers amounting to USD 259,500 thousand that were pledged to others as collateral.

Note 13: The Group has signed commercial papers amounting to USD 3,000 thousand 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 14,000 thousand that were pledged to others as collateral.

	September 30, 2018						
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognized	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 56,000 thousand 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 45,000 thousand 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 15,000 thousand 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 19,000 thousand 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 3,000 thousand 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 14,000 thousand that were pledged to others as collateral.

(7) Other receivables

	September 30, 2019	December 31, 2018	September 30, 2018
Retention amount of factoring accounts receivable	$ 12,648,035	$ 7,761,074	$ 8,131,693
VAT refund	305,816	551,727	321,581
Others	158,748	218,883	214,427
	$ 13,112,599	$ 8,531,684	$ 8,667,701

(8) Inventories

	September 30, 2019		
	Cost	Allowance for valuation	Book value
Inventories	$ 67,070,841	($ 1,081,664)	$ 65,989,177
Inventories in transit	3,869,764	-	3,869,764
	$ 70,940,605	($ 1,081,664)	$ 69,858,941

	December 31, 2018		
	Cost	Allowance for valuation	Book value
Inventories	$ 60,863,536	($ 886,416)	$ 59,977,120
Inventories in transit	4,795,847	-	4,795,847
	$ 65,659,383	($ 886,416)	$ 64,772,967

	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

The cost of inventories recognized as expense for the period:

	Three months ended September 30,	
	2019	2018
Cost of goods sold	$ 134,750,755	$ 143,859,317
Loss on price decline in inventory	90,672	11,181
Loss on physical inventory	206	19
Cost of goods sold	$ 134,841,633	$ 143,870,517

	Nine months ended September 30,	
	2019	2018
Cost of goods sold	$ 364,903,257	$ 394,999,022
Loss on price decline in inventory	284,129	429,457
Loss on physical inventory	1,094	137
Cost of goods sold	$ 365,188,480	$ 395,428,616

(9) Investments accounted for under the equity method

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

Investee company	September 30, 2019	December 31, 2018	September 30, 2018
ChainPower Technology Corp.	$ 158,297	$ 168,871	$ 161,149
Sunrise Technology Co., Ltd.	57,197	60,054	65,869
Eesource Corp.	69,527	70,656	71,701
Suzhou Xinning Bonded Warehouse Co., Ltd.	81,499	83,011	79,772
Adivic Technology Co., Ltd.	34,147	35,212	35,072
Suzhou Xinning Logistics Co., Ltd.	39,503	37,941	35,684
Gain Tune Logistics (Shanghai) Co., Ltd.	27,657	29,159	32,908
VITEC WPG Limtied	43,520	46,364	42,690
AutoSys Co., Ltd.	71,475	72,558	-
Beauteek Global Wellness Corporation Limited	11,921	13,665	-
	$ 594,743	$ 617,491	$ 524,845

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

As of September 30, 2019, December 31, 2018 and September 30, 2018, the carrying amount of the Group's individually immaterial associates amounted to $594,743, $617,491 and $524,845, respectively.

	Three months ended September 30,	
	2019	2018
Profit for the period from continuing operations	$ 5,370	$ 15,601
Other comprehensive (loss) income - net of tax	(5,243)	9,461
Total comprehensive income	$ 127	$ 25,062

	Nine months ended September 30,	
	2019	2018
Profit for the period from continuing operations	$ 16,419	$ 29,891
Other comprehensive income - net of tax	5,717	23,409
Total comprehensive income	$ 22,136	$ 53,300

C. There was no impairment on investments accounted for using equity method for the nine months ended September 30, 2019 and 2018.

D. The investment balance of the abovementioned investees accounted for using equity method as of and for the nine months ended September 30, 2019 and 2018 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, 2019								
Cost	$ 2,296,752	$2,122,448	$ 19,043	$ 449,661	$ 633,249	$ 438,681	$ 1,152,522	$7,112,356
Accumulated depreciation	-	(590,873)	(15,215)	(348,475)	(274,296)	(169,714)	-	(1,398,573)
Accumulated impairment	(1,582)	(10,765)	-	-	-	-	-	(12,347)
	$ 2,295,170	$1,520,810	$ 3,828	$ 101,186	$ 358,953	$ 268,967	$ 1,152,522	$5,701,436
Nine months ended September 30, 2019								
Opening net book amount	$ 2,295,170	$1,520,810	$ 3,828	$ 101,186	$ 358,953	$ 268,967	$ 1,152,522	$5,701,436
Additions	-	392	642	14,411	20,697	22,717	172,262	231,121
Disposals	-	(177)	(119)	(2,283)	(71)	(658)	-	(3,308)
Depreciation charge	-	(39,910)	(1,621)	(30,048)	(90,652)	(28,758)	-	(190,989)
Effect due to changes in exchange rates	1,431	(18,836)	(12)	107	1,698	2,329	-	(13,283)
Closing net book amount	$ 2,296,601	$1,462,279	$ 2,718	$ 83,373	$ 290,625	$ 264,597	$ 1,324,784	$5,724,977
At September 30, 2019								
Cost	$ 2,298,183	$2,094,097	$ 15,400	$ 434,718	$ 651,802	$ 448,271	$ 1,324,784	$7,267,255
Accumulated depreciation	-	(621,053)	(12,682)	(351,345)	(361,177)	(183,674)	-	(1,529,931)
Accumulated impairment	(1,582)	(10,765)	-	-	-	-	-	(12,347)
	$ 2,296,601	$1,462,279	$ 2,718	$ 83,373	$ 290,625	$ 264,597	$ 1,324,784	$5,724,977

	Land	Buildings and structures	Transportation equipment	Office equipment	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	-	(576,312)	(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.

A. Amount of borrowing costs capitalized 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,	
	2019	2018
Amount capitalized	$ 3,207	$ 2,764
Range of the interest rates for capitalisation	0.99%~1.00%	1.03%~1.05%

	Nine months ended September 30,	
	2019	2018
Amount capitalized	$ 9,401	$ 7,639
Range of the interest rates for capitalisation	0.99%~1.03%	1.03%~1.05%

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

(11) Leasing arrangements-lessee

Effective 2019

A. The Group leases various assets including buildings, business vehicles and multifunction printers. Rental contracts are made for periods of 1 to 8 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. The carrying amount of right-of-use assets are as follows:

	Buildings and structures	Transportation equipment (Business vehicles)	Office equipment (Photocopiers)	Other equipment	Total
At January 1, 2019					
Cost	$ -	$ -	$ -	$ -	$ -
Accumulated depreciation	-	-	-	-	-
Accumulated impairment	-	-	-	-	-
	$ -	$ -	$ -	$ -	$ -
Nine months ended September 30, 2019					
Opening net book amount	$ -	$ -	$ -	$ -	$ -
Modified retrospective adjustments under IFRS 16	1,325,773	62,751	26,570	20,708	1,435,802
Additions	145,054	25,819	907	472	172,252
Disposals	-	-	-	(141)	(141)
Depreciation charge	(298,955)	(21,101)	(6,397)	(8,636)	(335,089)
Effect due to changes in exchange rates	(51,058)	(293)	467	1,421	(49,463)
Closing net book amount	$ 1,120,814	$ 67,176	$ 21,547	$ 13,824	$1,223,361
At September 30, 2019					
Cost	$ 1,414,266	$ 88,173	$ 27,942	$ 22,338	$1,552,719
Accumulated depreciation	(293,452)	(20,997)	(6,395)	(8,514)	(329,358)
Accumulated impairment	-	-	-	-	-
	$ 1,120,814	$ 67,176	$ 21,547	$ 13,824	$1,223,361

C. During the first three quarters of 2019, the additions to right-of-use assets was $172,252.

D. Information on profit or loss in relation to lease contracts is as follows:

	Three months ended September 30, 2019	Nine months ended September 30, 2019
Items affecting profit or loss		
Interest expense on lease liabilities	$ 12,821	$ 37,145
Expense on short-term lease contracts	7,160	23,645
Expense on leases of low-value assets	594	1,825

E. During the first three quarters of 2019, the Group's total cash outflow for leases was $395,830.

(12) Investment property

	Land	Buildings and structures	Total
At January 1, 2019			
Cost	$ 338,690	$ 960,770	$ 1,299,460
Accumulated depreciation	-	(192,214)	(192,214)
	$ 338,690	$ 768,556	$ 1,107,246
Nine months ended September 30, 2019			
Opening net book amount	$ 338,690	$ 768,556	$ 1,107,246
Additions	-	126	126
Depreciation charge	-	(17,270)	(17,270)
Effect due to changes in exchange rates	-	(17,586)	(17,586)
Closing net book amount	$ 338,690	$ 733,826	$ 1,072,516
At September 30, 2019			
Cost	$ 338,690	$ 937,730	$ 1,276,420
Accumulated depreciation	-	(203,904)	(203,904)
	$ 338,690	$ 733,826	$ 1,072,516

	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.

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

	Three months ended September 30,	
	2019	2018
Rental revenue from investment property	$ 12,498	$ 14,174
Direct operating expenses arising from the investment property that generated rental income during the period	$ 6,387	$ 4,153
Direct operating expenses arising from the investment property that did not generate rental income during the period	$ 1,552	$ 1,671

	Nine months ended September 30,	
	2019	2018
Rental revenue from investment property	$ 43,743	$ 46,383
Direct operating expenses arising from the investment property that generated rental income during the period	$ 16,138	$ 12,961
Direct operating expenses arising from the investment property that did not generate rental income during the period	$ 3,407	$ 4,842

B. The fair value of the investment property held by the Group as of September 30, 2019, December 31, 2018 and September 30, 2018 was $1,897,310, $1,566,519 and $1,568,038, respectively. The fair value as of September 30, 2019, December 31, 2018 and September 30, 2018 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. Comparsion method is categorised within Level 3 in the fair value hierarchy. Valuations were made using the income approach with key assumptions as follows:

	September 30, 2019	December 31, 2018	September 30, 2018
Discount rate	2.35%~2.75%	2.35%~2.75%	2%~2.75%
Growth rate	0%~1%	0%~1%	0%~1%
Gross margin	1.2%~3.2%	1.2%~3.2%	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.

(13) Intangible assets

	Operating right	Software	Goodwill	Others	Total
At January 1, 2019					
Cost	$ 294,234	$ 235,175	$ 5,666,777	$ 66,299	$6,262,485
Accumulated amortization and impairment	(294,234)	(208,732)	(125,345)	(66,240)	(694,551)
	$ -	$ 26,443	$ 5,541,432	$ 59	$5,567,934
Nine months ended September 30, 2019					
Opening net book amount	$ -	$ 26,443	$ 5,541,432	$ 59	$5,567,934
Additions - acquired separately	-	13,150	-	-	13,150
Disposals	-	(1,262)	-	-	(1,262)
Amortization charge	-	(12,670)	-	-	(12,670)
Effect due to changes in exchange rates	-	(234)	2,165	2	1,933
Closing net book amount	$ -	$ 25,427	$ 5,543,597	$ 61	$5,569,085
At September 30, 2019					
Cost	$ 297,197	$ 240,426	$ 5,670,269	$ 66,952	$6,274,844
Accumulated amortization and impairment	(297,197)	(214,999)	(126,672)	(66,891)	(705,759)
	$ -	$ 25,427	$ 5,543,597	$ 61	$5,569,085

	Operating right	Software	Goodwill	Others	Total
At January 1, 2018					
Cost	$ 285,526	$ 228,039	$ 5,656,517	$ 61,668	$6,231,750
Accumulated amortization 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)
Amortization 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 amortization and impairment	(292,501)	(203,898)	(124,570)	(65,857)	(686,826)
	$ -	$ 23,063	$ 5,540,166	$ 59	$5,563,288

The details of amortization charge are as follows:

	Three months ended September 30,	
	2019	2018
Selling and marketing expenses	$ 917	$ 883
General and administrative expenses	2,671	3,751
	$ 3,588	$ 4,634

	Nine months ended September 30,	
	2019	2018
Selling and marketing expenses	$ 2,987	$ 2,663
General and administrative expenses	9,683	11,839
	$ 12,670	$ 14,502

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

	September 30, 2019	December 31, 2018	September 30, 2018
Yosun subgroup	$ 3,650,599	$ 3,648,818	$ 3,647,777
World Peace subgroup	1,648,716	1,648,331	1,648,106
Others	244,282	244,283	244,283
	$ 5,543,597	$ 5,541,432	$ 5,540,166

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.

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, 2019, December 31, 2018 and September 30, 2018, the key valuations used for pre-tax discount rate were 6.87%, 6.28% and 6.40%, respectively.

C. There is no impairment loss on intangible assets.

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

	September 30, 2019	December 31, 2018	September 30, 2018
Overdue receivables	$ 988,669	$ 1,004,468	$ 1,037,012
Less: Allowance for doubtful accounts	(911,994)	(927,792)	(951,446)
	$ 76,675	$ 76,676	$ 85,566

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

	2019	2018
	Individual provision	Individual provision
At January 1	$ 927,792	$ 1,004,043
Reversal of provision for impairment	(7,209)	(95,588)
Write-off of bad debts	(22,161)	(167,862)
Transferred from accounts receivable	4,246	181,994
Other (Note)	1,339	13,884
Effect due to changes in exchange rates	7,987	14,975
At September 30	$ 911,994	$ 951,446

Note: It pertains to adjustments relative to overdue receivables due to bad debts collection.

(15) Short-term borrowings

Type of borrowings	September 30, 2019	December 31, 2018	September 30, 2018
Loans for overseas purchases	$ 21,215,369	$ 20,559,876	$ 27,125,194
Short-term loans	36,461,334	36,661,560	36,003,617
	$ 57,676,703	$ 57,221,436	$ 63,128,811
Annual interest rates	0.97%~9.75%	0.94%~9.25%	0.94%~9.35%

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

(16) Short-term notes and bills payable

	September 30, 2019	December 31, 2018	September 30, 2018
Commercial papers payable	$ 4,700,000	$ 4,960,000	$ 4,860,000
Less: Unamortized discount	(3,498)	(2,973)	(4,692)
	$ 4,696,502	$ 4,957,027	$ 4,855,308
Annual interest rates	0.50%~1.17%	0.49%~1.88%	0.53%~1.16%

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

(17) Long-term borrowings

Type of borrowings	Borrowing period / repayment term	September 30, 2019	December 31, 2018	September 30, 2018
Secured bank borrowings (Note 1 and Note 2)	2012.01.02~ 2027.01.02	$ 18,934	$ 432,992	$ 445,871
Unsecured bank borrowings (Note 3~Note 7 and Note 9~Note 11)	2015.11.09~ 2020.12.18	6,065,231	7,150,150	13,298,956
Commercial paper payable (Note 8)	2018.11.09~ 2021.11.09	7,300,000	6,300,000	-
		13,384,165	13,883,142	13,744,827
Less : Discount on long-term borrowings		(21,191)	(25,727)	(7,520)
Less : Current portion of long-term borrowings (shown as 'other current liabilities')		(5,717,932)	(491,244)	(6,840,408)
		$ 7,645,042	$ 13,366,171	$ 6,896,899
Interest rate range		1.25%~3.80%	1.25%~3.80%	1.25%~3.33%

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 from January 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, plus 0.44% from January 2, 2017, plus 0.45% from January 2, 2018 and plus 1.5% from January 2, 2019. The Company has settled all payments on September 24, 2019.

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 office in Tokyo, which amount to $72,623 and $67,527, 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: Asian Information Technology Inc. and Frontek Technology Corporation, an indirect subsidiary, entered into a two-year borrowing contract with Yuanta Commercial Bank in December 2018 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.

Asian Information Technology Inc. has settled all payments on June 10, 2019.

Note 5: 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 (intangible assets deducting from net assets) should be maintained at or above $3,000,000.

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

Note 6: The Company's subsidiary, World Peace Industrial Co., Ltd. (WPI), 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 of NTD borrowing could be 30 at the least and 180 days at the most; the repayment period of USD borrowing could be one month at the least and six 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 (intangible assets deducting from net 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. (WPI), 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 six 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 (intangible assets deducting from net 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 8: World Peace Industrial Co., Ltd. (WPI) entered into a financing agreement with E. SUN Commercial Bank, Mizuho Corporate Bank and Cathay United Bank on October 16, 2018. The subsidiary-WPI has to roll over commercial papers during the contract period, up to 2021, with the maximum maturity period of 6 months for each issue as stipulated in the agreement. The terms and conditions of the contract are as follows:

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

(b) Facility and drawdown: During the term of agreement, the subsidiary-WPI can roll over each credit facility within the total revolving credit facility of $8,000,000 at 60, 90, 120, 180 days maturity or the days agreed by the lead bank and WPI with a limit of 180 days and each maturity date shall be within the contract term.

(c) Repayment: When the commercial papers mature, the borrower shall deposit available funds at face value on the maturity date to an account designated by clearing and settlement institutions immediately in line with Regulations Governing Centralized Securities Depository Enterprises.

(d) Loan covenant: WPI is required to maintain certain financial ratios based on 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. If the covenants are not met, right to drawdown is immediately terminated, and the lead bank can decide to take the following actions:

i. Terminate part or all of the undrawn facility;

ii. Request WPI to immediately repay all drawn principals, interest payable and other related payables as specified in the contract;

iii. Demand the borrower to deposit the amounts that are equivalent to undischarged guaranteed obligations for drawdown facility of issued commercial papers under the agreement and (or) outstanding guarantees as reserve into the account designated by the bank consortium immediately;

iv. Demand all rights of the promissory note obtained from signing of the contract.

WPI met all the financial commitments stated in the contract.

Note 9: The Company's subsidiary, World Peace Industrial Co., Ltd. (WPI), 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 $700,000,000. 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 subsidiary - World Peace Industrial Co., Ltd. (WPI) 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, net value (intangible assets deducting from net 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:

i. Rescind part or all of the undrawn facility;

ii. Demand WPI to immediately repay all drawn principals, interest payable and other related payables as specified in the contract;

iii. 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 10: 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 11: 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.

(18) Other current liabilities

	September 30, 2019	December 31, 2018	September 30, 2018
Long-term borrowings-current portion	$ 5,717,932	$ 491,244	$ 6,840,408
Refund liabilities	4,581,608	3,987,130	3,527,610
Contract liabilities	104,168	-	-
Others	663,032	466,768	532,901
	$ 11,066,740	$ 4,945,142	$ 10,900,919

A. Under the initial application, refund liabilities were generated from sales discounts which is shown as ‘other current liabilities’.

B. Under the initial application, contract liabilities were generated from advance sales receipts which is shown as ‘other current liabilities’.

(19) 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 recognized pension costs of $5,823, $3,723, $17,361 and $9,811 for the three months ended September 30, 2019 and 2018 and nine months ended September 30, 2019 and 2018, respectively.

(c) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2020 are $17,567.

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, 2019 and 2018, and nine months ended September 30, 2019 and 2018 were $89,260, $85,280, $272,008 and $252,668, respectively.

(20) Share capital

A. The Company's authorized capital was $25,000,000, of which certain shares can be issued as preference shares. The above authorized capital include $500,000 reserved for employee stock option certificate, restricted stocks to employees, convertible preferred stock and convertible bonds. As of September 30, 2019, the paid-in capital was $18,790,568 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, 2019 and 2018 are as follows:

	2019	2018
At January 1	1,679,057	1,825,062
Cash capital decrease	-	(146,005)
At September 30	1,679,057	1,679,057

D. On June 28, 2019, the Board of Directors resolved to increase its capital by issuing 200 million shares of Class A preferred stocks at the price of $50 (in dollars) per share with the effective date set on September 18, 2019 for repayment of borrowings to financial institutions and strengthening the Company's working capital. The registration of issuance has been completed on October 3, 2019. The rights and obligations of the issuance are as follows:

(a) Expiration date: The Company's Class A preferred stocks are perpetual but all or certain parts are callable at any time from the next day of five years after issuance at the actual issue price.

(b) Dividends: Dividends are calculated at 4% (five-year IRS rate: 0.605%+3.395%) per annum based on the issue price per share. The five-year IRS rate will be reset on the next business day of five years since issuance and every subsequent five years and the pricing effective date for rate reset is two Taipei financial industry business days prior to the IRS rate reset date. The rate index, five-year IRS rate, is the arithmetic mean of five-year IRS rates appearing on Reuters pages "TAIFXIRS" and "COSMOS3" at 11:00 a.m. (Taipei time) on the relevant pricing effective date of rate reset. If such rate cannot be obtained, the Company will determine the rate based on the reasonable market price with good faith.

(c) Dividend distribution: Dividends are distributed once per year in the form of cash. The current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then shall be set aside as legal reserve in accordance with the Articles of Incorporation and set aside as or reversed special reserve in accordance with the Articles of Incorporation or regulations of regulatory authority. The remaining amount, if any, shall be preferentially distributed as dividends of Class A preferred stocks.

The Company has discretion in dividend distribution of Class A preferred stocks. The Company could choose not to distribute dividends of preferred stocks when resolved by the stockholders, which would not be able to lead to default if the Company has no or has insufficient current year's earnings for distribution or has other necessary considerations. In addition, the amounts of undistributed dividends or insufficient distributed dividends will not become deferred payments in future years when the Company has earnings.

(d) Excess dividend distribution: Besides the aforementioned dividends, the stockholders of Class A preferred stocks could not participate in the distribution of cash and capitalised assets for common stocks derived from earnings and capital surplus.

(e) Residual property distribution: The stockholders of Class A preferred stocks have priority over stockholders of common stocks in distributing the Company's residual property but the limit is the amount calculated by shares of outstanding preferred stocks issued and the issue price when distributing.

(f) Right to vote and be elected: The stockholders of Class A preferred stocks have no right to vote and be elected in the stockholders' meeting of the Company but have right to vote in the stockholders' meeting for stockholders of Class A preferred stocks only and stockholders' meeting regarding unfavourable matters to rights and obligations of stockholders of Class A preferred stocks.

(g) Conversion to common stocks: Class A preferred stocks could not be converted to common stocks and the stockholders of Class A preferred stocks could not request the Company to retire the preferred stocks they held.

(h) The preemptive rights for stockholders of Class A preferred stocks are the same as of common stocks when the Company increases its capital by issuing new shares.

(21) 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 as follows:

	2019					
	Common stock share premium	Preferred stock share premium	Treasury share transaction	Recognized changes in subsidiaries' equity	Changes in associates' net equity	Total
January 1	$19,387,285	$ -	$ 45,177	$ 431	$ 21,989	$ 19,454,882
Preferred stock share premium	-	7,994,638	-	-	-	7,994,638
Changes in equity of associates and joint ventures accounted for using equity method	-	-	-	-	6,778	6,778
September 30	$19,387,285	$ 7,994,638	$ 45,177	$ 431	$ 28,767	$ 27,456,298

	2018				
	Share premium	Treasury share transaction	Recognized changes in subsidiaries' equity	Changes in associates' net equity	Total
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

(22) 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 2018 and 2017 had been resolved at the stockholders' meeting on June 28, 2019 and June 21, 2018, respectively, Details are summarized below:

	Years ended December 31,			
	2018		2017	
	Amount	Dividend per share (in dollars)	Amount	Dividend per share (in dollars)
Legal reserve	$ 746,201	$ -	$ 730,799	$ -
(Reversal for) special reseerve	(1,522,254)	-	4,124,936	-
Cash dividends	4,533,453	2.70	4,380,148	2.40
	$ 3,757,400	$ 2.70	$ 9,235,883	$ 2.40

The above appropriations of earnings for 2018 and 2017 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(29).

(23) Other equity items

	2019		
	Investments at fair value through comprehensive income	Currency translation	Total
At January 1	($ 6,000)	($ 2,596,682)	($ 2,602,682)
Cumulative translation differences:			
- Group	-	242,004	242,004
- Tax on Group	-	3,608	3,608
- Associates	-	5,717	5,717
At September 30	($ 6,000)	($ 2,345,353)	($ 2,351,353)

	2018			
	Investments at fair value through comprehensive income	Available-for-sale investments	Currency translation	Total
At January 1	$ -	$ 129,342	($ 4,254,279)	($ 4,124,937)
Adjustments under new standards	(6,000)	(129,342)	-	(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)

(24) Operating revenue

	Three months ended September 30,	
	2019	2018
Revenue from contracts with customers	$ 140,820,895	$ 150,362,425

	Nine months ended September 30,	
	2019	2018
Revenue from contracts with customers	$ 381,828,772	$ 413,306,808

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:

	Three months ended September 30,	
	2019	2018
Core components	$ 40,593,131	$ 46,315,212
Analog IC and mixed signal components	30,880,016	27,200,216
Discrete IC, logic IC	19,620,799	22,299,283
Memory	27,005,409	34,953,719
Optical components	10,925,791	9,972,160
Passive connector and magnetic components	6,893,068	7,737,124
Others	4,902,681	1,884,711
	$ 140,820,895	$ 150,362,425

	Nine months ended September 30,	
	2019	2018
Core components	$ 110,268,680	$ 122,053,100
Analog IC and mixed signal components	83,358,601	73,024,125
Discrete IC, logic IC	54,828,726	59,888,333
Memory	72,633,299	103,155,514
Optical components	28,663,339	26,357,108
Passive connector and magnetic components	20,609,766	18,299,928
Others	11,466,361	10,528,700
	$ 381,828,772	$ 413,306,808

(25) Other income

	Three months ended September 30,	
	2019	2018
Interest income:		
Interest income from bank deposits	$ 10,237	$ 12,693
Interest income from financial assets measured at amortized cost	1,259	43
Total interest income	11,496	12,736
Rental revenue	14,246	17,551
Dividend income	3,910	9,533
Other income - others	59,612	31,708
	$ 89,264	$ 71,528

	Nine months ended September 30,	
	2019	2018
Interest income:		
Interest income from bank deposits	$ 38,489	$ 29,110
Interest income from financial assets measured at amortized cost	4,187	109
Total interest income	42,676	29,219
Rental revenue	48,145	51,556
Dividend income	13,408	14,988
Other income - others	110,522	132,017
	$ 214,751	$ 227,780

(26) Other gains and losses

	Three months ended September 30,	
	2019	2018
Gain (loss) on disposal of property, plant and equipment	$ 287	($ 2,300)
(Loss) gain on disposal of investments	(1)	16,455
Currency exchange gain (loss)	115,290	(16,099)
Gain (loss) on financial assets and liabilities at fair value through profit or loss	38,444	(56,515)
Other losses	(6,408)	(21,525)
	$ 147,612	($ 79,984)

	Nine months ended September 30,	
	2019	2018
Loss on disposal of property, plant and equipment	($ 1,719)	($ 3,039)
Gain on disposal of investments	213	58,516
Currency exchange gain	387,052	176,982
Gain on financial assets and liabilities at fair value through profit or loss	65,592	592,592
Other losses	(48,530)	(84,321)
	$ 402,608	$ 740,730

(27) Finance costs

	Three months ended September 30,	
	2019	2018
Interest expense:		
Bank borrowings	$ 525,017	$ 620,925
Less: Capitalization of qualifying assets	(3,207)	(2,764)
Others	51,256	59,312
	$ 573,066	$ 677,473

	Nine months ended September 30,	
	2019	2018
Interest expense:		
Bank borrowings	$ 1,619,107	$ 1,628,467
Less: Capitalization of qualifying assets	(9,401)	(7,639)
Others	152,131	150,395
	$ 1,761,837	$ 1,771,223

(28) Additional information of expenses by nature

	Three months ended September 30,	
	2019	2018
Employee benefit expense	$ 2,144,084	$ 2,180,712
Depreciation charges on property and equipment (including investment property and right-of-use assets)	$ 185,682	$ 54,987
Amortization charges on intangible assets	$ 3,588	$ 4,634

	Nine months ended September 30,	
	2019	2018
Employee benefit expense	$ 5,959,223	$ 6,055,311
Depreciation charges on property and equipment (including investment property and right-of-use assets)	$ 543,348	$ 151,311
Amortization charges on intangible assets	$ 12,670	$ 14,502

(29) Employee benefit expense

	Three months ended September 30,	
	2019	2018
Wages and salaries	$ 1,870,258	$ 1,915,461
Directors' remuneration	11,451	10,943
Labor and health insurance fees	97,729	94,899
Pension costs	95,083	89,003
Other personnel expenses	69,563	70,406
	$ 2,144,084	$ 2,180,712

	Nine months ended September 30,	
	2019	2018
Wages and salaries	$ 5,143,501	$ 5,293,183
Directors' remuneration	34,163	32,924
Labor and health insurance fees	276,190	264,706
Pension costs	289,369	262,479
Other personnel expenses	216,000	202,019
	$ 5,959,223	$ 6,055,311

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' remuneration. The ratio shall be between 0.01% ~5% for employees' compensation and shall not be higher than 3% for directors' remuneration.

B. For the three months ended September 30, 2019 and 2018, and nine months ended September 30, 2019 and 2018, employees' compensation was accrued at $8,713, $4,527, $26,138 and $18,052, respectively; while directors' remuneration was accrued at $10,500, $10,500, $31,500 and $31,500, respectively. The aforementioned amounts were recognized in salary expenses.

The employees' compensation and directors' remuneration were estimated and accrued based on the profit of current year distributable for the three months ended September 30, 2019 and nine months ended September 30, 2019, and the percentage as prescribed by the Company's Articles of Incorporation.

Employees' compensation of $18,108 and directors' and supervisors' remuneration of $42,000 as resolved by the Board of Directors on April 30, 2019 were in agreement with those amounts recognized in the 2018 financial statements. 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.

(30) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Three months ended September 30,	
	2019	2018
Current tax		
Current tax on profits for the period	$ 443,654	$ 475,440
Prior year income tax under (over) estimation	4,741	(655)
Tax on undistributed surplus earnings	235	-
Total current tax	448,630	474,785
Deferred tax		
Origination and reversal of temporary differences	(27,839)	(8)
Impact of change in tax rate	-	-
Total deferred tax	(27,839)	(8)
Income tax expense	$ 420,791	$ 474,777

	Nine months ended September 30,	
	2019	2018
Current tax		
Current tax on profits for the period	$ 1,123,290	$ 1,251,138
Prior year income tax underestimation	8,748	21,436
Tax on undistributed surplus earnings	177,423	-
Total current tax	1,309,461	1,272,574
Deferred tax		
Origination and reversal of temporary differences	7,112	57,377
Impact of change in tax rate	-	29,768
Total deferred tax	7,112	87,145
Income tax expense	$ 1,316,573	$ 1,359,719

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

	Three months ended September 30,	
	2019	2018
Currency translation differences	($ 4,621)	($ 2,892)
Impact of change in tax rate	-	-
	($ 4,621)	($ 2,892)

	Nine months ended September 30,	
	2019	2018
Currency translation differences	($ 3,608)	($ 2,294)
Impact of change in tax rate	-	(7,432)
	($ 3,608)	($ 9,726)

B. As of November 12, 2019, the Company's income tax returns through 2016 have been assessed and approved by the Tax Authority.

C. Under the amendments to the Income Tax Act 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.

(31) Earnings per share

	Three months ended September 30, 2019		
	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	$ 1,784,767	1,679,057	$ 1.06
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,784,767	1,679,057	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	228	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 1,784,767	1,679,285	$ 1.06

	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

	Nine months ended September 30, 2019		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 4,718,043	1,679,057	$ 2.81
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 4,718,043	1,679,057	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	879	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 4,718,043	1,679,936	$ 2.81

	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

(32) Supplemental cash flow information

A. Partial payment of cash from investing activities

	Nine months ended September 30,	
	2019	2018
Acquisition of property, plant and equipment and intangible assets	$ 244,397	$ 474,552
Add: Accounts payable at the beginning of period	-	3,303
Cash paid during the period for property, plant and equipment	$ 244,397	$ 477,855

B. Financing activities with no cash flow effects

	Nine months ended September 30,	
	2019	2018
Payables on capital reduction by returning cash	$ -	$ 1,460,050

(33) 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, 2019	$ 57,221,436	$ 4,957,027	$ 13,857,415	$ 76,035,878
Changes in cash flow from financing activities	1,376,285	(260,525)	(507,217)	608,543
Impact of changes in foreign exchange rate	(921,018)	-	12,776	(908,242)
At September 30, 2019	$ 57,676,703	$ 4,696,502	$ 13,362,974	$ 75,736,179

	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 unamortized 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.	〃
Yosun Japan Corp. (Note 1)	〃
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.	〃
Haomao (Shanghai) Enterprise Development Co., Ltd.	Other related party
CEAC Technology HK Limited (Note 2)	Subsidiary of investee accounted for using equity method
CEAC International Limited (Note 2)	〃
WPG P.T. 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,	
	2019	2018
Sales of goods		
Others	$ 209,101	$ 97,364
Associates	45,013	52,591
	$ 254,114	$ 149,955

	Nine months ended September 30,	
	2019	2018
Sales of goods		
Others	$ 510,141	$ 388,193
Associates	118,206	180,794
	$ 628,347	$ 568,987

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,	
	2019	2018
Purchases of goods		
Associates	$ 5	$ 176

	Nine months ended September 30,	
	2019	2018
Purchases of goods		
Associates	$ 396	$ 13,381

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, 2019	December 31, 2018	September 30, 2018
Accounts receivable			
Others	$ 143,835	$ 53,079	$ 63,487
Associates	12,957	29,511	17,509
	$ 156,792	$ 82,590	$ 80,996

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, 2019	December 31, 2018	September 30, 2018
Other receivables			
Others	$ 12,180	$ -	$ -
Associates	1,667	1,610	5,002
	$ 13,847	$ 1,610	$ 5,002

The above represents receivables from payments on behalf of others.

E. Payables to related parties

	September 30, 2019	December 31, 2018	September 30, 2018
Accounts payable			
Associates	$ 4	$ 401	$ 174

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, 2019	December 31, 2018	September 30, 2018
Associates			
VITEC WPG Limited	$ 69,840	$ 138,217	$ 68,681

G. Others

The Group's donations to WPG Holding Education Foundation were $0, $1,800, $4,400 and $5,500 for the three months ended September 30, 2019 and 2018, and nine months ended September 30, 2019 and 2018, respectively.

(4) Key management compensation

	Three months ended September 30,	
	2019	2018
Salaries and other short-term employee benefits	$ 60,705	$ 56,955
Post-employment benefits	790	706
	$ 61,495	$ 57,661

	Nine months ended September 30,	
	2019	2018
Salaries and other short-term employee benefits	$ 161,867	$ 169,585
Post-employment benefits	2,372	2,345
	$ 164,239	$ 171,930

8. PLEDGED ASSETS

Pledged assets (Note 1)	September 30, 2019	December 31, 2018	September 30, 2018	Purpose of Collateral
Other current assets and other non-current assets (Note 3)				
-Time deposits	$ 45,207	$ 44,776	$ 43,843	Security for purchases and deposits for litigation
Financial assets at fair value though profit or loss - non-current (Note 2)	7,503	7,503	7,503	Security for purchases
Property, plant and equipment (including investment property)				
-Land	1,112,522	1,110,099	1,382,621	Long-term and short-term borrowings guarantee and security for purchases
-Buildings and structures	565,463	577,146	618,729	〃
	$ 1,730,695	$ 1,739,524	$ 2,052,696	

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, 2019, December 31, 2018 and September 30, 2018.

Note 2: As of September 30, 2019, December 31, 2018 and September 30, 2018, 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 amortized cost - current" and "financial assets at amortized cost - non-current".

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED 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, 2019	December 31, 2018	September 30, 2018
Property, plant and equipment and intangible assets	$ 5,155,221	$ 5,317,803	$ 5,435,856

B. Operating lease

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

	December 31, 2018	September 30, 2018
Not later than one year	$ 479,813	$ 454,800
Later than one year but not later than five years	966,724	873,294
Later than five years	1,794	2,504
	$ 1,448,331	$ 1,330,598

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

September 30, 2019		December 31, 2018		September 30, 2018	
$	935,000	$	951,889	$	610,231
USD	103,664,000	USD	99,001,000	USD	98,417,000

D. As of September 30, 2019, the remaining payments for the contract of non-fixed car park the Group entered into amounted to $30,400.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

(1) On October 7, 2019, the supplier, Texas Instruments Incorporated ("TI"), informed the subsidiary, World Peace Industrial Co., Ltd., that they plan to terminate its distribution and agency agreement on December 31, 2020 in line with the planned adjustments in its operations. The countermeasures of the subsidiary are as follows:

A. Maintain communication with TI to continue the distribution rights according to the contracts, to improve performance of contractual obligations by both parties following all terms in the contracts, to complete and recognise revenue based on the original schedule for existing orders and not to affect the related sales of inventories and collections.

B. Actively develop customers and agency of new products even if the subsidiary has the agency for the same product line as TI's.

C. Accelerate the expansion of investments in market team, promote digital transformation and adjust the operating structure effectively.

(2) The Company intends to publicly acquire some shares of WT Microelectronics Co., Ltd. (WT), focusing on financial investment, to obtain good investment income from stable operational performance over the years. On November 12, 2019, the Board of Directors of the Company resolved to publicly acquire the common stocks of WT with maximum of 177,110,000 shares and minimum of 29,516,800 shares, consisting of 30% and 5% issued common stocks, respectively, of WT, at the expected price of NT$45.8 (in dollars) per share.

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, 2018.

(2) Financial instruments

A. Financial instruments by category

	September 30, 2019	December 31, 2018	September 30, 2018
Financial assets			
Financial assets measured at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	$ 1,367,171	$ 1,304,533	$ 1,380,140
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	$ 32,035	$ 32,035	$ 32,035
Financial assets at amortized cost/Loans and receivables			
Cash and cash equivalents	$ 9,600,092	$ 7,116,888	$ 8,390,620
Financial assets at amortized cost	200,244	197,942	199,334
Notes receivable	1,763,366	2,884,889	2,935,594
Accounts receivable (including related parties)	105,809,773	95,340,625	106,059,966
Other accounts receivable (including related parties)	13,126,446	8,533,294	8,672,703
Guarantee deposits paid	190,574	185,697	218,026
Other financial assets	464,293	503,612	751,957
	$ 131,154,788	$ 114,762,947	$ 127,228,200
Financial liabilities			
Financial liabilities measured at fair value through profit or loss			
Financial liabilities held for trading	$ 5,909	$ 5,660	$ -
Financial liabilities at amortized cost			
Short-term borrowings	$ 57,676,703	$ 57,221,436	$ 63,128,811
Short-term notes and bills payable	4,696,502	4,957,027	4,855,308
Notes payable	19,103	35,497	250,356
Accounts payable (including related parties)	63,682,664	53,162,305	63,241,753
Other accounts payable	5,234,632	5,333,973	6,731,020
Long-term borrowings (including current portion)	13,362,974	13,857,415	13,737,307
Guarantee deposits received	92,355	90,986	117,919
	$ 144,764,933	$ 134,658,639	$ 152,062,474
Lease liabilities	$ 1,251,059	$ -	$ -

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 minimize 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 cooperation 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 foreign exchange risk arising from the transactions of the Company and its subsidiaries used in various currency, primarily with respect to the USD and RMB. Exchange rate risk arises from future commercial transactions and recognized 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 minimize the volatility of the exchange rate affecting cost of forecast inventory purchase.

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 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, 2019		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD：TWD	$ 565,717	31.040	$ 17,559,866
USD：RMB	30,848	7.14	957,529
USD：KRW	35,954	1,187.91	1,116,016
USD：JPY	5,404	107.85	167,753
HKD：USD	85,755	0.13	339,417
Non-monetary items			
RMB：USD	31,635	0.14	137,614
Financial liabilities			
Monetary items			
USD：TWD	517,535	31.040	16,064,284
USD：RMB	145,122	7.14	4,504,575
USD：KRW	63,113	1,187.91	1,959,031
USD：IDR	9,737	70.45	302,232
HKD：USD	43,194	0.13	170,960

	December 31, 2018		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD：TWD	$ 560,384	30.715	$ 17,212,202
USD：RMB	10,850	6.87	333,247
USD：KRW	17,977	1,106.85	552,166
USD：JPY	7,082	110.41	217,537
HKD：USD	64,100	0.13	251,335
EUR：USD	3,108	1.15	107,968
Non-monetary items			
RMB：USD	33,567	0.15	150,112
Financial liabilities			
Monetary items			
USD：TWD	529,618	30.715	16,267,214
USD：RMB	156,810	6.87	4,816,407
USD：KRW	31,557	1,106.85	969,260
USD：JPY	4,673	110.41	143,527
HKD：USD	42,398	0.13	166,244

	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	315,197
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

v. The total exchange gain (loss), including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Group for the three months ended September 30, 2019 and 2018, and nine months ended September 30, 2019 and 2018 amounted to $115,290, ($16,099), $387,052 and $176,982, respectively.

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

	Nine months ended September 30, 2019		
	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%	$ 175,599	$ -
USD：RMB	1%	9,575	-
USD：KRW	1%	11,160	-
USD：JPY	1%	1,678	-
HKD：USD	1%	3,394	-
Financial liabilities			
Monetary items			
USD：TWD	1%	160,643	-
USD：RMB	1%	45,046	-
USD：KRW	1%	19,590	-
USD：INR	1%	3,022	-
HKD：USD	1%	1,710	-

	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	-

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 and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

ii. Shares and open-end funds which the Group invested are 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, 2019 and 2018 would have increased/decreased by $13,648 and $13,769, 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 $320, respectively, as a result of other comprehensive income classified as 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, 2019 and 2018, 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, 2019 and 2018 would have decreased by $207,943 and $150,140, 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 one month 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 more than five months.

v. The Group classifies customer's accounts 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, 2019, December 31, 2018 and September 30, 2018, the provision matrix and loss rate methodology are as follows:

(i) Accounts receivable of general customer:

	Not past due	One month past due	Two months past due	Three months past due	Four months past due	Over four months past due	Total
September 30, 2019							
Expected loss rate	0%~ 20.016%	0.029%~ 66.667%	2.315%~ 91.667%	7.251%~ 99.875%	27.917%~ 99.857%	100%	
Total book value	$ 48,993,369	$ 2,298,585	$ 367,684	$ 249,855	$ 76,912	$393,711	$ 52,380,116
Loss allowance	$ 90,210	$ 59,095	$ 54,512	$ 81,238	$ 45,829	$393,711	$ 724,595

	Not past due	One month past due	Two months past due	Three months past due	Four months past due	Over four months past due	Total
December 31, 2018							
Expected loss rate	0%~ 6.17%	0.025%~ 58.33%	6.72%~ 91.67%	13.66%~ 91.67%	40.90%~ 99.97%	100%	
Total book value	$ 44,273,241	$ 3,050,859	$ 641,811	$ 194,923	$ 100,803	$345,072	$ 48,606,709
Loss allowance	$ 80,244	$ 59,269	$ 97,004	$ 78,601	$ 65,017	$345,072	$ 725,207

	Not past due	One month past due	Two months past due	Three months past due	Four months past due	Over four months 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

(ii) Individually impaired and provisioned allowance for loss

	Individual		
	September 30, 2019	December 31, 2018	September 30, 2018
Total book value	$ 420,208	$ 464,499	$ 544,647
Loss allowance	$ 420,208	$ 464,499	$ 544,647

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

	September 30, 2019	December 31, 2018	September 30, 2018
Expected loss rate	0%	0%	0%
Total book value	$ 53,997,460	$ 47,376,533	$ 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:

	2019				
	Notes receivable	Accounts receivable			
	Individual provision	Individual provision	Group provision	Subtotal	Total
At January 1	$ 2,346	$ 464,499	$ 725,207	$1,189,706	$1,192,052
(Reversal of) provision for impairment	(2,341)	(48,839)	3,682	(45,157)	(47,498)
Write-offs during the period	-	(597)	(4,354)	(4,951)	(4,951)
Effect of foreign exchange	-	5,145	4,306	9,451	9,451
Transfers into overdue receivables	-	-	(4,246)	(4,246)	(4,246)
At September 30	$ 5	$ 420,208	$ 724,595	$1,144,803	$1,144,808

	2018				
	Notes receivable	Accounts receivable			
	Individual provision	Individual provision	Group provision	Subtotal	Total
At January 1_IAS 39	$ 91,984	$ 537,280	$ 259,129	$ 796,409	$ 888,393
Adjustments under new standards	-	-	201,396	201,396	201,396
At January 1_IFRS 9	91,984	537,280	460,525	997,805	1,089,789
(Reversal of) provision for impairment	(37,821)	47,377	189,754	237,131	199,310
Write-offs during the period	-	(34,013)	(6,881)	(40,894)	(40,894)
Effect of foreign exchange	(1,576)	14,833	19,713	34,546	32,970
Others (Note)	(52,186)	(20,830)	(106,890)	(127,720)	(179,906)
At September 30	$ 401	$ 544,647	$ 556,221	$1,100,868	$1,101,269

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

(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, 2019	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Short-term borrowings	$ 57,822,272	$ -	$ -	$ -
Short-term notes and bills payable	4,700,000	-	-	-
Financial liabilities measured at fair value through profit or loss	5,909	-	-	-
Notes payable	19,103	-	-	-
Accounts payable	63,682,664	-	-	-
Other payables	5,234,632	-	-	-
Lease liabilities	477,758	429,727	390,250	55,644
Long-term borrowings (including current portion)	5,895,880	444,860	7,362,585	-

Non-derivative financial liabilities:

December 31, 2018	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Short-term borrowings	$ 57,335,886	$ -	$ -	$ -
Short-term notes and bills payable	4,960,000	-	-	-
Financial liabilities measured at fair value through profit or loss	5,660	-	-	-
Notes payable	35,497	-	-	-
Accounts payable	53,161,904	-	-	-
Accounts payable - related parties	401	-	-	-
Other payables	5,333,973	-	-	-
Long-term borrowings (including current portion)	723,758	6,992,468	6,559,304	160,287

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

(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(12).

C. The carrying amounts of financial instruments not measured at fair value including 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 amortized cost, short-term borrowings, short-term bills payable, notes payable, accounts payable (including related parties), other payables, lease liabilities (including current and non-current) 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 the nature of the assets and liabilities is as follows:

September 30, 2019	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Forward exchange contracts	$ -	$ 2,381	$ -	$ 2,381
Equity securities	148,607	40,898	1,175,285	1,364,790
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	32,035	32,035
	$ 148,607	$ 43,279	$1,207,320	$1,399,206
Liabilities				
Recurring fair value measurements				
Forward exchange contracts	$ -	$ 5,909	$ -	$ 5,909

December 31, 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	$ -	$ 2,630	$ -	$ 2,630
Equity securities	157,336	33,675	1,110,892	1,301,903
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	32,035	32,035
	$ 157,336	$ 36,305	$1,142,927	$1,336,568
Liabilities				
Recurring fair value measurements				
Forward exchange contracts	$ -	$ 5,660	$ -	$ 5,660

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

(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. The following chart is the movement of Level 3 for the nine months ended September 30, 2019 and 2018:

	2019	2018
At January 1_IAS 39	$ 1,142,927	$ 11,191
Adjustments under new standards	-	585,095
At January 1_IFRS 9	1,142,927	596,286
Additions	102,096	83,175
Capital reduction	(16,926)	-
Disposals	-	(8,500)
Transfers into level 3	-	490,038
Transfers out from level 3	(10,000)	-
Gains on valuation	5,220	33,883
Effect of foreign exchange	(15,997)	(19,368)
At September 30	$ 1,207,320	$ 1,175,514

F. For the nine months ended September 30, 2019, transfers out from level 3 refer to the reclassification in relation to the investee company becoming a public company. For the nine months ended 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.

G. 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.

H. 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, 2019	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity:					
Equity investment without active market	$ 1,207,320	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value

	Fair value at December 31, 2018	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity:					
Equity investment without active market	$ 1,142,927	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value

	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

I. 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, 2019			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Net asset value	± 1%	$ 11,753	($ 11,753)	$ 320	($ 320)

			December 31, 2018			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Net asset value	± 1%	$ 11,109	($ 11,109)	$ 320	($ 320)

			September 30, 2018			
			Recognized in profit or loss		Recognized 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)

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 (excluding 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 unrealized 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, 2019 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.

(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, 2019 and 2018 is as follows:

Three months ended September 30, 2019:

	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	Others	Eliminations	Total
Revenue from external customers	$ 70,640,886	$ 18,400,915	$ 17,701,396	$ 17,155,386	$ 4,237,026	$ 12,685,286	$ -	$ 140,820,895
Revenue from internal customers	3,668,542	1,251,792	471,082	1,700,510	753,420	791,605	(8,636,951)	-
Total revenue	$ 74,309,428	$ 19,652,707	$ 18,172,478	$ 18,855,896	$ 4,990,446	$ 13,476,891	($ 8,636,951)	$ 140,820,895
Segment profit	$ 1,559,254	$ 481,557	$ 459,745	$ 468,093	$ 125,748	$ 282,189	$ 229,627	$ 3,606,213
Net income	$ 888,187	$ 272,605	$ 290,647	$ 291,917	$ 33,190	$ 1,794,866	($ 1,773,298)	$ 1,798,114

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	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

Nine months ended September 30, 2019:

	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	Others	Eliminations	Total
Revenue from external customers	$ 186,786,992	$ 49,351,775	$ 50,750,273	$ 47,501,072	$ 10,389,282	$ 37,049,378	$ -	$ 381,828,772
Revenue from internal customers	10,683,762	3,264,208	1,203,114	4,529,382	1,235,764	2,494,976	(23,411,206)	-
Total revenue	$ 197,470,754	$ 52,615,983	$ 51,953,387	$ 52,030,454	$ 11,625,046	$ 39,544,354	($ 23,411,206)	$ 381,828,772
Segment profit	$ 4,443,584	$ 1,342,045	$ 1,236,464	$ 1,218,639	$ 335,696	$ 644,357	$ 778,622	$ 9,999,407
Net income	$ 2,448,329	$ 696,651	$ 756,729	$ 806,922	$ 91,798	$ 4,816,669	($ 4,863,853)	$ 4,753,245

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	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

WPG Holdings Limited and Subsidiaries

Loans to others

Nine months ended September 30, 2019

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, 2019	Balance at September 30, 2019	Actual amount drawn down	Interest rate	Nature of loan (Note 8)	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	$ 57,486	$ 57,486	$ 52,260	3.50	2	$ -	Operations	$ -	None	-	$ 76,466	$ 76,466	Note 1
2	Genuine C&C (Indocina) Pte, Ltd.	World Peace International (South Asia) Pte Ltd.	Other receivables - related parties	Y	62,080	62,080	62,080	3.10	2	-	Operations	-	None	-	80,225	80,225	Note 3
3	Geniune C&C Holding Inc. (Seychelles)	Peng Yu International Limited	Other receivables - related parties	Y	186,240	124,160	124,160	3.90	2	-	Operations	-	None	-	134,882	134,882	Note 7
4	Richpower Electronic Devices Pte., Ltd.	Yosun Singapore Pte Ltd.	Other receivables - related parties	Y	232,800	232,800	223,488	3.10~3.12	2	-	Operations	-	None	-	459,134	459,134	Note 4
5	World Peace International (South Asia) Pte Ltd.	WPG Americas Inc.	Other receivables - related parties	Y	1,024,320	1,024,320	-	0.00	2	-	Operations	-	None	-	6,706,530	6,706,530	Note 3
5	World Peace International (South Asia) Pte Ltd.	WPG China Inc.	Other receivables - related parties	Y	310,400	-	-	0.00	2	-	Operations	-	None	-	6,706,530	6,706,530	Note 3
5	World Peace International (South Asia) Pte Ltd	WPG South Asia Pte. Ltd.	Other receivables - related parties	Y	155,200	-	-	0.00	2	-	Operations	-	None	-	6,706,530	6,706,530	Note 3
5	World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	Other receivables - related parties	Y	1,241,600	-	-	0.00	2	-	Operations	-	None	-	6,706,530	6,706,530	Note 3
6	World Peace International Pte Ltd.	World Peace International (South Asia) Pte Ltd.	Other receivables - related parties	Y	124,160	124,160	121,056	3.10	2	-	Operations	-	None	-	2,352,863	2,352,863	Note 3
7	WPG India Electronics Pvt Ltd	World Peace International (India) Pvt., Ltd.	Other receivables - related parties	Y	44,063	44,063	39,656	9.25	2	-	Operations	-	None	-	175,843	175,843	Note 3

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the nine months ended September 30, 2019	Balance at September 30, 2019	Actual amount drawn down	Interest rate	Nature of loan (Note 8)	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			
8	WPG C&C Computers And Peripheral (India) Private Limited	World Peace International (India) Pvt., Ltd.	Other receivables - related parties	Y	$ 92,532	$ 92,532	$ 28,641	9.25	2	$ -	Operations	$ -	None	-	$ 474,758	$ 474,758	Note 3
9	WPG C&C Limited	WPI International (Hong Kong) Limited	Other receivables - related parties	Y	242,112	242,112	226,592	2.90	2	-	Operations	-	None	-	277,900	277,900	Note 7
10	WPG South Asia Pte. Ltd.	Yosun Singapore Pte Ltd.	Other receivables - related parties	Y	310,400	310,400	93,120	3.10	2	-	Operations	-	None	-	1,370,855	1,370,855	Note 3
10	WPG South Asia Pte. Ltd.	WPG Korea Co., Ltd.	Other receivables - related parties	Y	776,000	620,800	496,640	4.53	2	-	Operations	-	None	-	1,370,855	1,370,855	Note 3
10	WPG South Asia Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	Other receivables - related parties	Y	155,200	155,200	-	0.00	2	-	Operations	-	None	-	1,370,855	1,370,855	Note 3
11	Yosun Hong Kong Corp. Ltd.	WPG Americas Inc.	Other receivables - related parties	Y	620,800	620,800	-	0.00	2	-	Operations	-	None	-	4,869,830	4,869,830	Note 7
11	Yosun Hong Kong Corp. Ltd.	Peng Yu International Limited	Other receivables - related parties	Y	1,241,600	1,241,600	776,000	3.40~3.90	2	-	Operations	-	None	-	4,869,830	4,869,830	Note 7
11	Yosun Hong Kong Corp. Ltd.	WPG Korea Co., Ltd.	Other receivables - related parties	Y	155,200	-	-	0.00	2	-	Operations	-	None	-	4,869,830	4,869,830	Note 7
11	Yosun Hong Kong Corp. Ltd.	WPG Electronics (HK) Limited	Other receivables - related parties	Y	1,427,840	713,920	-	0.00	2	-	Operations	-	None	-	4,869,830	4,869,830	Note 7
12	Yosun Singapore Pte Ltd	WPG Korea Co., Ltd.	Other receivables - related parties	Y	155,200	-	-	0.00	2	-	Operations	-	None	-	709,083	709,083	Note 4
13	AECO Technology Co., Ltd.	World Peace Industrial Co., Ltd.	Other receivables - related parties	Y	400,000	200,000	121,700	1.55	2	-	Operations	-	None	-	432,197	432,197	Note 2
14	AECO Electronics Co., Ltd.	Silicon Application Corp.	Other receivables - related parties	Y	310,400	-	-	0.00	2	-	Operations	-	None	-	323,939	809,847	Note 7

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the nine months ended September 30, 2019	Balance at September 30, 2019	Actual amount drawn down	Interest rate	Nature of loan (Note 8)	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			
14	AECO Electronics Co., Ltd.	WPI International (Hong Kong) Limited	Other receivables - related parties	Y	$ 744,960	$ 744,960	$ 744,960	2.90	2	$ -	Operations	$ -	None	-	$ 809,847	$ 809,847	Note 7
15	WPG Cloud Service Limited	WPG International (CI) Limited	Other receivables - related parties	Y	12,726	12,726	12,726	2.07	2	-	Operations	-	None	-	45,859	45,859	Note 7
16	WPG SCM Limited	Peng Yu International Limited	Other receivables - related parties	Y	620,800	620,800	419,040	3.20	2	-	Operations	-	None	-	1,075,195	1,075,195	Note 3
17	Yosun Industrial Corp.	Trigold Holdings Limited	Other receivables - related parties	Y	150,000	150,000	150,000	1.95	2	-	Operations	-	None	-	1,803,421	3,606,841	Note 6
18	Yosun South China Corp. Ltd.	WPG China (SZ) Inc.	Other receivables - related parties	Y	121,800	121,800	121,800	2.80	2	-	Operations	-	None	-	203,738	203,738	Note 7
18	Yosun South China Corp. Ltd.	WPG China Inc.	Other receivables - related parties	Y	65,250	65,250	65,250	2.80	2	-	Operations	-	None	-	203,738	203,738	Note 7
19	Yosun Shanghai Corp. Ltd.	WPG China (SZ) Inc.	Other receivables - related parties	Y	178,350	178,350	178,350	2.80	2	-	Operations	-	None	-	360,791	360,791	Note 7
19	Yosun Shanghai Corp. Ltd.	WPG China Inc.	Other receivables - related parties	Y	152,250	152,250	152,250	2.80	2	-	Operations	-	None	-	360,791	360,791	Note 7
20	WPI International (Hong Kong) Limited	WPG C&C Limited	Other receivables - related parties	Y	776,000	-	-	0.00	2	-	Operations	-	None	-	18,306,252	18,306,252	Note 7
20	WPI International (Hong Kong) Limited	WPG America Inc.	Other receivables - related parties	Y	931,200	-	-	0.00	2	-	Operations	-	None	-	18,306,252	18,306,252	Note 7
20	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	Other receivables - related parties	Y	931,200	931,200	-	0.00	2	-	Operations	-	None	-	7,322,501	18,306,252	Note 7

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the nine months ended September 30, 2019	Balance at September 30, 2019	Actual amount drawn down	Interest rate	Nature of loan (Note 8)	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			
20	WPI International (Hong Kong) Limited	WPG Korea Co., Ltd.	Other receivables - related parties	Y	$ 310,400	$ 310,400	$ 310,400	4.53	2	$ -	Operations	$ -	None	-	$ 18,306,252	$ 18,306,252	Note 7
21	World Peace Industrial Co., Ltd.	Long-Think International Co., Ltd.	Other receivables - related parties	Y	93,120	46,560	3,104	3.45	2	-	Operations	-	None	-	5,311,810	10,623,619	Note 6
21	World Peace Industrial Co., Ltd.	Trigold Holdings Limited	Other receivables - related parties	Y	300,000	300,000	300,000	1.95	2	-	Operations	-	None	-	5,311,810	10,623,619	Note 6
21	World Peace Industrial Co., Ltd.	Longview Technology Inc.	Other receivables - related parties	Y	620,800	620,800	74,806	3.45~3.65	2	-	Operations	-	None	-	5,311,810	10,623,619	Note 6
22	Long-Think International (Hong Kong) Limited	WPI International (Hong Kong) Limited	Other receivables - related parties	Y	248,320	248,320	170,720	2.90	2	-	Operations	-	None	-	509,778	509,778	Note 7
23	Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	Other receivables - related parties	Y	200,000	200,000	200,000	1.37	2	-	Operations	-	None	-	269,681	269,681	Note 2
24	AIO Components Company Limited	WPI International (Hong Kong) Limited	Other receivables - related parties	Y	139,680	139,680	139,680	2.90	2	-	Operations	-	None	-	161,067	161,067	Note 7
25	Silicon Application (BVI) Corporation	Silicon Application Corp.	Other receivables - related parties	Y	1,241,600	1,241,600	1,241,600	1.70	2	-	Operations	-	None	-	1,316,668	3,291,670	Note 7
25	Silicon Application (BVI) Corporation	WPI International (Hong Kong) Limited	Other receivables - related parties	Y	124,160	-	-	0.00	2	-	Operations	-	None	-	3,291,670	3,291,670	Note 7
25	Silicon Application (BVI) Corporation	Peng Yu International Limited	Other receivables - related parties	Y	124,160	124,160	124,160	3.70	2	-	Operation	-	None	-	3,291,670	3,291,670	Note 7
26	Silicon Application Company Limited	Silicon Application Corp.	Other receivables - related parties	Y	713,920	713,920	713,920	1.70	2	-	Operations	-	None	-	739,906	1,849,764	Note 7
26	Silicon Application Company Limited	Yosun Hong Kong Corp. Ltd.	Other receivables - related parties	Y	620,800	620,800	620,800	3.91	2	-	Operations	-	None	-	1,849,764	1,849,764	Note 7

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the nine months ended September 30, 2019	Balance at September 30, 2019	Actual amount drawn down	Interest rate	Nature of loan (Note 8)	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			
26	Silicon Application Company Limited	WPG C&C Limited	Other receivables - related parties	Y	$ 434,560	$ -	$ -	0.00	2	$ -	Operations	$ -	None	-	$ 1,849,764	$ 1,849,764	Note 7
26	Silicon Application Company Limited	WPG China Inc.	Other receivables - related parties	Y	310,400	310,400	310,400	4.37	2	-	Operations	-	None	-	1,849,764	1,849,764	Note 7
26	Silicon Application Company Limited	Peng Yu International Limited	Other receivables - related parties	Y	124,160	124,160	124,160	3.70	2	-	Operations	-	None	-	1,849,764	1,849,764	Note 7
27	Sertek Limited	Yosun Hong Kong Corp. Ltd.	Other receivables - related parties	Y	434,560	434,560	434,560	2.95	2	-	Operations	-	None	-	457,650	457,650	Note 7
28	Sertek Incorporated	Richpower Electronic Devices Co., Ltd	Other receivables - related parties	Y	310,400	-	-	0.00	2	-	Operations	-	None	-	610,824	610,824	Note 2
29	Apache Communication Inc.	Asian Information Technology Inc.	Other receivables - related parties	Y	403,520	-	-	0.00	2	-	Operations	-	None	-	291,170	465,871	Note 5
30	Genuine C&C Inc.	Hoban Inc.	Other receivables - related parties	Y	50,000	50,000	-	0.00	2	-	Operations	-	None	-	436,424	436,424	Note 2
31	Richpower Electronic Devices Co., Limited	WPG Americas Inc.	Other receivables - related parties	Y	620,800	-	-	0.00	2	-	Operations	-	None	-	2,410,632	2,410,632	Note 7
31	Richpower Electronic Devices Co., Limited	Yosun Hong Kong Corp. Ltd.	Other receivables - related parties	Y	869,120	869,120	62,080	3.85	2	-	Operations	-	None	-	2,410,632	2,410,632	Note 7
31	Richpower Electronic Devices Co., Limited	Silicon Application Corp.	Other receivables - related parties	Y	620,800	620,800	620,800	3.91	2	-	Operations	-	None	-	964,253	2,410,632	Note 7
32	WPG C&C Shanghai Co., Ltd.	Trigolduo (Shanghai) Industrial Development Ltd.	Other receivables - related parties	Y	13,050	13,050	-	0.00	2	-	Operations	-	None	-	117,042	292,606	Note 7
33	Peng Yu (Shanghai) Digital Technology Co., Ltd.	Trigolduo (Shanghai) Industrial Development Ltd.	Other receivables - related parties	Y	21,750	21,750	21,750	4.60	2	-	Operations	-	None	-	64,724	161,811	Note 7

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the nine months ended September 30, 2019	Balance at September 30, 2019	Actual amount drawn down	Interest rate	Nature of loan (Note 8)	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			
33	Peng Yu (Shanghai) Digital Technology Co., Ltd.	WPG C&C Shanghai Co., Ltd.	Other receivables - related parties	Y	$ 26,100	$ 26,100	$ 26,100	4.60	2	$ -	Operations	$ -	None	-	$ 161,811	$ 161,811	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 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 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.

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: 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, 2019

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, 2019	Outstanding endorsement/ guarantee amount at September 30, 2019	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	$ 32,398,052	$ 154,142	$ 78,099	$ 78,099	$ 78,099	0.12	$ 32,398,052	Y	N	N	Notes 4 and 5
1	World Peace International Pte. Ltd.	WPG Americas Inc.	Note 3	7,440,918	170,720	170,720	157,408	-	4.59	7,440,918	N	N	N	Note 7
1	World Peace International Pte. Ltd.	WPG C&C Computers and Peripheral (India) Private Ltd.	Note 1	7,440,918	510,608	510,608	30,844	-	13.72	7,440,918	N	N	N	Note 7
1	World Peace International Pte. Ltd.	World Peace International (South Asia) Pte. Ltd.	Note 1	7,440,918	1,055,360	1,055,360	564,666	-	28.37	7,440,918	N	N	N	Note 7
2	World Peace International (South Asia) Pte Ltd	WPG C&C Computers And Peripheral (India) Private Limited	Note 1	6,796,158	77,600	77,600	32,724	-	2.28	6,796,158	N	N	N	Note 7
3	WPG South Asia Pte. Ltd.	WPG India Electronics Private Limited	Note 1	1,370,855	15,520	15,520	-	-	2.26	1,370,855	N	N	N	Note 11
4	Yosun Industrial Corp.	Yosun Singapore Pte. Ltd.	Note 1	9,017,103	1,533,376	1,406,112	473,554	-	15.59	18,034,206	N	N	N	Note 9
4	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	Note 1	9,017,103	1,412,320	434,560	193,979	-	4.82	18,034,206	N	N	N	Note 9
4	Yosun Industrial Corp.	Sertek Incorporated	Note 1	9,017,103	2,483,200	2,483,200	1,305,433	-	27.54	18,034,206	N	N	N	Note 9
4	Yosun Industrial Corp.	Richpower Electronic Devices Co., Limited	Note 1	9,017,103	1,200,000	600,000	377,065	-	6.65	18,034,206	N	N	N	Note 9
5	World Peace Industrial Co., Ltd.	VITEC WPG Limited	Note 3	13,279,524	69,840	69,840	69,840	-	0.26	21,247,238	N	N	N	Note 6
5	World Peace Industrial Co., Ltd.	World Peace International (South Asia) Pte. Ltd.	Note 1	13,279,524	682,880	682,880	682,880	-	2.57	21,247,238	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, 2019	Outstanding endorsement/ guarantee amount at September 30, 2019	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
5	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	Note 1	$ 13,279,524	$ 3,069,856	$ 1,753,760	$ 504,875	$ -	6.60	$ 21,247,238	N	N	N	Note 6
6	Frontek Technology Corporation	Asian Information Technology Inc.	Note 2	1,005,906	630,400	630,400	581,292	-	25.07	1,257,382	N	N	N	Note 8
7	Asian Information Technology Inc.	Frontek Technology Corporation	Note 1	2,587,780	875,360	875,360	74,673	-	13.53	3,234,725	N	N	N	Note 8
7	Asian Information Technology Inc.	WPG China Inc.	Note 3	2,587,780	15,520	15,520	-	-	0.24	3,234,725	N	N	Y	Note 8
7	Asian Information Technology Inc.	AIT Japan Inc.	Note 1	2,587,780	186,240	-	-	-	0.00	3,234,725	N	N	N	Note 8
8	Trigold Holding Limited	Peng Yu (Shanghai) Digital Technology Co., Ltd.	Note 1	562,690	43,500	43,500	43,500	-	3.87	562,690	N	N	Y	Note 10
8	Trigold Holdings Limited	Peng Yu International Limited	Note 1	562,690	62,080	62,080	62,080	-	5.52	562,690	N	N	N	Note 10
8	Trigold Holdings Limited	WPG C&C Shanghai Co., Ltd.	Note 1	562,690	130,500	130,500	130,500	-	11.60	562,690	N	N	Y	Note 10

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 $78,099.

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 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 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 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.

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.

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, 2019

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of September 30, 2019				Footnote
				Number of shares (in thousands)	Book value	Ownership (%)	Fair value (Note 1)	
WPG Holdings Limited	Restar Holdings Corporation	None	Financial assets at at fair value through profit or loss- non-current	230	$ 116,501	1.46	$ 116,501	Note 2
WPG Holdings Limited	Tyche Partners L.P. - Funds	None	Financial assets at at fair value through profit or loss- non-current	-	304,820	-	304,820	
WPG Holdings Limited	CDIB CME Fund Ltd., etc. - Equity securities	None	Financial assets at at fair value through profit or loss- non-current	-	172,931	-	172,931	
Silicon Application Corp.	Kingmax Technology Inc., etc. - Equity securities	None	Financial assets at at fair value through profit or loss- non-current	-	13,968	-	13,968	Note 3
World Peace Industrial Co., Ltd.	Silicon Line GmbH, Munich etc. - Equity securities	None	Financial assets at at fair value through profit or loss- non-current	-	24,068	-	24,068	
AECO Technology Co., Ltd.	Hua-Jie (Taiwan) Corp. - Equity securities	None	Financial assets at at fair value through profit 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 profit or loss- non-current	-	4,214	-	4,214	
Genuine C&C Inc.	Systemweb Technology - Equity securities	None	Financial assets at at fair value through profit or loss- non-current	700	8,705	9.52	8,705	
Richpower Electronic Devices Co., Ltd.	Promaster Technology Co., Ltd., etc. - Equity securities	None	Financial assets at at fair value through profit or loss- non-current	-	38,276	-	38,276	
WPG Investment Co., Ltd.	DIGITIMES Inc. etc. - Equity securities	None	Financial assets at at fair value through profit or loss- non-current, etc.	-	128,006	-	128,006	
Silicon Application (BVI) Corp.	Actiontec Electronics Inc. etc. - Equity securities	None	Financial assets at at fair value through profit or loss- non-current	-	6,771	-	6,771	

				As of September 30, 2019				
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
Asian Information Technology Inc.	MCUBE. Inc. - Equity securities	None	Financial assets at at fair value through profit or loss- non-current	-	$ -	-	$ -	
Win-Win Systems Ltd.	Silicon Electronics Company(s) Pte. Ltd. - Equity securities	None	Financial assets at at fair value through profit or loss- non-current	180	-	-	-	
WPG South Asia Pte. Ltd.	ViMOS Technologies GmBH - Equity securities	None	Financial assets at at fair value through profit or loss- non-current	20	671	9.00	671	
WPG China Inc.	CECI Technology Co. Ltd. etc. - Equity securities	None	Financial assets at at fair value through profit or loss- non-current	-	571,210	-	571,210	

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: The original investee company, Vitec Holdings Co., Ltd., was delisted on March 27, 2019. Vitec Holdings Co., Ltd was merged with UKC Holdings whereby a new company, Restar Holdings Corporation, was established. The effective date for this merger was April 1, 2019, and the name of the held marketable securities would be changed.

Note 3: There are 566 thousand shares of Kingmax Technology Inc. which have been pledged for purchases as of September 30, 2019.

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, 2019

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the counterparty	Balance as at January 1, 2019		Addition		Disposal				Balance as at September 30, 2019	
					No. of shares (in thousands)	Amount	No. of shares (in thousands)	Amount	No. of shares (in thousands)	Selling price	Book value	Gain (loss) on disposal	No. of shares (in thousands)	Amount
WPG Holdings Limited	World Peace Industrial Co., Ltd.	Note 1	World Peace Industrial Co., Ltd.	Same parent company	1,160,000	$ 15,971,669	342,700 (Note 2)	$ 2,500,000	-	$ -	$ -	$ -	1,502,700	$ 18,471,669
"	Silicon Application Corp.	Note 1	Silicon Application Corp.	"	428,000	4,717,962	127,000 (Note 3)	1,000,000	-	-	-	-	555,000	5,717,962
"	Asian Information Technology Inc.	Note 1	Asian Information Technology Inc.	"	380,000	4,063,464	120,000 (Note 4)	800,000	-	-	-	-	500,000	4,863,464
"	WPG International (CI) Limited	Note 1	WPG International (CI) Limited	"	124,443	3,783,583	25,840	800,000	-	-	-	-	150,283	4,583,583

Note 1: It is recorded as investments accounted for using equity method.

Note 2: Stock dividends of 92,700 thousand shares distributed by World Peace Industrial Co., Ltd. are included.

Note 3: Stock dividends of 27,000 thousand shares distributed by Silicon Application Corp. are included.

Note 4: Stock dividends of 40,000 thousand shares distributed by Asian Information Technology Inc. are included.

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, 2019

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	$ 906,791	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	212,623	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	168,753	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 years ended December 31, 2017 and 2018, the total amount was $885,615 and $241,531, respectively, and for the nine months ended September 30, 2019, the amount was $161,021.

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, 2019

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	($ 317,024)	(53.32)	Note 5	Note 5	Note 5	$ 34,419	54.35	
World Peace Industrial Co., Ltd.	World Peace International (South Asia) Pte Ltd.	"	"	(573,145)	(0.71)	Note 3	Note 3	Note 3	379,120	1.50	
"	WPI International (Hong Kong) Limited	"	"	(3,205,240)	(3.98)	"	"	"	521,163	2.07	
"	WPG Electronics (HK) Limited	"	"	(485,214)	(0.60)	"	"	"	212,558	0.84	
"	WPG China (SZ) Inc.	"	"	(1,195,638)	(1.49)	"	"	"	221,021	0.88	
"	WPG China Inc.	"	"	(374,438)	(0.47)	"	"	"	144,063	0.57	
"	WPG SCM Limited	"	"	(1,196,537)	(1.49)	"	"	"	154,462	0.61	
"	WPG Korea Co., Ltd.	"	"	(1,385,984)	(1.72)	"	"	"	218,408	0.87	
"	Genuine C&C Inc.	"	"	(110,162)	(0.14)	"	"	"	27,628	0.11	
Genuine C&C (IndoChina) Pte Ltd.	WPG PT Electrindo Jaya	Investment under equity method	"	(134,160)	(83.88)	"	"	"	46,423	89.75	
World Peace International (South Asia) Pte Ltd.	WPG C&C (Malaysia) Sdn. Bhd	Same parent company	"	(105,328)	(0.49)	"	"	"	3,782	0.09	
"	WPG C&C Computers And Peripheral (India) Private Limited	"	"	(733,991)	(3.43)	"	"	"	143,797	3.35	
"	WPG SCM Limited	"	"	(2,693,287)	(12.58)	"	"	"	642,320	14.96	
"	WPG PT Electrindo Jaya	Investment under equity method	"	(375,982)	(1.76)	"	"	"	97,335	2.27	
"	WPG C&C (Thailand) Co., Ltd.	Same parent company	"	(111,373)	(0.52)	"	"	"	45,476	1.06	
WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	"	(3,771,247)	(3.63)	"	"	"	470,769	1.52	
"	World Peace International (South Asia) Pte Ltd.	"	"	(1,933,610)	(1.86)	"	"	"	174,275	0.56	
"	WPG China (SZ) Inc.	"	"	(1,594,788)	(1.54)	"	"	"	238,546	0.77	
"	WPG China Inc.	"	"	(625,491)	(0.60)	"	"	"	220,161	0.71	

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 SCM Limited	Same parent company	Sales	($ 729,215)	(0.70)	Note 3	Note 3	Note 3	$ 121,738	0.39	
Longview Technology Inc.	World Peace Industrial Co., Ltd.	"	"	(325,296)	(21.98)	"	"	"	23,901	26.98	
"	WPI International (Hong Kong) Limited	"	"	(940,635)	(63.57)	"	"	"	42,738	48.24	
Long-Think International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	"	(599,693)	(48.73)	"	"	"	93,921	46.40	
"	WPI International (Hong Kong) Limited	"	"	(416,506)	(33.85)	"	"	"	65,578	32.40	
Silicon Application Corp.	Pernas Electronics Co., Ltd.	"	"	(1,405,337)	(2.94)	30 days after monthly billings	Note 4	Note 4	209,170	1.51	
"	WPG Electronics (HK) Limited	"	"	(2,376,538)	(4.97)	90 days after monthly billings	"	"	1,132,702	8.19	
"	WPG China (SZ) Inc.	"	"	(606,888)	(1.27)	"	"	"	165,749	1.20	
"	WPG China Inc.	"	"	(124,506)	(0.26)	"	"	"	42,643	0.31	
Pernas Electronics Co., Ltd.	Silicon Application Corp.	"	"	(325,186)	(6.04)	30 days after monthly billings	"	"	32,365	1.87	
"	Everwiner Enterprise Co., Ltd.	"	"	(263,478)	(4.89)	Note 2	"	"	52,979	3.06	
Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	"	"	(1,628,202)	(52.18)	"	"	"	665,988	55.76	
Asian Information Technology Inc.	World Peace International (South Asia) Pte Ltd.	"	"	(103,347)	(0.40)	"	Note 2	Note 2	22,183	0.39	
"	WPI International (Hong Kong) Limited	"	"	(231,361)	(0.89)	"	"	"	14,095	0.25	
"	Frontek Technology Corporation	"	"	(2,678,014)	(10.27)	"	"	"	591,141	10.45	
"	Apache Communication Inc.	"	"	(925,735)	(3.55)	"	"	"	144,130	2.55	
"	WPG Electronics (HK) Limited	"	"	(133,251)	(0.51)	"	"	"	90,914	1.61	
"	WPG China (SZ) Inc.	"	"	(118,055)	(0.45)	"	"	"	25,459	0.45	
Henshen Electric Trading Co., Ltd.	Asian Information Technology Inc.	"	"	(147,517)	(17.24)	"	"	"	7,440	5.78	
"	Frontek Technology Corporation	"	"	(222,223)	(25.96)	"	"	"	13,868	10.78	
Frontek Technology Corporation	Asian Information Technology Inc.	"	"	(1,569,088)	(10.14)	"	"	"	254,209	5.16	
"	WPG Electronics (HK) Limited	"	"	(279,354)	(1.81)	"	"	"	182,283	3.70	
"	WPG China Inc.	"	"	(154,024)	(1.00)	"	"	"	64,198	1.30	
Apache Communication Inc.	Asian Information Technology Inc.	"	"	(567,245)	(3.71)	"	"	"	24,355	0.63	

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)	
AIT Japan Inc.	Asian Information Technology Inc.	Same parent company	Sales	($ 116,767)	(22.23)	Note 2	Note 2	Note 2	$ 17,179	25.14	
WPG Electronics (HK) Limited	World Peace Industrial Co., Ltd.	"	"	(192,065)	(3.85)	Note 5	Note 5	Note 5	-	-	
"	WPI International (Hong Kong) Limited	"	"	(217,007)	(4.35)	"	"	"	-	-	
"	Silicon Application Corp.	"	"	(108,038)	(2.17)	"	"	"	-	-	
WPG China (SZ) Inc.	WPG China Inc.	"	"	(174,224)	(2.66)	Note 3	Note 3	Note 3	75,184	2.44	
WPG China Inc.	WPG China (SZ) Inc.	"	"	(337,048)	(4.30)	90 days after monthly billings	Note 4	Note 4	86,407	3.13	
WPG Americas Inc.	World Peace Industrial Co., Ltd.	"	"	(209,845)	(2.20)	Note 3	Note 3	Note 3	37,979	2.69	
WPG South Asia Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	"	"	(371,464)	(59.38)	Note 5	Note 5	Note 5	-	-	
WPG Korea Co., Ltd.	WPI International (Hong Kong) Limited			(221,186)	(4.52)	Note 3	Note 3	Note 3	1,461	0.15	
Yosun Industrial Corp.	WPG China (SZ) Inc.	"	"	(510,021)	(3.83)	Note 6	Note 6	Note 6	170,439	5.81	
"	WPG China Inc.	"	"	(434,901)	(3.26)	"	"	"	136,018	4.64	
"	Yosun Hong Kong Corp. Ltd.	"	"	(2,350,592)	(17.63)	Note 3	Note 3	Note 3	182,622	6.23	
"	Richpower Electronic Devices Co., Ltd	"	"	(126,225)	(0.95)	"	"	"	7,730	0.26	
Yosun Hong Kong Corp. Ltd.	WPG China (SZ) Inc.	"	"	(604,506)	(3.31)	Note 6	Note 6	Note 6	142,085	3.92	
"	WPG China Inc.	"	"	(1,642,555)	(8.99)	"	"	"	164,939	4.56	
"	Yosun Industrial Corp.	"	"	(365,671)	(2.00)	Note 3	Note 3	Note 3	35,520	0.98	
"	Richpower Electronic Devices Co., Limited	"	"	(1,066,320)	(5.84)	"	"	"	55,800	1.54	
Yosun Singapore Pte Ltd.	WPG SCM Limited	"	"	(279,730)	(7.83)	"	"	"	46,142	4.64	
Sertek Incorporated	Yosun Industrial Corp.	"	"	(330,770)	(2.91)	"	"	"	22,923	3.00	
"	Yosun Hong Kong Corp. Ltd.	"	"	(542,087)	(4.77)	"	"	"	28,417	3.72	
Richpower Electronic Devices Co., Limited	WPG Electronics (HK) Limited	"	"	(709,200)	(14.55)	Note 6	Note 6	Note 6	318,795	21.47	
"	WPG China (SZ) Inc.	"	"	(191,362)	(2.37)	"	"	"	81,342	3.62	
"	Yosun Industrial Corp.	"	"	(455,891)	(5.66)	Note 3	Note 3	Note 3	151,096	6.72	
"	Yosun Hong Kong Corp. Ltd.	"	"	(1,678,594)	(20.82)	"	"	"	173,366	7.71	
"	Richpower Electronic Devices Co., Ltd	"	"	(167,298)	(2.08)	"	"	"	12,894	0.57	

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)	
Peng Yu (Shanghai) Digital Technology Co., Ltd.	Peng Yu International Limited	Same parent company	Sales	($ 120,123)	(42.23)	Note 3	Note 3	Note 3	$ -	-	
Peng Yu International Limited	World Peace Industrial Co., Ltd.	"	"	(537,296)	(18.41)	"	"	"	-	-	
"	WPI International (Hong Kong) Limited	"	"	(672,515)	(23.04)	"	"	"	11,445	1.48	
"	WPG C&C Shanghai Co., Ltd.	"	"	(595,573)	(20.40)	"	"	"	16,484	2.14	

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

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, 2019

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at September 30, 2019 (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.	World Peace International (South Asia) Pte Ltd.	Same parent company	$ 379,120	4.01	$ 208,836	-	$ 1,629	$ -
World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	"	521,163	8.17	-	-	521,163	-
World Peace Industrial Co., Ltd.	WPG Electronics (HK) Limited	"	212,558	3.03	2,512	-	68,505	-
World Peace Industrial Co., Ltd.	WPG China (SZ) Inc.	"	221,021	4.38	-	-	82,726	-
World Peace Industrial Co., Ltd.	WPG China Inc.	"	144,063	5.57	-	-	19,851	-
World Peace Industrial Co., Ltd.	WPG SCM Limited	"	154,462	9.28	-	-	154,447	-
World Peace Industrial Co., Ltd.	WPG Korea Co., Ltd.	"	218,408	8.62	-	-	218,408	-
World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	"	143,797	6.65	-	-	143,797	-
World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	"	642,320	4.11	-	-	642,320	-
WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	470,769	13.54	-	-	470,769	-
WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	"	174,275	19.09	-	-	174,275	-
WPI International (Hong Kong) Limited	WPG China (SZ) Inc.	"	238,546	5.20	-	-	111,057	-
WPI International (Hong Kong) Limited	WPG China Inc.	"	220,161	6.24	-	-	108,816	-
WPI International (Hong Kong) Limited	WPG SCM Limited	"	121,738	7.21	-	-	121,738	-
Silicon Application Corp.	Pernas Electronics Co., Ltd.	"	209,170	9.81	-	-	209,170	-
Silicon Application Corp.	WPG Electronics (HK) Limited	"	1,132,702	2.93	-	-	317,226	-
Silicon Application Corp.	WPG China (SZ) Inc.	"	165,749	4.21	-	-	87,727	-
Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	"	665,988	2.58	-	-	240,041	-
Asian Information Technology Inc.	Frontek Technology Corporation	"	591,141	9.23	-	-	399,696	-
Asian Information Technology Inc.	Apache Communication Inc.	"	144,130	16.77	-	-	102,330	-
Frontek Technology Corporation	Asian Information Technology Inc.	"	254,209	5.19	-	-	217,407	-
Frontek Technology Corporation	WPG Electronics (HK) Limited	"	182,283	2.33	-	-	28,280	-

Creditor	Counterparty	Relationship with the counterparty	Balance as at September 30, 2019 (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		
Yosun Industrial Corp.	WPG China (SZ) Inc.	Same parent company	$ 170,439	3.51	$ -	-	$ 102,943	$ -
Yosun Industrial Corp.	WPG China Inc.	"	136,018	6.31	-	-	65,741	-
Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	"	182,622	15.68	-	-	182,622	-
Yosun Hong Kong Corp. Ltd.	WPG China (SZ) Inc.	"	142,085	3.00	-	-	99,620	-
Yosun Hong Kong Corp. Ltd.	WPG China Inc.	"	164,939	6.03	-	-	75,240	-
Richpower Electronic Devices Co., Ltd.	WPG Electronics (HK) Limited	"	318,795	2.89	-	-	80,873	-
Richpower Electronic Devices Co., Limited	Yosun Industrial Corp.	"	151,096	8.05	-	-	-	-
Richpower Electronic Devices Co., Limited	Yosun Hong Kong Corp. Ltd.	"	173,366	29.51	-	-	-	-
World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	"	492,597	0.00	-	-	492,597	-
World Peace Industrial Co., Ltd.	Trigold Holdings Limited	"	304,151	0.00	-	-	304,151	-
World Peace International Pte Ltd.	World Peace International (South Asia) Pte Ltd.	"	121,368	0.00	-	-	-	-
World Peace International (South Asia) Pte Ltd.	WPG South Asia Pte. Ltd.	"	167,170	0.00	-	-	167,170	-
WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	"	131,970	0.00	-	-	-	-
WPI International (Hong Kong) Limited	WPG Korea Co., Ltd.	"	312,588	0.00	-	-	94,925	-
WPG C&C Limited	WPI International (Hong Kong) Limited	"	230,188	0.00	-	-	-	-
AIO Components Company Limited	WPI International (Hong Kong) Limited	"	143,056	0.00	-	-	-	-
Long-Think International (Hong Kong) Limited	WPI International (Hong Kong) Limited	"	172,743	0.00	-	-	-	-
AECO Technology Co., Ltd.	World Peace Industrial Co., Ltd.	"	122,155	0.00	-	-	755	-
AECO Electronic Co., Ltd.	WPI International (Hong Kong) Limited	"	751,816	0.00	-	-	-	-
Silicon Application (BVI) Corp.	Silicon Application Corp.	"	1,249,457	0.00	-	-	-	-
Silicon Application (BVI) Corp.	Peng Yu International Limited	"	127,261	0.00	-	-	-	-
Silicon Application Company Limited	Silicon Application Corp.	"	728,674	0.00	-	-	-	-
Silicon Application Company Limited	WPG China Inc.	"	317,710	0.00	-	-	-	-

Creditor	Counterparty	Relationship with the counterparty	Balance as at September 30, 2019 (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		
Silicon Application Company Limited	Yosun Hong Kong Corp. Ltd.	Same parent company	$ 638,128	0.00	$ -	-	$ -	$ -
Silicon Application Company Limited	Peng Yu International Limited	"	126,636	0.00	-	-	-	-
Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	"	201,404	0.00	-	-	-	-
WPG South Asia Pte. Ltd.	WPG Korea Co., Ltd.	"	498,809	0.00	-	-	2,169	-
WPG South Asia Pte. Ltd.	Yosun Singapore Pte Ltd.	"	105,426	0.00	-	-	40,947	-
WPG SCM Limited	Peng Yu International Limited	"	419,915	0.00	-	-	-	-
Yosun Industrial Corp.	Trigold Holdings Limited	"	152,564	0.00	-	-	152,564	-
Yosun Hong Kong Corp. Ltd.	Peng Yu International Limited	"	790,951	0.00	-	-	-	-
Yosun Shanghai Corp. Ltd.	WPG China (SZ) Inc.	"	179,210	0.00	-	-	-	-
Yosun Shanghai Corp. Ltd.	WPG China Inc.	"	152,517	0.00	-	-	-	-
Yosun South China Corp. Ltd.	WPG China (SZ) Inc.	"	121,800	0.00	-	-	108,750	-
Sertek Limited	Yosun Hong Kong Corp. Ltd.	"	445,955	0.00	-	-	445,955	-
Richpower Electronic Devices Co., Limited	Silicon Application Corp.	"	638,061	0.00	-	-	-	-
Richpower Electronic Devices Pte Ltd.	Yosun Singapore Pte Ltd.	"	224,065	0.00	-	-	577	-
Genuine C&C Holding Inc. (Seychelles)	Peng Yu International Limited	"	126,796	0.00	-	-	-	-

Note 1: Balance as at September 30, 2019 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 12, 2019.

WPG Holdings Limited and Subsidiaries
Significant inter-company transactions during the reporting period
Nine months ended September 30, 2019

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	$ 317,024	Note 11	0.08
1	World Peace Industrial Co., Ltd.	World Peace International (South Asia) Pte Ltd.	3	"	573,145	Note 5	0.15
1	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	3	"	3,205,240	Note 5	0.84
1	World Peace Industrial Co., Ltd.	WPG Electronics (HK) Limited	3	"	485,214	Note 5	0.13
1	World Peace Industrial Co., Ltd.	WPG China (SZ) Inc.	3	"	1,195,638	Note 5	0.31
1	World Peace Industrial Co., Ltd.	WPG China Inc.	3	"	374,438	Note 5	0.10
1	World Peace Industrial Co., Ltd.	WPG SCM Limited	3	"	1,196,537	Note 5	0.31
1	World Peace Industrial Co., Ltd.	WPG Korea Co., Ltd.	3	"	1,385,984	Note 5	0.36
1	World Peace Industrial Co., Ltd.	Genuine C&C Inc.	3	"	110,162	Note 5	0.03
2	World Peace International (South Asia) Pte Ltd.	WPG C&C (Malaysia) Sdn. Bhd	3	"	105,328	Note 5	0.03
2	World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	3	"	733,991	Note 5	0.19
2	World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	3	"	2,693,287	Note 5	0.71
2	World Peace International (South Asia) Pte Ltd.	WPG C&C (Thailand) Co., Ltd.	3	"	111,373	Note 5	0.03
3	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	3,771,247	Note 5	0.99
3	WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	3	"	1,933,610	Note 5	0.51
3	WPI International (Hong Kong) Limited	WPG China (SZ) Inc.	3	"	1,594,788	Note 5	0.42
3	WPI International (Hong Kong) Limited	WPG China Inc.	3	"	625,491	Note 5	0.16
3	WPI International (Hong Kong) Limited	WPG SCM Limited	3	"	729,215	Note 5	0.19
5	Longview Technology Inc.	World Peace Industrial Co., Ltd.	3	"	325,296	Note 5	0.09
5	Longview Technology Inc.	WPI International (Hong Kong) Limited	3	"	940,635	Note 5	0.25

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction				
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)	
6	Long-Think International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	Sales	$ 599,693	Note 5	0.16	
6	Long-Think International (Hong Kong) Limited	WPI International (Hong Kong) Limited	3	"	416,506	Note 5	0.11	
7	Silicon Application Corp.	Pernas Electronics Co., Ltd.	3	"	1,405,337	Notes 9 and 11	0.37	
7	Silicon Application Corp.	WPG Electronics (HK) Limited	3	"	2,376,538	Notes 9 and 12	0.62	
7	Silicon Application Corp.	WPG China (SZ) Inc.	3	"	606,888	Notes 9 and 12	0.16	
7	Silicon Application Corp.	WPG China Inc.	3	"	124,506	Notes 9 and 12	0.03	
8	Pernas Electronics Co., Ltd.	Silicon Application Corp.	3	"	325,186	Notes 9 and 11	0.09	
8	Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	3	"	263,478	Note 4	0.07	
9	Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	3	"	1,628,202	Notes 9 and 12	0.43	
10	Asian Information Technology Inc.	World Peace International (South Asia) Pte Ltd.	3	"	103,347	Note 4	0.03	
10	Asian Information Technology Inc.	WPI International (Hong Kong) Limited	3	"	231,361	Note 4	0.06	
10	Asian Information Technology Inc.	Frontek Technology Corporation	3	"	2,678,014	Note 4	0.70	
10	Asian Information Technology Inc.	Apache Communication Inc.	3	"	925,735	Note 4	0.24	
10	Asian Information Technology Inc.	WPG Electronics (HK) Limited	3	"	133,251	Note 4	0.03	
10	Asian Information Technology Inc.	WPG China (SZ) Inc.	3	"	118,055	Note 4	0.03	
11	Henshen Electric Trading Co., Ltd.	Asian Information Technology Inc.	3	"	147,517	Note 4	0.04	
11	Henshen Electric Trading Co., Ltd.	Frontek Technology Corporation	3	"	222,223	Note 4	0.06	
12	Frontek Technology Corporation	Asian Information Technology Inc.	3	"	1,569,088	Note 4	0.41	
12	Frontek Technology Corporation	WPG Electronics (HK) Limited	3	"	279,354	Note 4	0.07	
12	Frontek Technology Corporation	WPG China Inc.	3	"	154,024	Note 4	0.04	
13	Apache Communication Inc.	Asian Information Technology Inc.	3	"	567,245	Note 4	0.15	
14	AIT Japan Inc.	Asian Information Technology Inc.	3	"	116,767	Note 4	0.03	
15	WPG Electronics (HK) Limited	World Peace Industrial Co., Ltd.	3	"	192,065	Note 11	0.05	
15	WPG Electronics (HK) Limited	WPI International (Hong Kong) Limited	3	"	217,007	Note 11	0.06	
15	WPG Electronics (HK) Limited	Silicon Application Corp.	3	"	108,038	Note 11	0.03	
16	WPG China (SZ) Inc.	WPG China Inc.	3	"	174,224	Note 5	0.05	

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction				
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)	
17	WPG China Inc.	WPG China (SZ) Inc.	3	Sales	$ 337,048	Note 9	0.09	
18	WPG Americas Inc.	World Peace Industrial Co., Ltd.	3	"	209,845	Note 5	0.05	
19	WPG South Asia Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	3	"	371,464	Note 10	0.10	
20	WPG Korea Co., Ltd.	WPI International (Hong Kong) Limited	3	"	221,186	Note 5	0.06	
21	Yosun Industrial Corp.	WPG China (SZ) Inc.	3	"	510,021	Note 8	0.13	
21	Yosun Industrial Corp.	WPG China Inc.	3	"	434,901	Note 8	0.11	
21	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	3	"	2,350,592	Note 5	0.62	
21	Yosun Industrial Corp.	Richpower Electronic Devices Co., Ltd	3	"	126,225	Note 5	0.03	
22	Yosun Hong Kong Corp. Ltd.	WPG China (SZ) Inc.	3	"	604,506	Note 8	0.16	
22	Yosun Hong Kong Corp. Ltd.	WPG China Inc.	3	"	1,642,555	Note 8	0.43	
22	Yosun Hong Kong Corp. Ltd.	Yosun Industrial Corp.	3	"	365,671	Note 5	0.10	
22	Yosun Hong Kong Corp. Ltd.	Richpower Electronic Devices Co., Limited	3	"	1,066,320	Note 5	0.28	
23	Yosun Singapore Pte Ltd.	WPG SCM Limited	3	"	279,730	Note 5	0.07	
24	Sertek Incorporated	Yosun Industrial Corp.	3	"	330,770	Note 5	0.09	
24	Sertek Incorporated	Yosun Hong Kong Corp. Ltd.	3	"	542,087	Note 5	0.14	
25	Richpower Electronic Devices Co., Ltd.	WPG Electronics (HK) Limited	3	"	709,200	Note 8	0.19	
26	Richpower Electronic Devices Co., Limited	WPG China (SZ) Inc.	3	"	191,362	Note 8	0.05	
26	Richpower Electronic Devices Co., Limited	Yosun Industrial Corp.	3	"	455,891	Note 5	0.12	
26	Richpower Electronic Devices Co., Limited	Yosun Hong Kong Corp. Ltd.	3	"	1,678,594	Note 5	0.44	
26	Richpower Electronic Devices Co., Limited	Richpower Electronic Devices Co., Ltd	3	"	167,298	Note 5	0.04	
40	Peng Yu (Shanghai) Digital Technology Co., Ltd.	Peng Yu International Limited	3	"	120,123	Note 12	0.03	
27	Peng Yu International Limited	World Peace Industrial Co., Ltd.	3	"	537,296	Note 5	0.14	
27	Peng Yu International Limited	WPI International (Hong Kong) Limited	3	"	672,515	Note 5	0.18	
27	Peng Yu International Limited	WPG C&C Shanghai Co., Ltd.	3	"	595,573	Note 5	0.16	
1	World Peace Industrial Co., Ltd.	World Peace International (South Asia) Pte Ltd.	3	Accounts receivable	379,120	Note 5	0.17	
1	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	3	"	521,163	Note 5	0.24	

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
1	World Peace Industrial Co., Ltd.	WPG Electronics (HK) Limited	3	Accounts receivable	$ 212,558	Note 5	0.10
1	World Peace Industrial Co., Ltd.	WPG China (SZ) Inc.	3	"	221,021	Note 5	0.10
1	World Peace Industrial Co., Ltd.	WPG China Inc.	3	"	144,063	Note 5	0.07
1	World Peace Industrial Co., Ltd.	WPG SCM Limited	3	"	154,462	Note 5	0.07
1	World Peace Industrial Co., Ltd.	WPG Korea Co., Ltd.	3	"	218,408	Note 5	0.10
2	World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	3	"	143,797	Note 5	0.07
2	World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	3	"	642,320	Note 5	0.29
3	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	470,769	Note 5	0.21
3	WPI International (Hong Kong) Limited	World Peace Internaional (South Asia) Pte Ltd.	3	"	174,275	Note 5	0.08
3	WPI International (Hong Kong) Limited	WPG China (SZ) Inc.	3	"	238,546	Note 5	0.11
3	WPI International (Hong Kong) Limited	WPG China Inc.	3	"	220,161	Note 5	0.10
3	WPI International (Hong Kong) Limited	WPG SCM Limited	3	"	121,738	Note 5	0.06
7	Silicon Application Corp.	Pernas Electronics Co., Ltd.	3	"	209,170	Notes 9 and 11	0.10
7	Silicon Application Corp.	WPG Electronics (HK) Limited	3	"	1,132,702	Notes 9 and 12	0.51
7	Silicon Application Corp.	WPG China (SZ) Inc.	3	"	165,749	Notes 9 and 12	0.08
9	Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	3	"	665,988	Notes 9 and 12	0.30
10	Asian Information Technology Inc.	Frontek Technology Corporation	3	"	591,141	Note 4	0.27
10	Asian Information Technology Inc.	Apache Communication Inc.	3	"	144,130	Note 4	0.07
12	Frontek Technology Corporation	Asian Information Technology Inc.	3	"	254,209	Note 4	0.12
12	Frontek Technology Corporation	WPG Electronics (HK) Limited	3	"	182,283	Note 4	0.08
21	Yosun Industrial Corp.	WPG China (SZ) Inc.	3	"	170,439	Note 8	0.08
21	Yosun Industrial Corp.	WPG China Inc.	3	"	136,018	Note 8	0.06
21	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	3	"	182,622	Note 5	0.08
22	Yosun Hong Kong Corp. Ltd.	WPG China (SZ) Inc.	3	"	142,085	Note 8	0.06
22	Yosun Hong Kong Corp. Ltd.	WPG China Inc.	3	"	164,939	Note 8	0.07
25	Richpower Electronic Devices Co., Ltd.	WPG Electronics (HK) Limited	3	"	318,795	Note 8	0.14

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
26	Richpower Electronic Devices Co., Limited	Yosun Industrial Corp.	3	Accounts receivable	$ 151,096	Note 5	0.07
26	Richpower Electronic Devices Co., Limited	Yosun Hong Kong Corp. Ltd.	3	"	173,366	Note 5	0.08
1	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	3	Other receivables	492,597	Note 16	0.22
1	World Peace Industrial Co., Ltd.	Trigold Holdings Limited	3	"	304,151	Note 7	0.14
28	World Peace International Pte Ltd	World Peace International (South Asia) Pte Ltd.	3	"	121,368	Note 7	0.06
2	World Peace International (South Asia) Pte Ltd.	WPG South Asia Pte. Ltd.	3	"	167,170	Note 6	0.08
3	WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	3	"	131,970	Note 15	0.06
3	WPI International (Hong Kong) Limited	WPG Korea Co., Ltd.	3	"	312,588	Note 7	0.14
29	WPG C&C Limited	WPI International (Hong Kong) Limited	3	"	230,188	Note 7	0.10
30	AIO Components Company Limited	WPI International (Hong Kong) Limited	3	"	143,056	Note 7	0.07
6	Long-Think International (Hong Kong) Limited	WPI International (Hong Kong) Limited	3	"	172,743	Note 7	0.08
31	AECO Technology Co., Ltd.	World Peace Industrial Co., Ltd.	3	"	122,155	Note 7	0.06
32	AECO Electronic Co., Ltd.	WPI International (Hong Kong) Limited	3	"	751,816	Note 7	0.34
33	Silicon Application (BVI) Corp.	Silicon Application Corp.	3	"	1,249,457	Note 7	0.57
33	Silicon Application (BVI) Corp.	Peng Yu International Limited	3	"	127,261	Note 7	0.06
34	Silicon Application Company Limited	Silicon Application Corp.	3	"	728,674	Note 7	0.33
34	Silicon Application Company Limited	WPG China Inc.	3	"	317,710	Note 7	0.14
34	Silicon Application Company Limited	Yosun Hong Kong Corp. Ltd.	3	"	638,128	Note 7	0.29
34	Silicon Application Company Limited	Peng Yu International Limited	3	"	126,636	Note 7	0.06
9	Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	3	"	201,404	Note 7	0.09
19	WPG South Asia Pte. Ltd.	WPG Korea Co., Ltd.	3	"	498,809	Note 7	0.23
19	WPG South Asia Pte. Ltd.	Yosun Singapore Pte Ltd.	3	"	105,426	Note 7	0.05
39	WPG SCM Limited	Peng Yu International Limited	3	"	419,915	Note 7	0.19
21	Yosun Industrial Corp.	Trigold Holdings Limited	3	"	152,564	Note 7	0.07
22	Yosun Hong Kong Corp. Ltd.	Peng Yu International Limited	3	"	790,951	Note 7	0.36
35	Yosun Shanghai Corp. Ltd.	WPG China (SZ) Inc.	3	"	179,210	Note 7	0.08

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
35	Yosun Shanghai Corp. Ltd.	WPG China Inc.	3	Other receivables	$ 152,517	Note 7	0.07
36	Yosun South China Corp. Ltd.	WPG China (SZ) Inc.	3	"	121,800	Note 7	0.06
36	Sertek Limited	Yosun Hong Kong Corp. Ltd.	3	"	445,955	Note 7	0.20
26	Richpower Electornic Devices Co., Limited	Silicon Application Corp.	3	"	638,061	Note 7	0.29
38	Richpower Electronic Devices Pte Ltd	Yosun Singapore Pte Ltd.	3	"	224,065	Note 7	0.10
37	Genuine C&C Holding Inc. (Seychelles)	Peng Yu International Limited	3	"	126,796	Note 7	0.06

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 amount receivable pertains to receipts under custody.

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 collection period is 45 days from the end of the month of sales.

Note 14: The amount receivable arose from filing of consolidated tax return.

Note 15: The amount receivable pertains to venders' purchase discounts and allowances that associates received on behalf of the company.

Note 16: Mainly dividends receivable.

Note 17: The amount receivable arose from payments to suppliers made on behalf of the associate.

WPG Holdings Limited and Subsidiaries

Information on investees

Nine months ended September 30, 2019

Table 9

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at September 30, 2019	Initial investment amount: Balance as at December 31, 2018	Shares held as at September 30, 2019: Number of shares	Shares held as at September 30, 2019: Ownership (%)	Shares held as at September 30, 2019: Book value	Net profit (loss) of the investee for the nine months ended September 30, 2019	Investment income (loss) recognized by the Company for the nine months ended September 30, 2019 (Note 1)	Footnote
WPG Holdings Limited	World Peace Industrial Co., Ltd.	Taiwan	Sales of electronic components	$ 18,471,669	$ 15,971,669	1,502,700,000	100.00	$ 26,546,628	$ 2,447,123	$ 2,447,123	Note 4
WPG Holdings Limited	Asian Information Technology Inc.	Taiwan	Sales of electronic /electrical components	4,863,464	4,063,464	500,000,000	100.00	6,469,450	756,729	756,729	Note 4
WPG Holdings Limited	Silicon Application Corp.	Taiwan	Sales of computer software, hardware and electronic components	5,717,962	4,717,962	555,000,000	100.00	7,986,754	696,651	696,651	Note 4
WPG Holdings Limited	WPG Electronics Limited	Taiwan	Sales of electronic components	14,735	14,735	3,920,000	100.00	48,720	4,522	4,522	Note 4
WPG Holdings Limited	WPG Korea Co., Ltd.	South Korea	Sales of electronic components	169,071	169,071	1,087,794	100.00	526,403	31,486	31,486	Note 4
WPG Holdings Limited	WPG International (CI) Limited	Cayman Islands	Holding company	4,583,583	3,783,583	150,282,520	100.00	5,285,060	52,783	52,783	Note 4
WPG Holdings Limited	Yosun Industrial Corp.	Taiwan	Sales of electronic /electrical components	12,144,406	12,144,406	362,074,400	100.00	12,775,732	806,922	804,285	Note 4
WPG Holdings Limited	WPG Investment Co., Ltd.	Taiwan	Investment company	502,997	502,997	50,000,000	100.00	433,929	10,504	7,177	Note 4
WPG Holdings Limited	Trigold Holdings Limited	Taiwan	Investment company	707,968	707,968	48,139,319	60.50	721,729	95,872	58,552	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	3,839,864	189,545	-	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	18,355,928	1,516,296	-	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	588,256	61,923	-	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	158,297	45,795	-	Notes 2 and 3

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at September 30, 2019	Initial investment amount: Balance as at December 31, 2018	Shares held as at September 30, 2019: Number of shares	Shares held as at September 30, 2019: Ownership (%)	Shares held as at September 30, 2019: Book value	Net profit (loss) of the investee for the nine months ended September 30, 2019	Investment income (loss) recognized by the Company for the nine months ended September 30, 2019 (Note 1)	Footnote
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	$ 1,685,171	$ 29,642	$ -	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	510,105	53,695	-	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	46,154	367	-	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	809,974	12,590	-	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	3,291,670	55,985	-	Notes 2 and 5
Silicon Application Corp.	Win-Win Systems Ltd.	British Virgin Islands	Holding company	24,015	24,015	765,000	100.00	26,477	445	-	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	116,119	1,400	-	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	1,217,975	227,387	-	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	866,464	187,286	-	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	2,514,764	225,802	-	Notes 2 and 5
Asian Information Technology Inc.	Apache Communication Inc.	Taiwan	Wholesale of electronic components	180,313	680,313	107,000,000	100.00	1,164,678	144,122	-	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	129,636	17,450	-	Notes 2 and 5
Asian Information Technology Inc.	Adivic Technology Co., Ltd.	Taiwan	Import and export business for electronic components	206,200	206,200	4,410,000	25.94	34,147	(20,226)	-	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	317,913	(13,982)	-	Notes 2 and 5

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at September 30, 2019	Initial investment amount: Balance as at December 31, 2018	Shares held as at September 30, 2019: Number of shares	Shares held as at September 30, 2019: Ownership (%)	Shares held as at September 30, 2019: Book value	Net profit (loss) of the investee for the nine months ended September 30, 2019	Investment income (loss) recognized by the Company for the nine months ended September 30, 2019 (Note 1)	Footnote
Frontek Technology Corporation	Frontek International Limited	British Virgin Islands	Investment company	$ 101,862	$ 101,862	2,970,000	100.00	$ 127,580	$ 2,198	$ -	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	5,315,194	82,317	-	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	1,822,480	230,067	-	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	33,997	22,855	-	Notes 2 and 3
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	2,309,016	282,946	-	Notes 2 and 5
Sertek Incorporated	Sertek Limited	Hong Kong	Sales of electronic /electrical components	83,494	83,494	19,500,000	100.00	457,650	8,212	-	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	2,410,632	193,412	-	Notes 2 and 5
Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Pte., Ltd.	Singapore	Sales of electronic components	1,988	1,988	10,000	100.00	229,567	4,823	-	Notes 2 and 5
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	35,530	22,855	-	Notes 2 and 3
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	46,042	9,279	-	Notes 2 and 3
WPG Investment Co., Ltd.	Trigold Holdings Limited	Taiwan	Investment company	230	230	10,000	0.01	229	95,872	-	Notes 2 and 3
WPG Investment Co., Ltd.	AutoSys Co., Ltd.	Cayman Islands	Holding company	73,000	73,000	5,000,000	19.40	71,475	(5,593)	-	Notes 2 and 3

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at September 30, 2019	Initial investment amount: Balance as at December 31, 2018	Shares held as at September 30, 2019: Number of shares	Shares held as at September 30, 2019: Ownership (%)	Shares held as at September 30, 2019: Book value	Net profit (loss) of the investee for the nine months ended September 30, 2019	Investment income (loss) recognized by the Company for the nine months ended September 30, 2019 (Note 1)	Footnote
WPG Investment Co., Ltd.	Beauteek Global Wellness Corporation Limited	Hong Kong	Community e-commerce trading platform and related services	$ 13,665	$ 13,665	354,400	23.08	$ 11,921	($ 7,548)	$ -	Notes 2 and 3
Trigold Holdings Limited	Genuine C&C Inc.	Taiwan	Sales of electronic products and its peripheral equipment	1,093,697	1,093,697	79,569,450	100.00	1,091,061	58,623	-	Notes 2 and 5
Trigold Holdings Limited	Trigold (Hong Kong) Company Limited	Hong Kong	Holding company	510,981	78,594	130,200,000	100.00	539,674	67,041	-	Notes 2 and 5
Genuine C&C Inc.	Hoban Inc.	Taiwan	An E-commerce company which operates B2C and O2O businesses	79,999	79,999	8,000,000	100.00	10,452	(2,947)	-	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	134,882	2,620	-	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	11,155	9,279	-	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.

WPG Holdings Limited and Subsidiaries

Information on investments in Mainland China

Nine monhts ended September 30, 2019

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, 2019	Amount remitted from Taiwan to Mainland China / Amount remitted back to Taiwan for the nine months ended September 30, 2019		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2019	Net income of investee for the nine months ended September 30, 2019	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the nine monhts ended September 30, 2019 (Note 7)	Book value of investments in Mainland China as of September 30, 2019	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2019	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
WPG China Inc.	Sales of electronic /electrical components	$ 1,646,244	1	$ 1,810,809	$ -	$ -	$ 1,810,809	$ 7,290	100.00	$ 7,290	$ 2,282,490	$ -	
WPG China (SZ) Inc.	Sales of computer software and electronic components	146,091	1	107,301	-	-	107,301	21,798	100.00	21,798	713,027	-	Note 4
Suzhou Xinning Bonded Warehouse Co., Ltd.	Warehousing services	35,975	1	29,125	-	-	29,125	(303)	49.00	(148)	81,499	-	
Gain Tune Logistics (Shanghai) Co., Ltd.	Warehousing services / extra work	43,500	1	15,382	-	-	15,382	(1,659)	40.00	(663)	27,657	-	
Suzhou Xinning Logistics Co., Ltd.	Warehousing services	65,250	1	19,082	-	-	19,082	8,797	29.40	2,586	39,503	-	
WPG C&C Shanghai Co., Ltd.	Sales of electronic products	231,145	1	270,048	-	-	270,048	43,603	100.00	26,384	177,056	-	Note 7
Long-Think International (Shanghai) Limited	Sales of electronic components	14,404	1	143,490	-	-	143,490	934	100.00	934	27,642	-	Note 2
Yosun Shanghai Corp. Ltd.	Sales of electronic components and warehousing services	273,249	1	239,008	-	-	239,008	5,267	100.00	5,267	240,551	-	
Yosun South China Corp. Ltd.	Sales of electronic /electrical components	139,499	1	-	-	-	-	3,583	100.00	3,583	133,090	-	

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, 2019	Amount remitted from Taiwan to Mainland China / Amount remitted back to Taiwan for the nine months ended September 30, 2019		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2019	Net income of investee for the nine months ended September 30, 2019	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the nine monhts ended September 30, 2019 (Note 7)	Book value of investments in Mainland China as of September 30, 2019	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2019	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Qegoo Technology Co., Ltd.	Business e-commerce platform	$ 57,424	1	$ 4,977	$ -	$ -	$ 4,977	$ -	15.00	-	$ -	$ -	
Peng Yu (Shanghai) Digital Technology Co., Ltd	Sales of electronic products	97,875	1	189,321	-	-	189,321	12,956	100.00	7,840	116,942	-	
Trigolduo (Shanghai) Industrial Development Ltd.	Children's theme park	43,500	1	-	30,450	-	30,450	(13,581)	70.00	(5,753)	12,887	-	
Trigold Tongle (Shanghai) Industrial Development Ltd.	Children's theme park	6,525	1	-	-	-	-	(6,045)	70.00	(2,560)	299	-	Note 8

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: Except for WPG China Inc., WPG China (SZ) Inc. and WPG C&C Shanghai Co., Ltd., the investment income/loss for the nine months ended September 30, 2019 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 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, 2019, accumulated amount of remittance from Taiwan to Mainland China as of September 30, book value of investments in Mainland China as of September 30, 2019, accumulated amount of investment income remitted back to Taiwan as of September 30, 2019, etc., the exchange rates used were USD 1: NTD 31.04, HKD 1: NTD 3.958 and RMB 1: NTD 4.35.

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

Note 7: The retirement of World Peace Industrial Co., Ltd.'s indirect investment in Mainland China, WPI International Trading (Shanghai) Ltd., has been approved by Investment Commission, Ministry of Economic Affairs on May 22, 2019 amounting to USD 11,650 thousand. World Peace Industrial Co., Ltd. will submit an application to Investment Commission, Ministry of Economic Affairs for deducting the accumulated amount of remittance from Taiwan to Mainland China when the consideration arising from transfer of equity interests is remitted back from the investment in the third area, WPI International (HK) Limited.

Note 8: Trigold Tongle (Shanghai) Industrial Development Ltd. is a wholly-owned subsidiary of Trigolduo (Shanghai) Industrial Development Ltd.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2019	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	$ 2,055,815	$ 2,158,955	$ 39,169,403
World Peace Industrial Co., Ltd. and its subsidiaries	384,670	368,103	15,959,496
Silicon Application Corp. and its subsidiaries	13,325	19,341	4,792,053
Yosun Industrial Corp. and its subsidiares	260,270	551,395	5,410,262
WPG Investment Co., Ltd.	4,977	15,160	260,357
Trigold Holdings Limited and its subsidiaries	586,222	586,222	680,704

(1) Exchange rates as of September 30, 2019 were USD 1: NTD 31.04, HKD 1 : NTD 3.958 and RMB 1 : NTD 4.35.
(2) The ceiling of investment amount of the company is calculated based on the investor's net assets.