WPG HOLDINGS LIMITED AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

REVIEW REPORT OF INDEPENDENT ACCOUNTANTS

MARCH 31, 2020 AND 2019

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 March 31, 2020 and 2019, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three months then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and International Accounting Standard 34, "Interim Financial Reporting" as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As explained in Notes 4(3)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 the equity method) of NT$13,902,450 thousand and NT$17,752,706 thousand, constituting 6% and 9% of the consolidated total assets, and total liabilities of NT$8,665,479 thousand and NT$7,325,416 thousand, constituting 5% and 6% of the consolidated total liabilities as at March 31, 2020 and 2019, respectively, and total comprehensive income (including share of profit (loss) of associates and joint ventures accounted for using the equity method and share of other comprehensive income of associates and joint ventures accounted for using the equity method) of NT$82,728 thousand and NT$52,322

thousand, constituting 4% and 3% of the consolidated total comprehensive income for the three months then ended, respectively.

Qualified Conclusion

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain 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 March 31, 2020 and 2019, and of its consolidated financial performance and its consolidated cash flows for the three months then ended in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and International Accounting Standard 34, "Interim Financial Reporting" as endorsed by the Financial Supervisory Commission.

Lin, Chun-Yao

Chou, Chien-hung

For and on behalf of PricewaterhouseCoopers, Taiwan
May 12, 2020

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
MARCH 31, 2020, DECEMBER 31, 2019 AND MARCH 31, 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(THE CONSOLIDATED BALANCE SHEETS AS OF MARCH 31, 2020 AND 2019 ARE REVIEWED, NOT AUDITIED)

		March 31, 2020		December 31, 2019		March 31, 2019	
Assets	Notes	Amount	%	Amount	%	Amount	%
Current assets							
Cash and cash equivalents	6(1)	$ 13,227,536	5	$ 9,992,582	4	$ 5,572,934	3
Financial assets at fair value through profit or loss - current	6(2)	34,773	-	339,649	-	29,882	-
Current financial assets at amortized cost	6(4) and 8	196,111	-	84,055	-	195,996	-
Notes receivable, net	6(5)	1,719,929	1	1,977,097	1	3,273,312	2
Accounts receivable, net	6(5)	106,785,878	43	110,656,082	48	80,125,699	42
Accounts receivable - related parties, net	7(3)	126,386	-	98,292	-	85,304	-
Other receivables	6(7)	11,550,719	5	11,428,975	5	11,112,430	6
Other receivables - related parties	7(3)	1,467	-	1,208	-	1,594	-
Current income tax assets		82,882	-	27,980	-	51,075	-
Inventory	6(8)	81,536,164	33	67,721,637	29	69,387,325	37
Prepayments		3,691,347	1	2,242,687	1	1,636,120	1
Other current assets		819,864	-	1,396,017	1	137,268	-
Total current assets		219,773,056	88	205,966,261	89	171,608,939	91
Non-current assets							
Financial assets at fair value through profit or loss – non-current	6(2) and 8	1,264,094	1	1,315,509	1	1,296,495	1
Financial assets at fair value through other comprehensive income - non-current	6(3)	24,956	-	32,035	-	32,035	-
Investments accounted for using the equity method	6(9)	8,727,606	4	586,142	-	627,880	-
Property, plant and equipment	6(10) and 8	10,621,447	4	5,735,417	3	5,748,759	3
Right-of-use assets	6(11)	1,016,677	-	1,129,079	1	1,328,905	1
Investment property - net	6(12) and 8	1,047,077	1	1,060,115	-	1,119,310	1
Intangible assets	6(13)	5,683,599	2	5,568,851	2	5,564,134	3
Deferred income tax assets		495,057	-	506,897	-	467,006	-
Prepayments for investments	6(14)	-	-	8,142,688	4	-	-
Other non-current assets	6(15)	268,118	-	303,826	-	370,672	-
Total non-current assets		29,148,631	12	24,380,559	11	16,555,196	9
TOTAL ASSETS		$ 248,921,687	100	$ 230,346,820	100	$ 188,164,135	100

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WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2020, DECEMBER 31, 2019 AND MARCH 31, 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(THE CONSOLIDATED BALANCE SHEETS AS OF MARCH 31, 2020 AND 2019 ARE REVIEWED, NOT AUDITIED)

		March 31, 2020		December 31, 2019		March 31, 2019	
Liabilities and Equity	Notes	Amount	%	Amount	%	Amount	%
Current liabilities							
Short-term borrowings	6(16)	$ 64,918,062	26	$ 68,891,614	30	$ 46,045,135	24
Short-term notes and bills payable	6(17)	5,936,216	2	5,555,424	2	5,054,831	3
Financial liabilities at fair value through profit or loss - current	6(2)	3,313	-	16,051	-	4,169	-
Notes payable		83,557	-	34,642	-	65,043	-
Accounts payable		71,209,166	29	63,588,170	28	54,017,241	29
Accounts payable - related parties	7(3)	69,956	-	653	-	45	-
Other payables		7,488,390	3	5,697,289	2	4,517,585	2
Current income tax liabilities		1,113,217	1	1,310,711	1	1,045,068	1
Current lease liabilities		424,658	-	416,902	-	416,795	-
Other current liabilities	6(18)(19)	13,230,570	5	11,447,611	5	4,910,399	3
Total current liabilities		164,477,105	66	156,959,067	68	116,076,311	62
Non-current liabilities							
Long-term borrowings	6(18)	16,601,551	7	7,330,788	3	13,344,060	7
Deferred income tax liabilities		501,057	-	499,268	-	502,121	-
Non-current lease liabilities		628,418	-	740,641	-	922,880	1
Other non-current liabilities		856,503	1	849,961	1	864,164	-
Total non-current liabilities		18,587,529	8	9,420,658	4	15,633,225	8
Total liabilities		183,064,634	74	166,379,725	72	131,709,536	70
Equity attributable to owners of parent							
Capital	1 and 6(21)						
Common stock		16,790,568	7	16,790,568	7	16,790,568	9
Preference share		2,000,000	1	2,000,000	1	-	-
Capital reserve	6(22)						
Capital reserve		27,456,298	11	27,456,298	12	19,454,882	10
Retained earnings	6(23)						
Legal reserve		6,021,073	2	6,021,073	3	5,274,872	3
Special reserve		2,602,682	1	2,602,682	1	4,124,936	2
Unappropriated earnings		15,680,926	6	14,022,230	6	12,620,617	7
Other equity interest							
Other equity interest	6(24)	(5,196,427)	(2)	(5,420,694)	(2)	(2,289,006)	(1)
Total equity attributable to owners of parent		65,355,120	26	63,472,157	28	55,976,869	30
Non-controlling interest		501,933	-	494,938	-	477,730	-
Total equity		65,857,053	26	63,967,095	28	56,454,599	30
Significant contingent liabilities and unrecognized contract commitments	7(3) and 9						
TOTAL LIABILITIES AND EQUITY		$ 248,921,687	100	$ 230,346,820	100	$ 188,164,135	100

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

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS ENDED MARCH 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE DATA)
(REVIEWED, NOT AUDITED)

		Three months ended March 31,			
		2020		2019	
Items	Notes	Amount	%	Amount	%
Operating revenue	6(25) and 7(3)	$ 131,044,575	100	$ 111,831,933	100
Operating costs	6(8) and 7(3)	(125,771,697)	(96)	(106,858,358)	(95)
Gross profit		5,272,878	4	4,973,575	5
Operating expenses	6(29)(30) and 7(3)				
Selling and marketing expenses		(2,026,810)	(2)	(2,042,263)	(2)
General and administrative expenses		(950,197)	(1)	(893,596)	(1)
Expected credit impairment gain (loss)		(104,517)	-	26,511	-
Total operating expenses		(3,081,524)	(3)	(2,909,348)	(3)
Operating profit		2,191,354	1	2,064,227	2
Non-operating income and expenses					
Other income	6(26)	51,143	-	65,227	-
Other gains and losses	6(27)	224,415	-	149,702	-
Finance costs	6(28)	(585,911)	-	(630,819)	(1)
Share of profit of associates and joint ventures accounted for using the equity method		124,762	-	6,443	-
Total non-operating income and expenses		(185,591)	-	(409,447)	(1)
Income before income tax		2,005,763	1	1,654,780	1
Income tax expense	6(31)	(339,576)	-	(341,927)	-
Consolidated net income		$ 1,666,187	1	$ 1,312,853	1

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WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS ENDED MARCH 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE DATA)
(REVIEWED, NOT AUDITED)

		Three months ended March 31,			
		2020		2019	
Items	Notes	Amount	%	Amount	%
Other comprehensive income					
Components of other comprehensive income that will not be reclassified to profit or loss					
Share of other comprehensive loss of associates and joint ventures accounted for using the equity method that will not be reclassified to profit or loss	6(24)	($ 69,088)	-	$ -	-
Other comprehensive loss that will not be reclassified to profit or loss		(69,088)	-	-	-
Components of other comprehensive income that will be reclassified to profit or loss					
Exchange differences on translation of foreign financial statements		319,279	-	316,117	-
Share of other comprehensive (loss) income of associates and joint ventures accounted for under equity method	6(24)	(25,848)	-	3,859	-
Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(24)(31)	(572)	-	(2,225)	-
Other comprehensive income that will be reclassified to profit or loss		292,859	-	317,751	-
Total other comprehensive income		$ 223,771	-	$ 317,751	-
Total comprehensive income		$ 1,889,958	1	$ 1,630,604	1
Consolidated net income attributable to:					
Owners of the parent		$ 1,658,696	1	$ 1,304,424	1
Non-controlling interest		7,491	-	8,429	-
		$ 1,666,187	1	$ 1,312,853	1
Comprehensive income attributable to:					
Owners of the parent		$ 1,882,963	1	$ 1,618,100	1
Non-controlling interest		6,995	-	12,504	-
		$ 1,889,958	1	$ 1,630,604	1
Earnings per share (in dollars)	6(32)				
Basic earnings per share		$ 0.99		$ 0.78	
Diluted earnings per share		$ 0.99		$ 0.78	

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

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
THREE MONTHS ENDED MARCH 31, 2020 AND 2019
(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	Total	Non-controlling interest	Total equity
Three months ended March 31, 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		-	-	-	-	-	1,304,424	-	-	1,304,424	8,429	1,312,853
Net other comprehensive income (loss)		-	-	-	-	-	-	313,676	-	313,676	4,075	317,751
Total comprehensive income		-	-	-	-	-	1,304,424	313,676	-	1,618,100	12,504	1,630,604
Balance at March 31, 2019		$ 16,790,568	$ -	$ 19,454,882	$ 5,274,872	$ 4,124,936	$ 12,620,617	($ 2,283,006)	($ 6,000)	$ 55,976,869	$ 477,730	$ 56,454,599
Three months ended March 31, 2020												
Balance at January 1, 2020		$ 16,790,568	$ 2,000,000	$ 27,456,298	$ 6,021,073	$ 2,602,682	$ 14,022,230	($ 5,414,694)	($ 6,000)	$ 63,472,157	$ 494,938	$ 63,967,095
Total consolidated profit		-	-	-	-	-	1,658,696	-	-	1,658,696	7,491	1,666,187
Net other comprehensive income (loss)		-	-	-	-	-	-	293,355	(69,088)	224,267	(496)	223,771
Total comprehensive income		-	-	-	-	-	1,658,696	293,355	(69,088)	1,882,963	6,995	1,889,958
Balance at March 31, 2020		$ 16,790,568	$ 2,000,000	$ 27,456,298	$ 6,021,073	$ 2,602,682	$ 15,680,926	($ 5,121,339)	($ 75,088)	$ 65,355,120	$ 501,933	$ 65,857,053

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

WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(REVIEWED, NOT AUDITED)

	Notes	Three months ended March 31, 2020	Three months ended March 31, 2019
Cash flows from operating activities			
Income before income tax		$ 2,005,763	$ 1,654,780
Adjustments			
Income and expenses			
Depreciation	6(29)	184,125	178,791
Amortization	6(13)(29)	14,901	4,724
Expected credit impairment loss (gain)		104,517	(26,511)
Interest expense	6(28)	530,234	588,534
Net gain on financial assets or liabilities at fair value through profit or loss	6(27)	(2,795)	(15,631)
Interest income	6(26)	(11,231)	(11,594)
Share of profit of associates and joint ventures accounted for under equity method		(124,762)	(6,443)
Loss on disposal of property, plant and equipment	6(27)	11	1,827
Gain on lease modification	6(27)	(154)	-
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		335,315	(2,230)
Notes receivable		257,169	(388,423)
Accounts receivable		3,765,686	15,158,847
Accounts receivable - related parties, net		(28,094)	(2,714)
Other receivables		(121,865)	(2,580,250)
Other receivables - related parties		(259)	16
Inventories		(13,814,527)	(4,614,358)
Prepayments		(1,448,660)	(128,888)
Other current assets		4,656	33,286
Changes in liabilities relating to operating activities			
Notes payable		48,915	29,546
Accounts payable		7,620,996	855,337
Accounts payable - related parties		69,303	(356)
Other payables		1,790,802	(779,565)
Other current liabilities		(398,518)	65,641
Other non-current liabilities		9,080	(46,620)
Cash inflow generated from operations		790,608	9,967,746
Interest paid		(529,935)	(625,358)
Income tax paid		(580,646)	(62,796)
Interest received		11,352	11,098
Income tax refund		715	2,268
Net cash (used in) provided by operating activities		(307,906)	9,292,958

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WPG HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2020 AND 2019
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(REVIEWED, NOT AUDITED)

	Notes	Three months ended March 31, 2020	Three months ended March 31, 2019
Cash flows from investing activities			
Acquisition of property, plant and equipment and intangible assets	6(33)	($ 5,086,438)	($ 96,035)
Proceeds from disposal of property, plant and equipment and intangible assets		576	236
Increase in guarantee deposits paid		(2,529)	(26,601)
Decrease in guarantee deposits paid		3,443	7,436
Decrease in other financial assets - non-current		571,497	358,348
Decrease (increase) in other non-current assets		64,898	(61,651)
Acquisition of financial assets at fair value through profit or loss - non-current		(8,950)	-
Proceeds from capital reduction of financial assets at fair value through profit or loss		13,333	-
Proceeds from capital reduction of financial assets at fair value through other comprehensive income		7,079	-
Decrease in current financial assets at amortized cost		2,234	5,624
Increase in current financial assets at amortized cost		(113,506)	(3,145)
Net cash (used in) provided by investing activities		(4,548,363)	184,212
Cash flows from financing activities			
Principal repayment of lease liability	6(34)	(111,737)	(109,224)
Increase in short-term borrowings	6(34)	158,836,984	150,043,867
Decrease in short-term borrowings	6(34)	(162,810,536)	(161,215,323)
Increase in long-term borrowings (including current portion of long-term liabilities)	6(34)	14,423,764	17,507,324
Decrease in long-term borrowings (including current portion of long-term liabilities)	6(34)	(2,971,524)	(17,629,367)
Increase in short-term notes and bills payable	6(34)	10,353,011	9,613,812
Decrease in short-term notes and bills payable	6(34)	(9,972,219)	(9,516,008)
Increase in guarantee deposits received		16,063	5,610
Decrease in guarantee deposits received		(15,876)	(4,783)
Net cash provided by (used in) financing activities		7,747,930	(11,304,092)
Effect of exchange rate changes on cash and cash equivalents		343,293	282,968
Net increase (decrease) in cash and cash equivalents		3,234,954	(1,543,954)
Cash and cash equivalents at beginning of period		9,992,582	7,116,888
Cash and cash equivalents at end of period		$ 13,227,536	$ 5,572,934

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

WPG HOLDINGS LIMITED AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
THREE MONTHS ENDED MARCH 31, 2020 AND 2019
(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 March 31, 2020, the Company's authorized capital was $25,000,000 (certain shares can

be issued as preference shares, and $500,000 is reserved for employee stock option certificates, 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 May 12, 2020.

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 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
Amendments to IFRS 9, IAS 39 and IFRS 7, 'Interest rate benchmark reform'	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.

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

None.

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2021
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2022

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, 2019, 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, 2019.

(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, 2019.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership (%) March 31, 2020	December 31, 2019	March 31, 2019	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 11 and 12
WPG Holdings Limited	WPG Electronics Ltd.	〃	100.00	100.00	100.00	Notes 11 and 12
WPG Holdings Limited	WPG International (CI) Limited	Holding company	100.00	100.00	100.00	Notes 11 and 12
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 11 and 12
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	
World Peace Industrial Co., Ltd.	World Peace International (BVI) Ltd.	〃	100.00	100.00	100.00	Notes 11 and 12
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 11 and 12
World Peace Industrial Co., Ltd.	AECO Technology Co., Ltd.	〃	100.00	100.00	100.00	Notes 11 and 12
AECO Technology Co., Ltd.	Teco Enterprise Holding (B.V.I.) Co., Ltd.	Investment company	100.00	100.00	100.00	Notes 11 and 12

Name of investor	Name of subsidiary	Main business activities	Ownership (%) March 31, 2020	December 31, 2019	March 31, 2019	Description
Teco Enterprise Holding (B.V.I.) Co., Ltd.	AECO Electronic Co., Ltd.	Trading of electronic / electrical products	100.00	100.00	100.00	Notes 11 and 12
World Peace International (BVI) Ltd.	Prime Future Technology Limited	Holding company	100.00	100.00	100.00	Notes 11 and 12
Prime Future Technology Limited	World Peace International Pte. Ltd.	〃	100.00	100.00	100.00	Notes 11 and 12
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 11 and 12
World Peace International Pte. Ltd.	WPG Americas Inc.	〃	4.31	4.31	4.31	Note 2
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 11 and 12
World Peace International (South Asia) Pte Ltd.	WPG C&C (Malaysia) Sdn. Bhd	〃	100.00	100.00	100.00	Notes 11 and 12
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 3, 11 and 12
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 11 and 12
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 11 and 12
WPI International (Hong Kong) Limited	WPG C&C Limited	Agent and sales of information products	100.00	100.00	100.00	Notes 11 and 12

Name of investor	Name of subsidiary	Main business activities	Ownership (%) March 31, 2020	December 31, 2019	March 31, 2019	Description
WPI International (Hong Kong) Limited	AIO Components Company Limited	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 11 and 12
Longview Technology Inc.	Longview Technology GC Limited	Holding company	100.00	100.00	100.00	Notes 11 and 12
Longview Technology Inc.	Long-Think International Co., Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 11 and 12
Longview Technology GC Limited	Long-Think International (Hong Kong) Limited	〃	100.00	100.00	100.00	Notes 11 and 12
Long-Think International (Hong Kong) Limited	Long-Think International (Shanghai) Limited	〃	100.00	100.00	100.00	Notes 11 and 12
Silicon Application Corporation	Silicon Application (BVI) Corp.	Holding company	100.00	100.00	100.00	Notes 11 and 12
Silicon Application Corporation	Win-Win Systems Ltd.	〃	100.00	100.00	100.00	Notes 11 and 12
Silicon Application Corporation	SAC Components (South Asia) Pte. Ltd.	Sales of computer software and electronic products	100.00	100.00	100.00	Notes 11 and 12
Silicon Application Corporation	Pernas Electronic Co., Ltd.	Agent and sales of electronic / electrical components	100.00	100.00	100.00	Notes 11 and 12
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 11 and 12
Silicon Application Company Limited	Dstar Electronic Company Limited	〃	100.00	100.00	100.00	Notes 11 and 12
WPG Korea Co., Ltd.	Apache Communication Inc. (B.V.I.)	Investment company	100.00	100.00	100.00	Notes 11 and 12
Apache Communication Inc. (B.V.I.)	Apache Korea Corp.	Sales of electronic / electrical products	100.00	100.00	100.00	Notes 11 and 12
WPG International (CI) Limited	WPG International (Hong Kong) Limited	Holding company	100.00	100.00	100.00	Notes 11 and 12

Name of investor	Name of subsidiary	Main business activities	Ownership (%) March 31, 2020	December 31, 2019	March 31, 2019	Description
WPG International (CI) Limited	WPG Americas Inc.	Agent and sales of electronic / electrical components	95.69	95.69	95.69	Note 2
WPG International (CI) Limited	WPG South Asia Pte. Ltd.	Sales of electronic / electrical products	100.00	100.00	100.00	Notes 11 and 12
WPG International (CI) Limited	WPG Cloud Service Limited	General trading	100.00	100.00	100.00	Notes 11 and 12
WPG International (CI) Limited	WPG Gain Tune Ltd.	Agent for selling electronic / electrical components	100.00	100.00	100.00	Notes 11 and 12
WPG International (Hong Kong) Limited	WPG Electronics (Hong Kong) Limited	〃	100.00	100.00	100.00	Notes 11 and 12
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 11 and 12
WPG South Asia Pte. Ltd.	WPG (Thailand) Co., Ltd.	〃	100.00	100.00	100.00	Notes 5, 11 and 12
WPG South Asia Pte. Ltd.	WPG India Electronics Pvt. Ltd.	〃	99.99	99.99	99.99	Notes 7, 11 and 12
WPG South Asia Pte. Ltd.	WPG Electronics (Philippines) Inc.	〃	100.00	100.00	100.00	Notes 4, 11 and 12
WPG South Asia Pte. Ltd.	WPG SCM Limited	〃	100.00	100.00	100.00	
WPG South Asia Pte. Ltd.	WPG Vietnam Co., Ltd.	〃	100.00	0.00	0.00	Notes 12 and 13
WPG Malaysia Sdn. Bhd	WPG India Electronics Pvt. Ltd.	〃	0.01	0.01	0.01	Notes 7, 11 and 12
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 11 and 12

Name of investor	Name of subsidiary	Main business activities	Ownership (%) March 31, 2020	December 31, 2019	March 31, 2019	Description
Asian Information Technology Inc.	Frontek Technology Corporation	Sales of electronic / electrical products	100.00	100.00	100.00	
Asian Information Technology Inc.	Fame Hall International Co., Ltd.	Investment company	100.00	100.00	100.00	Notes 11 and 12
Frontek Technology Corporation	Frontek International Limited	〃	100.00	100.00	100.00	Notes 11 and 12
Fame Hall International Co., Ltd.	AIT Japan Inc.	Sales of electronic / electrical products	100.00	100.00	100.00	Notes 11 and 12
Frontek International Limited	Gather Technology Incorporation Limited	Sales of electronic / electrical components	100.00	100.00	100.00	Notes 9, 11 and 12
Yosun Industrial Corp.	Sertek Incorporated	〃	100.00	100.00	100.00	
Yosun Industrial Corp.	Suntop Investments Limited	Investment company	100.00	100.00	100.00	
Yosun Industrial Corp.	Richpower Electronic Devices Co., Ltd.	Sales of electronic / electrical components	100.00	100.00	100.00	
Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Co., Limited	Sales of electronic / electrical products	100.00	100.00	100.00	
Richpower Electronic Devices Co., Ltd.	Richpower Electronic Devices Pte., Ltd.	〃	100.00	100.00	100.00	Notes 11 and 12
Sertek Incorporated	Sertek Limited	Sales of electronic / electrical components	100.00	100.00	100.00	Notes 11 and 12
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 11 and 12
Yosun Hong Kong Corp. Ltd.	Giatek Corp. Ltd.	〃	0.00	0.00	0.00	Note 6
Yosun Hong Kong Corp. Ltd.	Yosun South China Corp. Ltd.	〃	100.00	100.00	100.00	Notes 11 and 12
Yosun Hong Kong Corp. Ltd.	Yosun Shanghai Corp. Ltd.	Warehouse business and sales of electronic components	100.00	100.00	100.00	Notes 11 and 12
Yosun Singapore Pte Ltd.	Yosun India Private Ltd.	Sales of electronic / electrical components	0.00	0.00	100.00	Note 11

Name of investor	Name of subsidiary	Main business activities	Ownership (%) March 31, 2020	December 31, 2019	March 31, 2019	Description
Trigold Holdings Limited	Genuine C&C Inc.	Sales of computer and its peripherals	100.00	100.00	100.00	
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	100.00	Notes 11 and 12
Trigold (Hong Kong) Company Limited	WPG C&C Shanghai Co., Ltd.	〃	100.00	100.00	100.00	
Triglod (Hong Kong) Company Limited	Trigolduo (Shanghai) Industrial Development Ltd.	Children's theme park	70.00	70.00	0.00	Notes 8 and 12
Trigolduo (Shanghai) Industrial Development Ltd.	Trigold Tongle (Shanghai) Industrial Development Ltd.	〃	100.00	100.00	0.00	Notes 8 and 12
Genuine C&C, Inc.	Hoban Inc.	An E-commerce company which operates B2C and O2O businesses	100.00	100.00	100.00	Notes 11 and 12
Genuine C&C, Inc.	Genuine C&C Holding Inc. (Seychelles)	Holding company	100.00	100.00	100.00	Note 12
Genuine C&C Holding Inc. (Seychelles)	Genuine Trading (Hong Kong) Company Limited	〃	0.00	0.00	100.00	Notes 10 and 11
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: 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 3: 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 is 100%.

Note 4: 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 is 100%.

Note 5: 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 is 100%.

Note 6: It was liquidated in February 2019.

Note 7: 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 8: 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 9: The subsidiary was renamed in May 2019.

Note 10: It was liquidated in May 2019.

Note 11: The financial statements as of March 31, 2019 were not reviewed by independent accountants since it did not meet the definition of significant subsidiaries.

Note 12: The financial statements as of March 31, 2020 were not reviewed by independent accountants since it did not meet the definition of significant subsidiaries.

Note 13: The subsidiary was established in January 2020.

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

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

D. Significant restrictions: None.

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

As of March 31, 2020, December 31, 2019 and March 31, 2019, the non-controlling interest amounted to $501,933, $494,938 and $477,730, respectively. The information on non-controlling interest and respective subsidiaries is as follows:

Name of subsidiary	Principal place of business	Non-controlling interest					
		March 31, 2020		December 31, 2019		March 31, 2019	
		Amount	Ownership	Amount	Ownership	Amount	Ownership
Trigold Holdings Limited and its subsidiaries (Note)	Taiwan	$ 458,740	39.49%	$ 448,520	39.49%	$ 438,925	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		
	March 31, 2020	December 31, 2019	March 31, 2019
Current assets	$ 6,086,858	$ 6,471,223	$ 5,794,076
Non-current assets	349,546	351,812	274,500
Current liabilities	(5,018,621)	(5,420,391)	(4,786,690)
Non-current liabilities	(253,445)	(260,583)	(171,142)
Total net assets	1,164,338	1,142,061	1,110,744
Less: Non-controlling interest	(3,820)	(7,126)	12
Equity attributable to owners of the parent company	$ 1,160,518	$ 1,134,935	$ 1,110,756

(b) Statements of comprehensive income

	Trigold Holdings Limited and its subsidiaries	
	Three months ended March 31,	
	2020	2019
Revenue	$ 3,513,124	$ 3,088,253
Profit before tax	33,216	36,754
Income tax expense	(8,649)	(15,621)
Profit for the period	24,567	21,133
Other comprehensive (loss) income, net of tax	(3,672)	8,897
Total comprehensive income	$ 20,895	$ 30,030
Total comprehensive loss attributable to non-controlling interest	($ 3,306)	($ 12)
Dividends paid to non-controlling interests	$ -	$ -

(c) Statements of cash flows

	Trigold Holdings Limited and its subsidiaries	
	Three months ended March 31,	
	2020	2019
Net cash provided by (used in) operating activities	$ 1,032,709	($ 1,238,510)
Net cash used in investing activities	(3,982)	(26,096)
Net cash (used in) provided by financing activities	(1,013,031)	993,459
Effect of exchange rates on cash and cash equivalents	(2,241)	11,032
Increase (decrease) in cash and cash equivalents	13,455	(260,115)
Cash and cash equivalents, beginning of period	394,001	911,837
Cash and cash equivalents, end of period	$ 407,456	$ 651,722

(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' remuneration

Employees' compensation and directors' 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 recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax

income of the interim period, and the related information is disclosed accordingly.

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

	March 31, 2020	December 31, 2019	March 31, 2019
Cash on hand and petty cash	$ 4,166	$ 4,444	$ 4,014
Checking accounts deposits	2,212,684	806,634	966,351
Demand deposits	10,368,463	8,745,631	4,229,009
Time deposits	642,223	435,873	373,560
	$ 13,227,536	$ 9,992,582	$ 5,572,934

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	March 31, 2020	December 31, 2019	March 31, 2019
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Listed stocks	$ 22,547	$ 22,547	$ 22,547
Beneficiary certificates	-	300,000	-
Derivatives	6,623	2,513	3,369
	29,170	325,060	25,916
Valuation adjustment	5,603	14,589	3,966
	$ 34,773	$ 339,649	$ 29,882
Financial liabilities mandatorily measured at fair value through profit or loss			
Derivatives	$ 3,313	$ 16,051	$ 4,169

Items	March 31, 2020	December 31, 2019	March 31, 2019
Non-current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Listed stocks	$ 119,257	$ 110,307	$ 116,311
Emerging stocks	49,605	49,605	54,011
Unlisted stocks	1,441,623	1,461,216	1,379,788
	1,610,485	1,621,128	1,550,110
Valuation adjustment	(346,391)	(305,619)	(253,615)
	$ 1,264,094	$ 1,315,509	$ 1,296,495

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

	Three months ended March 31,	
	2020	2019
Financial assets mandatorily measured at fair value through profit or loss		
Equity instruments	($ 49,367)	$ 7,979
Derivatives	52,162	7,652
	$ 2,795	$ 15,631

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

	March 31, 2020		
Derivative instruments	Contract amount (notional principal) (Note)		Contract period
Current items:			
Forward foreign exchange contracts			
- Sell	RMB	35,000	2020.02.10~ 2020.06.15
	EUR	1,000	2020.03.03~2020.06.24
- Sell-SWAP	USD	9,130	2020.03.17~2020.04.09
- Buy	USD	37,604	2019.08.08~2020.05.28
	EUR	1,500	2020.03.17~2020.04.14
Futures	$	1,922	2020.03.26~2020.04.15

Derivative instruments	December 31, 2019 Contract amount (notional principal) (Note)		Contract period
Current items:			
Forward foreign exchange contracts			
- Sell	USD	9,823	2019.09.20~ 2020.04.29
	RMB	30,000	2019.10.29~2020.02.03
	EUR	1,000	2019.10.18~2020.02.26
- Sell-SWAP	USD	19,500	2019.11.22~2020.02.04
- Buy	USD	21,640	2019.08.08~2020.04.15
Futures	$	4,819	2019.12.30~2020.01.15

Derivative instruments	March 31, 2019 Contract amount (notional principal) (Note)		Contract period
Current items:			
Forward foreign exchange contracts			
- Sell	USD	1,000	2018.10.23~2019.04.05
- Sell-SWAP	USD	19,561	2019.02.11~2019.04.22
- Buy	USD	23,090	2018.05.08~2019.09.27
- Buy-SWAP	EUR	1,500	2019.03.27~2019.04.12
	EUR	1,300	2019.03.21~2019.04.12
Futures	$	6,300	2019.03.27~2019.04.17

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 March 31, 2020, December 31, 2019 and March 31, 2019, the balance of margin in the account were $13,082, $12,970 and $12,882, and the amount of excess margin were $2,112, $2,075 and $1,726, 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	March 31, 2020	December 31, 2019	March 31, 2019
Non-current items:			
Equity instruments			
Unlisted stocks	$ 30,956	$ 38,035	$ 38,035
Valuation adjustment	(6,000)	(6,000)	(6,000)
	$ 24,956	$ 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 $24,956, $32,035 and $32,035 as at March 31, 2020, December 31, 2019 and March 31, 2019, respectively.

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 three months ended March 31, 2020 and 2019.

C. As at March 31, 2020, December 31, 2019 and March 31, 2019, 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 $30,956, $38,035 and $38,035, respectively.

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	March 31, 2020	December 31, 2019	March 31, 2019
Current items:			
Time deposits	$ 196,111	$ 84,055	$ 195,996

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

	Three months ended March 31,	
	2020	2019
Interest income	$ 383	$ 74

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

	March 31, 2020	December 31, 2019	March 31, 2019
Notes receivable	$ 1,719,929	$ 1,977,099	$ 3,273,312
Less: Allowance for uncollectible accounts	-	(2)	-
	$ 1,719,929	$ 1,977,097	$ 3,273,312
Accounts receivable	$ 107,829,020	$ 111,578,591	$ 81,300,016
Less: Allowance for uncollectible accounts	(1,043,142)	(922,509)	(1,174,317)
	$ 106,785,878	$ 110,656,082	$ 80,125,699

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

	March 31, 2020		December 31, 2019	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not past due	$100,170,420	$ 1,701,067	$105,293,370	$ 1,954,402
One month	5,314,787	18,862	4,822,076	22,629
Two months	905,463	-	472,117	68
Three months	483,134	-	193,956	-
Four months	294,603	-	68,853	-
Over four months	660,613	-	728,219	-
	$107,829,020	$ 1,719,929	$111,578,591	$ 1,977,099

	March 31, 2019	
	Accounts receivable	Notes receivable
Not past due	$ 75,619,831	$ 3,261,584
One month	3,777,644	11,728
Two months	566,019	-
Three months	251,402	-
Four months	143,629	-
Over four months	941,491	-
	$ 81,300,016	$ 3,273,312

The above ageing analysis was based on past month.

B. As of March 31, 2020, December 31, 2019, March 31, 2019 and January 1, 2019, the Group's receivables (including notes receivable) arising from contracts with customers amounted to $109,548,949, $113,555,690, $84,573,328 and $99,334,976, respectively.

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

D. As at March 31, 2020, December 31, 2019 and March 31, 2019, 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 was

$1,719,929, $1,977,097 and $3,273,312, and accounts receivable was $106,785,878, $110,656,082 and $80,125,699, 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 March 31, 2020, December 31, 2019 and March 31, 2019, outstanding accounts receivable were as follows:

March 31, 2020							
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognized	Facilities (In thousands)		Amount advanced	Interest rate of amount advanced	Pledged assets
Cathay United Bank	$ 898,156	$ 898,156	USD	50,000	$ 898,156	1.80%~2.25%	Note 1
Mega International Commercial Bank	3,347,175	3,347,175	USD	133,000	3,191,778	1.96%~3.07%	Note 2
			$	540,000			
CTBC Bank	3,428,480	3,428,480	USD	43,300	1,625,868	1.31%~3.35%	Note 3
			$	3,902,000			
E. SUN Commercial Bank	2,336,158	2,336,158	USD	173,000	1,314,422	1.60%~2.91%	Note 4
			$	20,000			
Taipei Fubon Commercial Bank	609,603	609,603	USD	23,000	446,148	0.94%~3.12%	Note 5
			$	1,474,300			
Yuanta Commercial Bank	377,789	377,789	USD	39,000	66,408	2.62%~2.64%	Note 6
The Hong Kong and Shanghai Banking Corporation Limited	2,453,085	2,453,085	USD	140,500	1,622,747	2.23%~3.51%	Note 7
Standard Chartered Bank	20,956	20,956	USD	3,250	11,031	2.52%~2.59%	None
Taishin International Bank	3,184,475	3,184,475	$	9,800,000	554,602	1.91%~3.02%	Note 8
Bank SinoPac	366,371	366,371	USD	44,900	-	-	Note 9
Far Eastern International Bank	115,998	115,998	USD	19,000	8,602	2.48%	Note 10
			$	400,000			
Chang Hwa Bank	184,615	184,615	USD	25,600	130,749	2.48%~3.18%	Note 11
DBS Bank	3,575,350	3,575,350	USD	245,000	2,129,941	2.06%~3.41%	Note 12
Taiwan Cooperative Bank	17,874	17,874	USD	3,000	-	-	Note 13

March 31, 2020							
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognized	Facilities (In thousands)		Amount advanced	Interest rate of amount advanced	Pledged assets
Hang Seng Bank	$ 3,254,644	$ 3,254,644	USD	130,000	$ 2,979,116	1.56%~2.67%	None
KGI Bank	384,723	384,723	$	1,350,000	-	-	Note 14
Bank of Taiwan	2,683	2,683	USD	14,000	2,683	2.32%~3.01%	Note 15

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 133,000 thousand and $540,000 that were pledged to others as collateral.

Note 3: The Group has signed commercial papers amounting to USD 29,242 thousand and $390,200 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 44,900 thousand 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 25,600 thousand that were pledged to others as collateral.

Note 12: The Group has signed commercial papers amounting to USD 220,000 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 $810,000 that were pledged to others as collateral.

Note 15: The Group has signed commercial papers amounting to USD 14,000 thousand that were pledged to others as collateral.

December 31, 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	$ 1,060,966	$ 1,060,966	USD	50,000	$ 1,060,966	2.72%~3.45%	Note 1
Mega International Commercial Bank	3,885,859	3,885,859	USD	133,000	3,583,671	2.60%~3.70%	Note 2
			$	540,000			
CTBC Bank	1,944,442	1,944,442	USD	43,300	1,166,525	2.05%~3.49%	Note 3
			$	3,202,000			
E. SUN Commercial Bank	2,943,332	2,943,332	USD	173,000	1,683,767	2.54%~3.39%	Note 4
			$	20,000			
Taipei Fubon Commercial Bank	782,948	782,948	USD	21,000	500,377	1.11%~3.35%	Note 5
			$	1,474,300			
Yuanta Commercial Bank	478,727	478,727	USD	39,000	374	2.95%	Note 6
The Hong Kong and Shanghai Banking Corporation Limited	2,830,538	2,830,538	USD	140,500	1,625,824	2.10%~3.71%	Note 7
Standard Chartered Bank	35,042	35,042	USD	4,520	28,749	2.59%~2.80%	None
Taishin International Bank	3,763,294	3,763,294	$	9,800,000	204,760	3.02%	Note 8
Bank SinoPac	302,078	302,078	USD	44,900	-	-	Note 9
Far Eastern International Bank	100,811	100,811	USD	19,000	15,615	2.92%	Note 10
			$	400,000			
Chang Hwa Bank	264,749	264,749	USD	25,600	205,263	2.57%~3.03%	Note 11
DBS Bank	4,958,326	4,958,326	USD	294,000	2,965,357	2.45%~3.67%	Note 12
Taiwan Cooperative Bank	27,094	27,094	USD	3,000	20,100	2.75%~2.77%	Note 13
Hang Seng Bank	96,565	96,565	USD	130,000	-	-	Note 14
KGI Bank	434,446	434,446	$	1,350,000	-	-	Note 15
Bank of Taiwan	23,408	23,408	USD	14,000	$ 23,408	2.78%~2.86%	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 133,000 thousand and $540,000 that were pledged to others as collateral.

Note 3: The Group has signed commercial papers amounting to USD 29,269 thousand and $320,200 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 36,700 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 44,900 thousand 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 25,600 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 $850,000 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.

March 31, 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	$ 767,477	$ 767,477	USD	50,000	$ 767,477	3.25%~3.45%	Note 1
Mega International Commercial Bank	3,503,270	3,503,270	USD	159,000	2,913,593	3.35%~3.78%	Note 2
			$	540,000			
CTBC Bank	2,489,686	2,489,686	USD	69,800	1,192,004	2.99%~3.49%	Note 3
			$	2,527,000			
E. SUN Commercial Bank	2,674,004	2,674,004	USD	181,000	2,016,891	1.30%~3.72%	Note 4
			$	20,000			
Taipei Fubon Commercial Bank	905,520	905,520	USD	20,000	727,809	3.11%~3.35%	Note 5
			$	1,474,300			
Yuanta Commercial Bank	591,509	591,509	USD	45,000	90,441	3.57%~3.71%	Note 6
The Hong Kong and Shanghai Banking Corporation Limited	2,210,216	2,210,216	USD	84,500	859,167	3.01%~4.46%	Note 7
Standard Chartered Bank	42,008	42,008	USD	4,520	-	-	None
Taishin International Bank	4,090,463	4,090,463	$	9,800,000	1,068,175	3.06%~3.55%	Note 8
Bank SinoPac	852,838	852,838	USD	73,900	599,865	2.70%~3.42%	Note 9

March 31, 2019							
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognized	Facilities (In thousands)		Amount advanced	Interest rate of amount advanced	Pledged assets
Far Eastern International Bank	$ 79,698	$ 79,698	USD $	19,000 400,000	$ 26,070	3.26%~3.59%	Note 10
Chang Hwa Bank	386,434	386,434	USD	32,200	115,420	2.42%~3.46%	Note 11
DBS Bank	4,443,291	4,443,291	USD	237,500	2,721,104	1.97%~3.89%	Note 12
Taiwan Cooperative Bank	-	-	USD	3,000	-	0%~0%	Note 13
Hang Seng Bank	1,261,428	1,261,428	USD	128,000	1,116,638	3.43%~3.52%	Note 14
KGI Bank	525,316	525,316	$	2,150,000	109,757	3.31%~3.51%	Note 15
ANZ Bank	686,828	686,828	USD	49,000	686,828	3.11%~3.14%	None
Bank of Taiwan	62,417	62,417	USD	14,000	62,417	3.22%~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 44,780 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 84,150 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 50,200 thousand that were pledged to others as collateral.

Note 12: The Group has signed commercial papers amounting to USD 217,500 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

	March 31, 2020	December 31, 2019	March 31, 2019
Retention amount of factoring accounts receivable	$ 9,575,882	$ 10,938,791	$ 10,498,747
VAT refund	341,185	251,634	262,132
Others	1,633,652	238,550	351,551
	$ 11,550,719	$ 11,428,975	$ 11,112,430

(8) Inventories

	March 31, 2020		
	Cost	Allowance for valuation	Book value
Inventories	$ 77,063,341	($ 1,366,600)	$ 75,696,741
Inventories in transit	5,839,423	-	5,839,423
	$ 82,902,764	($ 1,366,600)	$ 81,536,164

	December 31, 2019		
	Cost	Allowance for valuation	Book value
Inventories	$ 63,931,568	($ 1,078,439)	$ 62,853,129
Inventories in transit	4,868,508	-	4,868,508
	$ 68,800,076	($ 1,078,439)	$ 67,721,637

	March 31, 2019		
	Cost	Allowance for valuation	Book value
Inventories	$ 66,861,039	($ 979,637)	$ 65,881,402
Inventories in transit	3,505,923	-	3,505,923
	$ 70,366,962	($ 979,637)	$ 69,387,325

The cost of inventories recognized as expense for the period:

	Three months ended March 31,	
	2020	2019
Cost of goods sold	$ 125,487,532	$ 106,751,612
Loss on price decline in inventory	283,811	106,639
Loss on physical inventory	354	107
Cost of goods sold	$ 125,771,697	$ 106,858,358

(9) Investments accounted for under the equity method

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

Investee company	March 31, 2020	December 31, 2019	March 31, 2019
WT Microelectronics Co., Ltd. (WT)	$ 8,138,712	$ -	$ -
ChainPower Technology Corp.	171,016	161,169	175,920
Sunrise Technology Co., Ltd.	57,018	57,680	60,481
Eesource Corp.	68,975	65,785	73,218
Suzhou Xinning Bonded Warehouse Co., Ltd.	74,947	77,270	85,318
Adivic Technology Co., Ltd.	31,286	31,975	31,131
Suzhou Xinning Logistics Co., Ltd.	39,735	40,299	39,259
Gain Tune Logistics (Shanghai) Co., Ltd.	24,317	26,370	31,330
VITEC WPG Limtied	38,778	42,104	45,968
AutoSys Co., Ltd.	70,470	71,090	72,211
Beauteek Global Wellness Corporation Limited	12,352	12,400	13,044
	$ 8,727,606	$ 586,142	$ 627,880

B. The basic information on the associate that is material to the Group is as follows:

Company name	Principal place of business	Shareholding ratio		Nature of relationship	Method of measurement
		March 31, 2020	March 31, 2019		
WT	Taiwan	29.9%	-	Holding at least 20% of the voting rights	Equity method

The summarised financial information of the associate that is material to the Group is as follows:

Balance sheet

	WT
	March 31, 2020
Current assets	$ 104,407,879
Non-current assets	5,040,587
Current liabilities	(84,782,480)
Non-current liabilities	(2,184,979)
Total net assets	$ 22,481,007
Share in associate's net assets	$ 6,721,821
Goodwill (Note)	1,416,891
Carrying amount of the associate	$ 8,138,712

Note: In February 2020, the Group held 29.9% equity interest in WT and has significant influence over it after acquiring 177,110 thousand common stocks at a price of

$45.8 (in dollars) per share. As of March 31, 2020, the identification in relation to the difference between the cost of acquisition and the share of the fair value of the associate's identifiable assets and liabilities acquired has not yet been completed. Therefore, the difference between the cost of acquisition and the net equity of the investee was recognised under goodwill.

For March 31, 2019 and December 31, 2019: None.

Statement of comprehensive income

	WT
	Three months ended March 31, 2020
Revenue	$ 77,475,659
Profit for the period from continuing operations	616,107
Other comprehensive loss, net of tax	(11,718)
Total comprehensive income for the period	$ 604,389
Dividends received from associates	$ -

For the three months ended March 31, 2019: None.

C. 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 March 31, 2020, December 31, 2019 and March 31, 2019, the carrying amount of the Group's individually immaterial associates amounted to $588,894, $586,142 and $627,880, respectively.

	Three months ended March 31,	
	2020	2019
Profit for the year from continuing operations	$ 1,966	$ 6,444
Other comprehensive income - net of tax	787	3,859
Total comprehensive income	$ 2,753	$ 10,303

D. There was no impairment on investments accounted for using equity method for the three months ended March 31, 2020 and 2019.

E. Except for WT which was accounted for based on its finanical statements which were reviewed by independent accountants, the other investments accounted for using the equity method as of March 31, 2020 and 2019 and investment income (loss) for the three months ended March 31, 2020 and 2019 were recognised based on their financial statements which were not reviewed by independent accountants.

(10) Property, plant and equipment

	Land	Buildings and structures	Transportation equipment	Office equipment	Leasehold improvements	Others	Construction in progress and equipment to be tested	Total
At January 1, 2020								
Cost	$ 2,294,712	$2,080,861	$ 12,499	$ 433,590	$ 640,775	$ 443,395	$ 1,410,680	$ 7,316,512
Accumulated depreciation	-	(629,659)	(10,935)	(354,723)	(385,116)	(188,315)	-	(1,568,748)
Accumulated impairment	(1,582)	(10,765)	-	-	-	-	-	(12,347)
	$ 2,293,130	$1,440,437	$ 1,564	$ 78,867	$ 255,659	$ 255,080	$ 1,410,680	$ 5,735,417
Three months ended March 31, 2020								
Opening net book amount	$ 2,293,130	$1,440,437	$ 1,564	$ 78,867	$ 255,659	$ 255,080	$ 1,410,680	$ 5,735,417
Additions	-	575	3,074	3,947	710	7,112	4,942,367	4,957,785
Disposals	-	(581)	-	(6)	-	-	-	(587)
Depreciation charge	-	(12,984)	(356)	(9,851)	(29,197)	(10,358)	-	(62,746)
Effect due to changes in exchange rates	(694)	(9,775)	1	(67)	721	1,392	-	(8,422)
Closing net book amount	$ 2,292,436	$1,417,672	$ 4,283	$ 72,890	$ 227,893	$ 253,226	$ 6,353,047	$10,621,447
At March 31, 2020								
Cost	$ 2,294,018	$2,068,205	$ 15,583	$ 435,359	$ 641,758	$ 451,710	$ 6,353,047	$12,259,680
Accumulated depreciation	-	(639,768)	(11,300)	(362,469)	(413,865)	(198,484)	-	(1,625,886)
Accumulated impairment	(1,582)	(10,765)	-	-	-	-	-	(12,347)
	$ 2,292,436	$1,417,672	$ 4,283	$ 72,890	$ 227,893	$ 253,226	$ 6,353,047	$10,621,447

	Land	Buildings and structures	Transportation equipment	Office equipment	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
Three months ended March 31, 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	-	761	434	5,094	1,754	2,128	84,563	94,734
Disposals	-	(180)	(120)	(458)	(44)	(5)	-	(807)
Depreciation charge	-	(13,203)	(597)	(10,383)	(29,559)	(9,300)	-	(63,042)
Effect due to changes in exchange rates	298	12,448	8	439	2,164	1,081	-	16,438
Closing net book amount	$ 2,295,468	$1,520,636	$ 3,553	$ 95,878	$ 333,268	$ 262,871	$ 1,237,085	$5,748,759
At March 31, 2019								
Cost	$ 2,297,050	$2,132,176	$ 17,229	$ 451,681	$ 639,678	$ 442,573	$ 1,237,085	$7,217,472
Accumulated depreciation	-	(600,775)	(13,676)	(355,803)	(306,410)	(179,702)	-	(1,456,366)
Accumulated impairment	(1,582)	(10,765)	-	-	-	-	-	(12,347)
	$ 2,295,468	$1,520,636	$ 3,553	$ 95,878	$ 333,268	$ 262,871	$ 1,237,085	$5,748,759

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

	Three months ended March 31,	
	2020	2019
Amount capitalized	$ 712	$ 3,073
Range of the interest rates for capitalization	1.07%~1.09%	1.02%~1.03%

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

(11) Leasing arrangements-lessee

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 amounts of right-of-use assets are as follows:

	Buildings and structures	Transportation equipment (Business vehicles)	Office equipment (Photocopiers)	Other equipment	Total
At January 1, 2020					
Cost	$ 1,424,648	$ 88,054	$ 27,594	$ 22,580	$1,562,876
Accumulated depreciation	(384,410)	(29,555)	(8,424)	(11,408)	(433,797)
Accumulated impairment	-	-	-	-	-
	$ 1,040,238	$ 58,499	$ 19,170	$ 11,172	$1,129,079
Three months ended March 31, 2020					
Opening net book amount	$ 1,040,238	$ 58,499	$ 19,170	$ 11,172	$1,129,079
Additions	3,195	2,806	-	44	6,045
Disposals	(869)	(1,001)	-	(124)	(1,994)
Depreciation charge	(101,238)	(9,574)	(2,109)	(2,944)	(115,865)
Effect due to changes in exchange rates	(587)	(67)	54	12	(588)
Closing net book amount	$ 940,739	$ 50,663	$ 17,115	$ 8,160	$1,016,677
At March 31, 2020					
Cost	$ 1,420,806	$ 86,486	$ 27,675	$ 21,818	$1,556,785
Accumulated depreciation	(480,067)	(35,823)	(10,560)	(13,658)	(540,108)
Accumulated impairment	-	-	-	-	-
	$ 940,739	$ 50,663	$ 17,115	$ 8,160	$1,016,677

	Buildings and structures	Transportation equipment (Business vehicles)	Office equipment (Photocopiers)	Other equipment	Total
At January 1, 2019					
Cost	$ -	$ -	$ -	$ -	$ -
Accumulated depreciation	-	-	-	-	-
Accumulated impairment	-	-	-	-	-
	$ -	$ -	$ -	$ -	$ -
Three months ended March 31, 2019					
Opening net book amount	$ -	$ -	$ -	$ -	$ -
Modified retrospective adjustments under IFRS 16	1,322,633	65,891	26,570	20,708	1,435,802
Additions	8,419	-	-	103	8,522
Depreciation charge	(98,601)	(6,604)	(2,093)	(2,642)	(109,940)
Effect due to changes in exchange rates	(5,651)	102	33	37	(5,479)
Closing net book amount	$ 1,226,800	$ 59,389	$ 24,510	$ 18,206	$1,328,905
At March 31, 2019					
Cost	$ 1,325,036	$ 65,992	$ 26,603	$ 20,848	$1,438,479
Accumulated depreciation	(98,236)	(6,603)	(2,093)	(2,642)	(109,574)
Accumulated impairment	-	-	-	-	-
	$ 1,226,800	$ 59,389	$ 24,510	$ 18,206	$1,328,905

C. For the three months ended March 31, 2020 and 2019, the additions to right-of-use assets were $6,045 and $8,522, respectively.

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

	Three months ended March 31,	
	2020	2019
Items affecting profit or loss		
Interest expense on lease liabilities	$ 9,995	$ 7,423
Expense on short-term lease contracts	8,507	8,104
Expense on leases of low-value assets	408	413

E. For the three months ended March 31, 2020 and 2019, the Group's total cash outflow for leases were $130,647 and $125,164, respectively.

(12) Investment property

	Land	Buildings and structures	Total
At January 1, 2020			
Cost	$ 338,690	$ 929,231	$ 1,267,921
Accumulated depreciation	-	(207,806)	(207,806)
	$ 338,690	$ 721,425	$ 1,060,115
Three months ended March 31, 2020			
Opening net book amount	$ 338,690	$ 721,425	$ 1,060,115
Depreciation charge	-	(5,514)	(5,514)
Effect due to changes in exchange rates	-	(7,524)	(7,524)
Closing net book amount	$ 338,690	$ 708,387	$ 1,047,077
At March 31, 2020			
Cost	$ 338,690	$ 919,789	$ 1,258,479
Accumulated depreciation	-	(211,402)	(211,402)
	$ 338,690	$ 708,387	$ 1,047,077

	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
Three months ended March 31, 2019			
Opening net book amount	$ 338,690	$ 768,556	$ 1,107,246
Additions	-	126	126
Depreciation charge	-	(5,809)	(5,809)
Effect due to changes in exchange rates	-	17,747	17,747
Closing net book amount	$ 338,690	$ 780,620	$ 1,119,310
At March 31, 2019			
Cost	$ 338,690	$ 981,167	$ 1,319,857
Accumulated depreciation	-	(200,547)	(200,547)
	$ 338,690	$ 780,620	$ 1,119,310

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

	Three months ended March 31,	
	2020	2019
Rental revenue from investment property	$ 8,895	$ 16,298

	Three months ended March 31,	
	2020	2019
Direct operating expenses arising from the investment property that generated rental income during the period	$ 3,881	$ 4,880
Direct operating expenses arising from the investment property that did not generate rental income during the period	$ 1,633	$ 928

B. The fair value of the investment property held by the Group as of March 31, 2020, December 31, 2019 and March 31, 2019 was $1,872,207, $1,532,640 and $1,974,702, respectively. The fair value as of March 31, 2020, December 31, 2019 and March 31, 2019 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 categorized within Level 3 in the fair value hierarchy. Valuations were made using the income approach with key assumptions as follows:

	March 31, 2020	December 31, 2019	March 31, 2019
Discount rate	2.35%~2.75%	2.35%~2.75%	2.35%~2.75%
Growth rate	0%~1%	0%~1%	0%~1%
Gross margin	1.2%~3.2%	1.2%~3.2%	1.2%~3.2%

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, 2020					
Cost	$ 287,532	$ 250,053	$ 5,658,880	$ 64,820	$6,261,285
Accumulated amortization and impairment	(287,532)	(217,795)	(122,345)	(64,762)	(692,434)
	$ -	$ 32,258	$ 5,536,535	$ 58	$5,568,851
Three months ended March 31, 2020					
Opening net book amount	$ -	$ 32,258	$ 5,536,535	$ 58	$5,568,851
Additions - acquired separately	-	128,180	-	-	128,180
Amortization charge	-	(14,901)	-	-	(14,901)
Effect due to changes in exchange rates	-	(164)	1,632	1	1,469
Closing net book amount	$ -	$ 145,373	$ 5,538,167	$ 59	$5,683,599
At March 31, 2020					
Cost	$ 289,766	$ 377,355	$ 5,661,513	$ 65,313	$6,393,947
Accumulated amortization and impairment	(289,766)	(231,982)	(123,346)	(65,254)	(710,348)
	$ -	$ 145,373	$ 5,538,167	$ 59	$5,683,599

	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
Three months ended March 31, 2019					
Opening net book amount	$ -	$ 26,443	$ 5,541,432	$ 59	$5,567,934
Additions - acquired separately	-	1,175	-	-	1,175
Disposals	-	(1,256)	-	-	(1,256)
Amortization charge	-	(4,724)	-	-	(4,724)
Effect due to changes in exchange rates	-	305	699	1	1,005
Closing net book amount	$ -	$ 21,943	$ 5,542,131	$ 60	$5,564,134
At March 31, 2019					
Cost	$ 295,191	$ 233,413	$ 5,667,905	$ 66,510	$6,263,019
Accumulated amortization and impairment	(295,191)	(211,470)	(125,774)	(66,450)	(698,885)
	$ -	$ 21,943	$ 5,542,131	$ 60	$5,564,134

The details of amortization charge are as follows:

	Three months ended March 31,	
	2020	2019
Selling and marketing expenses	$ 913	$ 1,153
General and administrative expenses	13,988	3,571
	$ 14,901	$ 4,724

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

	March 31, 2020	December 31, 2019	March 31, 2019
Yosun subgroup	$ 3,646,134	$ 3,644,792	$ 3,649,393
World Peace subgroup	1,647,750	1,647,459	1,648,455
Others	244,283	244,284	244,283
	$ 5,538,167	$ 5,536,535	$ 5,542,131

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 March 31, 2020, December 31, 2019 and March 31, 2019, the key valuations used for pre-tax discount rate were $5.73%~6.44%, 6.06%~7.13% and 6.40%, respectively.

C. There is no impairment loss on intangible assets.

(14) Prepayments for investments

	March 31, 2020	December 31, 2019	March 31, 2019
Prepayments for investments (Note)	$ -	$ 8,142,688	$ -

Note: On November 12, 2019, the Board of Directors of the Group resolved to publicly acquire the common stocks of WT Microelectronics Co., Ltd. (WT). The public acquisition period was terminated on January 30, 2020, and the Group acquired 177,110,000 shares at a price of NT$45.8 (in dollars) per share for a total consideration of $8,111,638. The shareholding ratio of WT held by the Group constituted 29.9% of its total issued common stocks after the public acquisition. On February 6, 2020, the shares were settled, and the transaction was reclassified to 'investments accounted for using the equity method'.

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

	March 31, 2020	December 31, 2019	March 31, 2019
Overdue receivables	$ 944,891	$ 1,026,348	$ 988,137
Less: Allowance for doubtful accounts	(938,969)	(946,395)	(911,678)
	$ 5,922	$ 79,953	$ 76,459

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

	2020	2019
	Individual provision	Individual provision
At January 1	$ 946,395	$ 927,792
Reversal of provision for impairment	(14,374)	(6,097)
Write-off of bad debts	-	(17,858)
Transferred from accounts receivable	371	-
Effect due to changes in exchange rates	6,577	7,841
At March 31	$ 938,969	$ 911,678

(16) Short-term borrowings

Type of borrowings	March 31, 2020	December 31, 2019	March 31, 2019
Loans for overseas purchases	$ 44,244,869	$ 20,737,137	$ 10,638,965
Short-term loans	20,673,193	48,154,477	35,406,170
	$ 64,918,062	$ 68,891,614	$ 46,045,135
Annual interest rates	0.95%~4.59%	0.96%~9.75%	0.94%~9.30%

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

(17) Short-term notes and bills payable

	March 31, 2020	December 31, 2019	March 31, 2019
Commercial papers payable	$ 5,940,000	$ 5,560,000	$ 5,060,000
Less: Unamortized discount	(3,784)	(4,576)	(5,169)
	$ 5,936,216	$ 5,555,424	$ 5,054,831
Annual interest rates	0.5%~1.16%	0.50%~1.16%	0.49%~1.17%

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

(18) Long-term borrowings

Type of borrowings	Borrowing period / repayment term	March 31, 2020	December 31, 2019	March 31, 2019
Secured bank borrowings (Note 1~Note 3)	2012.01.02~ 2027.01.02	$ 4,927,173	$ 16,341	$ 419,248
Unsecured bank borrowings (Note 4~Note 8 and Note 10~Note 13)	2016.10.03~ 2023.03.10	12,076,000	5,542,428	6,046,555
Commercial paper payable (Note 9)	2018.11.09~ 2021.11.09	7,300,000	7,300,000	7,300,000
		24,303,173	12,858,769	13,765,803
Less: Discount on long-term borrowings		(17,560)	(25,396)	(30,883)
Less: Current portion of long-term borrowings (shown as 'other current liabilities')		(7,684,062)	(5,502,585)	(390,860)
		$ 16,601,551	$ 7,330,788	$ 13,344,060
Interest rate range		1.15%~3.54%	0.68%~3.16%	1.25%~3.80%

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: (a) The Company had entered into a long-term agreement for twenty years with a financial institution. The pledged assets are the Nangang new buildings with a

grace period of three years. The principal should be repaid in equal monthly installments starting from April 2023.

(b) The interest rate is the index interest rate plus 0.34% from the borrowing day to March 31, 2022, plus 0.45% from March 31, 2022.

Note 3: 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 $70,352 and $63,864, 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 4: (a) The Company had entered into a long-term agreement for three years with a financial institution. The borrowing is payable in full at maturity in March 2023.

(b) The fixed interest rate is 1.43% from the borrowing day to March 10, 2022, and subsequently, the interest rate shall be the index interest rate plus 0.68% every three months from March 10, 2022.

Note 5: Asian Information Technology Inc., the Company's subsidiary, 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 6: Frontek Technology Corporation, an indirect subsidiary, entered into a one-year borrowing contract with Yuanta Commercial Bank in March 2020 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 7: Silicon Application Corporation had entered into a syndicated borrowing agreement with Bank of Taiwan and other financial institutions on May 16, 2017. The terms and conditions of the contract were as follows:

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

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

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

(d) Loan covenant: During the contract term, Silicon Application Corporation is

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

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

Note 8: World Peace Industrial Co., Ltd. (WPI), the Company's subsidiary, 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 days 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 (net assets less intangible assets) should not be less than $10,000,000.

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

Note 9: World Peace Industrial Co., Ltd. (WPI), the Company's subsidiary, had entered into a financing agreement with E. SUN Commercial Bank, Mizuho Corporate Bank and Cathay United Bank on October 16, 2018. 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, 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 assets less 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. Rescind 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.

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

Note 10: World Peace Industrial Co., Ltd. (WPI), the Company's subsidiary, had entered into a long-term loan agreement with The Bank of Tokyo-Mitsubishi UFJ on September 23, 2016. The terms and conditions of the contract were as follows:

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

(b) Facility and drawdown: The facility must be less than $700,000. This pertains to a revolving loan facility of WPI, 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 - 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 200%, time interest earned ratio should not be less than 2.5, net value (net assets less intangible assets) should not be less than $10,000,000 and the ratio of liability divided by earnings before interest, taxes, depreciation and amortization (EBITDA) should not be higher than 10. If the covenants are not met, right to drawdown is immediately terminated, and the lead bank can decide to take the following actions:

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 11: 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 12: 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.

Note 13: On July 10, 2019, WPG Korea Co., Ltd. entered into a long-term loan agreement with Kookmin Bank for a loan of KRW 3 billion until June 15, 2022. The principal is payable in 10 quarterly installments of KRW 300 million each starting from March 15, 2020. The interest is payable quarterly.

(19) Other current liabilities

	March 31, 2020	December 31, 2019	March 31, 2019
Long-term borrowings-current portion	$ 7,684,062	$ 5,502,585	$ 390,860
Refund liabilities	4,472,589	4,463,062	4,085,785
Contract liabilities	603,432	1,027,069	-
Others	470,487	454,895	433,754
	$ 13,230,570	$ 11,447,611	$ 4,910,399

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’.

(20) Pensions

A. Defined benefit plans

(a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contribute monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is not enough to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic subsidiaries will make contribution for the deficit by next March.

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

(b) For the aforementioned pension plan, the Group recognised pension costs of $3,834 and $5,080 for the three months ended March 31, 2020 and 2019, respectively.

(c) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2021 are $17,264.

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 a 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 March 31, 2020 and 2019 were $72,679 and $92,054, respectively.

(21) 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 certificates, restricted stocks to employees, convertible preferred stock and convertible bonds. As of March 31, 2020, 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. Movements in the number of the Company's ordinary shares outstanding (in thousands of shares) for the three months ended March 31, 2020 and 2019 are as follows:

	2020	2019
At January and March 31	1,679,057	1,679,057

C. 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 capitalized 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.

(22) Capital surplus

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

Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

B. Details of capital surplus - stock options are as follows:

	2020					
	Common stock share premium	Preferred stock share premium	Treasury share transaction	Recognized changes in subsidiaries' equity	Changes in associates' net equity	Total
January 1 and March 31	$19,387,285	$ 7,994,638	$ 45,177	$ 431	$ 28,767	$ 27,456,298

	2019				
	Share premium	Treasury share transaction	Recognized changes in subsidiaries' equity	Changes in associates' net equity	Total
January 1 and March 31	$ 19,387,285	$ 45,177	$ 431	$ 21,989	$ 19,454,882

(23) Retained earnings

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

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

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

C. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

D. On April 28, 2020, the Board of Directors proposed the distribution of 2019 retained earnings and on June 28, 2019, the shareholders during their meeting resolved the distribution of 2018 retained earnings as follows:

	Year ended December 31			
	2019		2018	
	Amount	Dividend per share (in dollars)	Amount	Dividend per share (in dollars)
Legal reserve	$ 646,344	$ -	$ 746,201	$ -
Provision for (reversal of) special reverse	2,818,012	-	(1,522,254)	-
Cash dividends	4,029,736	2.40	4,533,453	2.70
Cash dividends of preference shares	115,068	0.58	-	-
	$ 7,609,160	$ 2.98	$ 3,757,400	$ 2.70

The above appropriations of earnings for 2018 as resolved by the shareholders are the same with the amounts resolved by the Board of Directors.

E. As of May 12, 2020, the appropriation of earnings for the year ended December 31, 2019 has not yet been approved by the shareholders.

(24) Other equity items

	2020		
	Investments at fair value through other comprehensive income	Currency translation	Total
At January 1	($ 6,000)	($ 5,414,694)	($ 5,420,694)
Cumulative translation differences:			
- Group	-	319,775	319,775
- Tax on Group	-	(572)	(572)
- Associates	(69,088)	(25,848)	(94,936)
At March 31	($ 75,088)	($ 5,121,339)	($ 5,196,427)

	2019		
	Investments at fair value through other comprehensive income	Currency translation	Total
At January 1	($ 6,000)	($ 2,596,682)	($ 2,602,682)
Cumulative translation differences:			
- Group	-	312,042	312,042
- Tax on Group	-	(2,225)	(2,225)
- Associates	-	3,859	3,859
At March 31	($ 6,000)	($ 2,283,006)	($ 2,289,006)

(25) Operating revenue

	Three months ended March 31,	
	2020	2019
Revenue from contracts with customers	$ 131,044,575	$ 111,831,933

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 March 31,	
	2020	2019
Core components	$ 40,808,003	$ 31,619,797
Analog IC and mixed signal components	24,729,058	23,648,067
Discrete IC, logic IC	17,240,294	16,413,023
Memory	29,339,294	22,931,159
Optical components	9,873,074	7,204,413
Passive connector and magnetic components	5,776,873	6,429,904
Others	3,277,979	3,585,570
	$ 131,044,575	$ 111,831,933

(26) Other income

	Three months ended March 31,	
	2020	2019
Interest income:		
Interest income from bank deposits	$ 10,848	$ 11,520
Interest income from financial assets measured at amortized cost	383	74
Total interest income	11,231	11,594
Rental revenue	10,351	17,515
Other income	29,561	36,118
	$ 51,143	$ 65,227

(27) Other gains and losses

	Three months ended March 31,	
	2020	2019
Loss on disposal of property, plant and equipment	($ 11)	($ 1,827)
Currency exchange gain	244,702	144,618
Gain on financial assets and liabilities at fair value through profit or loss	2,795	15,631
Gains arising from lease modifications	154	-
Other losses	(23,225)	(8,720)
	$ 224,415	$ 149,702

(28) Finance costs

	Three months ended March 31,	
	2020	2019
Interest expense:		
Bank borrowings	$ 530,946	$ 584,184
Less: Capitalization of qualifying assets	(712)	(3,073)
Others	55,677	49,708
	$ 585,911	$ 630,819

(29) Additional information of expenses by nature

	Three months ended March 31,	
	2020	2019
Employee benefit expense	$ 1,911,151	$ 1,855,405
Depreciation charges on property and equipment (including investment property and right-of-use assets)	$ 184,125	$ 178,791
Amortization charges on intangible assets	$ 14,901	$ 4,724

(30) Employee benefit expense

	Three months ended March 31,	
	2020	2019
Wages and salaries	$ 1,665,833	$ 1,580,613
Directors' remuneration	9,531	11,081
Labor and health insurance fees	84,546	88,594
Pension costs	76,513	97,134
Other personnel expenses	74,728	77,983
	$ 1,911,151	$ 1,855,405

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 March 31, 2020 and 2019, employees' compensation was accrued at $7,463 and $8,712, respectively; while directors' remuneration was accrued at $8,750 and $10,500, 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 year ended December 31, 2019, and the percentage as prescribed by the Company's Articles of Incorporation.

For 2019, the employees' compensation and directors' and supervisors' remuneration resolved by the Board of Directors during its meeting on April 28, 2020 amounted to $29,300 and $35,000, respectively, and the employees' compensation and directors' and

supervisors' remuneration recognised in the 2019 financial statements amounted to $29,850 and $35,000, respectively. The difference of $550 between the amounts resolved by the Board of Directors and the amounts recognised in the 2019 financial statements, mainly resulting from the decrease in employees' compensation, had been adjusted in profit or loss in the second quarter of 2020.

C. Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors and shareholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(31) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Three months ended March 31,	
	2020	2019
Current tax		
Current tax on profits for the period	$ 370,105	$ 312,495
Prior year income tax (over) underestimation	(43,580)	11,500
Total current tax	326,525	323,995
Deferred tax		
Origination of temporary differences	13,051	17,932
Total deferred tax	13,051	17,932
Income tax expense	$ 339,576	$ 341,927

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

	Three months ended March 31,	
	2020	2019
Currency translation differences	$ 572	$ 2,225

B. As of May 12, 2020, the Company's income tax returns through 2016 have been assessed and approved by the Tax Authority.

(32) Earnings per share

	Three months ended March 31, 2020		
	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	$ 1,658,696	1,679,057	$ 0.99
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,658,696	1,679,057	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	1,051	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 1,658,696	1,680,108	$ 0.99

	Three months ended March 31, 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	$ 1,304,424	1,679,057	$ 0.78
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,304,424	1,679,057	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	667	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 1,304,424	1,679,724	$ 0.78

(33) Supplemental cash flow information

Partial payment of cash from investing activities

	Three months ended March 31,	
	2020	2019
Acquisition of property, plant and equipment, investment property and intangible assets	$ 5,085,965	$ 96,035
Add: Accounts payable at the beginning of the period	1,031	-
Ending balance of prepayments for business facilities	1,129	-
Less: Prepayments for business facilities at the beginning of the period	(1,687)	-
Cash paid during the period	$ 5,086,438	$ 96,035

(34) Changes in liabilities from financing activities

	Short-term borrowings	Short-term notes and bills payable	Long-term borrowings (Note)	Lease liabilities	Liabilities from financing activities-gross
At January 1, 2020	$68,891,614	$5,555,424	$12,833,373	$1,157,543	$ 88,437,954
Changes in cash flow from financing activities	(3,973,552)	380,792	11,452,240	(111,737)	7,747,743
Others	-	-	-	7,270	7,270
At March 31, 2020	$64,918,062	$5,936,216	$24,285,613	$1,053,076	$ 96,192,967

	Short-term borrowings	Short-term notes and bills payable	Long-term borrowings (Note)	Lease liabilities	Liabilities from financing activities-gross
At January 1, 2019	$57,221,436	$4,957,027	$13,857,415	$ -	$ 76,035,878
Modified retrospective adjustments under IFRS 16	-	-	-	1,435,802	1,435,802
Changes in cash flow from financing activities	(11,171,456)	97,804	(122,043)	(109,224)	(11,304,919)
Impact of changes in foreign exchange rate	(4,845)	-	(452)	13,097	7,800
At March 31, 2019	$46,045,135	$5,054,831	$13,734,920	$1,339,675	$ 66,174,561

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 the equity method
Adivic Techology Co., Ltd.	〃
VITEC WPG Limited	〃
Gain Tune Logistics (Shanghai) Co., Ltd.	〃
Suzhou Xinning Logistics Co., Ltd.	〃
Suzhou Xinning Bonded Warehouse Co., Ltd.	〃
Eesource Corp.	〃
WT Microelectronics Co., Ltd.	〃
Haomao (Shanghai) Enterprise Development Co., Ltd.	Other related party
Autosys Co., Ltd.	Subsidiary of investee accounted for using the equity method
HongTech Electronics Co., Ltd.	〃
Maxtek Technology Co., Ltd.	〃
Morrihan International Corp.	〃
WT Microelectronics (Hong Kong) Limited	〃
WPG P.T. Electrindo Jaya	Stockholder of a Group's subsidiary accounted for using the equity method
WPG Holdings Education Foundation	One third of paid-in-capital was granted by the Group

(3) Significant transactions and balances with related parties

A. Operating revenues

	Three months ended March 31,	
	2020	2019
Sales of goods		
Others	$ 121,682	$ 126,667
Associates	66,517	40,648
	$ 188,199	$ 167,315

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 March 31,	
	2020	2019
Purchases of goods		
Associates	$ 66,862	$ 388

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

	March 31, 2020	December 31, 2019	March 31, 2019
Accounts receivable			
Others	$ 72,022	$ 81,751	$ 69,741
Associates	54,364	16,541	15,563
	$ 126,386	$ 98,292	$ 85,304

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

	March 31, 2020	December 31, 2019	March 31, 2019
Other receivables			
Associates	$ 1,467	$ 1,208	$ 1,594

The above represents receivables from payments on behalf of others.

E. Payables to related parties

	March 31, 2020	December 31, 2019	March 31, 2019
Accounts payable			
Associates	$ 69,956	$ 653	$ 45

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

	March 31, 2020	December 31, 2019	March 31, 2019
Associates			
VITEC WPG Limited	$ 68,006	$ 67,455	$ 69,345

G. Others

The Group's donations to WPG Holding Education Foundation were $2,000 and $2,400 for the three months ended March 31, 2020 and 2019, respectively.

(4) Key management compensation

	Three months ended March 31,	
	2020	2019
Salaries and other short-term employee benefits	$ 88,923	$ 84,288
Post-employment benefits	762	791
	$ 89,685	$ 85,079

8. PLEDGED ASSETS

Pledged assets (Note 1)	March 31, 2020	December 31, 2019	March 31, 2019	Purpose of Collateral
Other current assets (Note 3)				
-Time deposits	$ 41,651	$ 41,773	$ 42,325	Security for purchases and deposits for litigation
Financial assets at fair value though profit or loss - non-current (Note 2)	7,503	7,503	7,054	Security for purchases
Property, plant and equipment (including investment property)				
-Land	1,110,250	1,109,543	1,110,124	Long-term and short-term borrowings guarantee and security for purchases
-Buildings and structures	554,058	558,234	572,660	〃
	$ 1,713,462	$ 1,717,053	$ 1,732,163	

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 March 31, 2020, December 31, 2019 and March 31, 2019.

Note 2: As of March 31, 2020, December 31, 2019 and March 31, 2019, 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”.

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:

	March 31, 2020	December 31, 2019	March 31, 2019
Property, plant and equipment and intangible assets	$ 420,036	$ 5,081,991	$ 5,232,148

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

March 31, 2020		December 31, 2019		March 31, 2019	
$	796,213	$	767,624	$	944,933
USD	106,262,000	USD	106,583,000	USD	79,260,000

C. As of March 31, 2020, 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

None.

12. OTHERS

(1) Capital risk management

There was no significant change in the reporting period. Please refer to Note 12 in the consolidated financial statements for the year ended December 31, 2019.

(2) Financial instruments

A. Financial instruments by category

	March 31, 2020	December 31, 2019	March 31, 2019
Financial assets			
Financial assets measured at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	$ 1,298,867	$ 1,655,158	$ 1,326,377
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	$ 24,956	$ 32,035	$ 32,035
Financial assets at amortized cost			
Cash and cash equivalents	$ 13,227,536	$ 9,992,582	$ 5,572,934
Financial assets at amortized cost	196,111	84,055	195,996
Notes receivable	1,719,929	1,977,097	3,273,312
Accounts receivable (including related parties)	106,912,264	110,754,374	80,211,003
Other receivables (including related parties)	11,552,186	12,168,174	11,114,024
Guarantee deposits paid	178,822	180,123	206,320
Other financial assets	828,091	1,399,588	145,263
	$ 134,614,939	$ 136,555,993	$ 100,718,852
Financial liabilities			
Financial liabilities measured at fair value through profit or loss			
Financial liabilities held for trading	$ 3,313	$ 16,051	$ 4,169
Financial liabilities at amortized cost			
Short-term borrowings	$ 64,918,062	$ 68,891,614	$ 46,045,135
Short-term notes and bills payable	5,936,216	5,555,424	5,054,831
Notes payable	83,557	34,642	65,043
Accounts payable (including related parties)	71,279,122	63,588,823	54,017,286
Other payables	7,488,930	5,697,289	4,517,585
Long-term borrowings (including current portion)	24,285,613	12,833,373	13,734,920
Guarantee deposits received	86,407	88,946	92,333
	$ 174,077,907	$ 156,690,111	$ 123,527,133
Lease liabilities	$ 1,053,076	$ 1,157,543	$ 1,339,675

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:

	March 31, 2020		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD：TWD	$ 604,625	30.23	$ 18,274,802
USD：RMB	14,008	7.10	423,397
USD：KRW	17,977	1,209.00	543,357
HKD：USD	68,738	0.13	267,942
SGD：USD	5,977	0.70	126,901
Non-monetary items			
RMB：USD	30,072	0.14	127,955
Financial liabilities			
Monetary items			
USD：TWD	551,643	30.23	16,673,409
USD：RMB	59,816	7.10	1,807,937
USD：KRW	31,557	1,209.00	953,797
HKD：USD	28,297	0.13	110,301
EUR：USD	3,189	1.10	105,547

	December 31, 2019		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD：TWD	$ 502,074	29.98	$ 15,052,173
USD：RMB	18,601	6.96	557,652
USD：KRW	31,137	1,145.59	933,487
HKD：USD	62,326	0.13	239,894
Non-monetary items			
RMB：USD	33,435	0.14	143,939
Financial liabilities			
Monetary items			
USD：TWD	479,534	29.98	14,376,435
USD：RMB	73,672	6.96	2,208,672
USD：KRW	24,789	1,145.59	743,176
HKD：USD	39,948	0.13	153,761

	March 31, 2019		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD：TWD	$ 537,093	30.820	$ 16,553,204
USD：RMB	11,051	6.73	340,582
USD：KRW	17,977	1,126.87	554,053
USD：JPY	4,876	110.74	150,274
HKD：USD	68,282	0.13	268,075
Non-monetary items			
RMB：USD	31,746	0.15	145,395
Financial liabilities			
Monetary items			
USD：TWD	461,628	30.820	14,227,388
USD：RMB	81,673	6.73	2,517,159
USD：KRW	31,557	1,126.87	972,573
USD：JPY	3,903	110.74	120,295
USD：INR	4,452	67.83	137,197
HKD：USD	33,395	0.13	131,108

v. The total exchange gain, including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Group for the three months ended March 31, 2020 and 2019, amounted to $244,702 and $144,618, respectively.

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

	Three months ended March 31, 2020		
	Sensitivity Analysis		
	Degree of Variation	Effect on Profit or Loss	Effect on Other Comprehensive Income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD：TWD	1%	$ 182,748	$ -
USD：RMB	1%	4,234	-
USD：KRW	1%	5,434	-
HKD：USD	1%	2,679	-
SGD：USD	1%	1,269	-
Financial liabilities			
Monetary items			
USD：TWD	1%	166,734	-
USD：RMB	1%	18,079	-
USD：KRW	1%	9,538	-
HKD：USD	1%	1,103	-
EUR：USD	1%	1,055	-

	Three months ended March 31, 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%	$ 165,532	$ -
USD：RMB	1%	3,406	-
USD：KRW	1%	5,541	-
USD：JPY	1%	1,503	-
HKD：USD	1%	2,681	-
Financial liabilities			
Monetary items			
USD：TWD	1%	142,274	-
USD：RMB	1%	25,172	-
USD：KRW	1%	9,726	-
USD：JPY	1%	1,203	-
USD：INR	1%	1,372	-
HKD：USD	1%	1,311	-

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 three months ended March 31, 2020 and 2019 would have increased/decreased by $12,922 and $13,230, 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 $250 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 three months ended March 31, 2020 and 2019, 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 three months ended March 31, 2020 and 2019 would have decreased by $70,974 and $49,653, 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 March 31, 2020, December 31, 2019 and March 31, 2019, the provision matrix and loss rate methodology are as follows:

(i) Accounts receivable from general customers:

	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
March 31, 2020							
Expected loss rate	0.01%~ 18.722%	0.12%~ 71.278%	1.41%~ 91.667%	6.46%~ 100%	19.68%~ 100%	100%	
Total book value	$ 51,354,892	$ 3,627,739	$ 735,622	$ 444,683	$ 291,413	$454,105	$ 56,908,454
Loss allowance	$ 73,722	$ 67,199	$ 83,971	$ 123,343	$ 126,254	$454,105	$ 928,594

	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, 2019							
Expected loss rate	0%~ 14.847%	0.12%~ 85.804%	1.363%~ 100%	6.516%~ 100%	30.147%~ 100%	100%	
Total book value	$ 49,651,277	$ 3,458,793	$ 338,028	$ 89,300	$ 61,643	$470,899	$ 54,069,940
Loss allowance	$ 89,954	$ 60,060	$ 47,054	$ 53,877	$ 26,675	$470,899	$ 748,519

	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
March 31, 2019							
Expected loss rate	0%~ 11.49%	0.001%~ 50%	5.4%~ 83.33%	13.66%~ 99.97%	40.90%~ 99.97%	100%	
Total book value	$ 37,444,544	$ 2,284,019	$ 459,252	$ 193,591	$ 98,926	$347,298	$ 40,827,630
Loss allowance	$ 108,703	$ 49,741	$ 67,293	$ 65,186	$ 79,336	$347,298	$ 717,557

(ii) Individually impaired and provisioned allowance for loss

	Individual		
	March 31, 2020	December 31, 2019	March 31, 2019
Total book value	$ 114,548	$ 179,647	$ 456,760
Loss allowance	$ 114,548	$ 173,990	$ 456,760

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

	March 31, 2020	December 31, 2019	March 31, 2019
Expected loss rate	0%	0%	0%
Total book value	$ 50,806,018	$ 57,329,004	$ 40,015,626
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:

	2020				
	Notes receivable	Accounts receivable			
	Individual provision	Individual provision	Group provision	Subtotal	Total
At January 1	$ 2	$ 173,990	$ 748,519	$ 922,509	$ 922,511
(Reversal of) provision for impairment	(2)	(60,939)	179,832	118,893	118,891
Write-offs during the period	-	(14)	(10)	(24)	(24)
Effect of foreign exchange	-	1,511	624	2,135	2,135
Transfers into overdue receivables	-	-	(371)	(371)	(371)
At March 31	$ -	$ 114,548	$ 928,594	$1,043,142	$1,043,142

	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	(2,346)	(6,299)	(11,769)	(18,068)	(20,414)
Write-offs during the period	-	(3,092)	(10,451)	(13,543)	(13,543)
Effect of foreign exchange	-	1,652	14,570	16,222	16,222
At March 31	$ -	$ 456,760	$ 717,557	$1,174,317	$1,174,317

(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:

March 31, 2020	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Short-term borrowings	$ 66,434,990	$ -	$ -	$ -
Short-term notes and bills payable	5,940,000	-	-	-
Financial liabilities measured at fair value through profit or loss	3,313	-	-	-
Notes payable	83,557	-	-	-
Accounts payable	71,209,166	-	-	-
Accounts payable - related parties	69,956	-	-	-
Other payables	7,488,930	-	-	-
Lease liabilities	455,958	377,455	249,935	31,359
Long-term borrowings (including current portion)	7,934,740	8,842,449	3,752,228	4,817,617

Non-derivative financial liabilities:

December 31, 2019	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Short-term borrowings	$ 69,231,969	$ -	$ -	$ -
Short-term notes and bills payable	5,560,000	-	-	-
Financial liabilities measured at fair value through profit or loss	16,051	-	-	-
Notes payable	34,642	-	-	-
Accounts payable	63,588,170	-	-	-
Accounts payable - related parties	653	-	-	-
Other payables	5,697,289	-	-	-
Lease liabilities	476,832	459,436	293,421	43,714
Long-term borrowings (including current portion)	5,631,937	7,381,807	88,615	-

Non-derivative financial liabilities:

March 31, 2019	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Short-term borrowings	$ 46,171,896	$ -	$ -	$ -
Short-term notes and bills payable	5,060,000	-	-	-
Financial liabilities measured at fair value through profit or loss	4,169	-	-	-
Notes payable	65,043	-	-	-
Accounts payable	54,017,241	-	-	-
Accounts payable - related parties	45	-	-	-
Other payables	4,517,585	-	-	-
Lease liabilities	460,287	429,937	466,732	55,807
Long-term borrowings (including current portion)	615,408	5,932,018	7,516,939	146,694

(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, beneficiary certificates 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 notes and 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 on the nature of the assets and liabilities is as follows:

March 31, 2020	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Forward exchange contracts	$ -	$ 6,623	$ -	$ 6,623
Equity securities	133,154	26,071	1,133,019	1,292,244
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	24,956	24,956
	$ 133,154	$ 32,694	$1,157,975	$1,323,823
Liabilities				
Recurring fair value measurements				
Forward exchange contracts	$ -	$ 3,313	$ -	$ 3,313

December 31, 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	$ -	$ 2,513	$ -	$ 2,513
Beneficiary certificates	-	300,054	-	300,054
Equity securities	166,625	33,103	1,152,863	1,352,591
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	32,035	32,035
	$ 166,625	$ 335,670	$1,184,898	$1,687,193
Liabilities				
Recurring fair value measurements				
Forward exchange contracts	$ -	$ 16,051	$ -	$ 16,051

March 31, 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	$ -	$ 3,369	$ -	$ 3,369
Equity securities	166,239	32,751	1,124,018	1,323,008
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	32,035	32,035
	$ 166,239	$ 36,120	$1,156,053	$1,358,412
Liabilities				
Recurring fair value measurements				
Forward exchange contracts	$ -	$ 4,169	$ -	$ 4,169

(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 three months ended March 31, 2020 and 2019:

	2020	2019
At January 1	$ 1,184,898	$ 1,142,927
Capital reduction	(20,412)	-
Effect of foreign exchange	(6,511)	13,126
At March 31	$ 1,157,975	$ 1,156,053

F. For the three months ended March 31, 2020 and 2019, there was no transfer into or out from Level 3.

G. Finance and accounting department is in charge of valuation procedures for fair value measurements being categorized 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 March 31, 2020	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity:					
Equity investment without active market	$ 1,157,975	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value

	Fair value at December 31, 2019	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity:					
Equity investment without active market	$ 1,184,898	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value

	Fair value at March 31, 2019	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity:					
Equity investment without active market	$ 1,156,053	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 categorized within Level 3 if the inputs used to valuation models have changed:

			March 31, 2020			
			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%	$ 11,330	($ 11,330)	$ 250	($ 250)

			December 31, 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%	$ 11,529	($ 11,529)	$ 320	($ 320)

			March 31, 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%	$ 11,240	($ 11,240)	$ 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 three months ended March 31, 2020 is provided in Note (1)J.

(4) Major shareholders information

Major shareholders information: Please refer to table 11.

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 ended March 31, 2020 and 2019 is as follows:

Three months ended March 31, 2020:

	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	$ 70,742,624	$ 12,917,205	$ 16,150,197	$ 17,090,981	$ 3,363,457	$ 10,780,111	$ -	$ 131,044,575
Revenue from internal customers	2,952,219	1,113,474	324,196	1,167,786	149,668	2,343,757	(8,051,100)	-
Total revenue	$ 73,694,843	$ 14,030,679	$ 16,474,393	$ 18,258,767	$ 3,513,125	$ 13,123,868	($ 8,051,100)	$ 131,044,575
Segment profit	$ 1,555,443	$ 352,689	$ 422,853	$ 389,580	$ 96,570	$ 227,541	$ 201,392	$ 3,246,068
Net income	$ 787,389	$ 128,348	$ 306,041	$ 254,942	$ 24,764	$ 1,641,067	($ 1,522,385)	$ 1,620,166

Three months ended March 31, 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	$ 52,794,401	$ 14,411,835	$ 14,954,905	$ 15,382,895	$ 2,911,397	$ 11,376,500	$ -	$ 111,831,933
Revenue from internal customers	3,480,300	948,982	334,344	1,236,973	176,856	809,164	(6,986,619)	-
Total revenue	$ 56,274,701	$ 15,360,817	$ 15,289,249	$ 16,619,868	$ 3,088,253	$ 12,185,664	($ 6,986,619)	$ 111,831,933
Segment profit	$ 1,348,975	$ 373,987	$ 365,059	$ 334,817	$ 96,826	$ 147,925	$ 263,723	$ 2,931,312
Net income	$ 622,477	$ 168,165	$ 202,212	$ 234,008	$ 20,920	$ 1,342,703	($ 1,277,632)	$ 1,312,853

WPG Holdings Limited and Subsidiaries

Loans to others

Three months ended March 31, 2020

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 three months ended March 31, 2020	Balance at March 31, 2020	Actual amount drawn down	Interest rate	Nature of loan (Note 7)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
1	Apache Korea Corp.	WPG Korea Co., Ltd.	Other receivables - related parties	Y	$ 50,000	$ 50,000	$ 50,000	3.50	2	$ -	Operations	$ -	None	-	$ 73,535	$ 73,535	Note 1
2	Genuine C&C (IndoChina) Pte Ltd	World Peace International (South Asia) Pte Ltd	Other receivables - related parties	Y	60,450	60,450	60,450	2.76	2	-	Operations	-	None	-	78,747	78,747	Note 3
3	GENUINE C&C HOLDING INC. (Seychelles)	Peng Yu International Limited	Other receivables - related parties	Y	120,900	120,900	120,900	3.90	2	-	Operations	-	None	-	133,745	133,745	Note 5
4	Richpower Electronic Devices Pte., Ltd.	Yosun Singapore Pte Ltd.	Other receivables - related parties	Y	226,688	226,688	217,620	2.76~3.45	2	-	Operations	-	None	-	452,712	452,712	Note 4
5	World Peace International Pte Ltd	World Peace International (South Asia) Pte Ltd	Other receivables - related parties	Y	120,900	120,900	120,900	2.76	2	-	Operations	-	None	-	2,295,259	2,295,259	Note 3
6	World Peace International (South Asia) Pte Ltd	WPI International (Hong Kong) Limited	Other receivables - related parties	Y	1,813,500	1,813,500	1,813,500	3.17	2	-	Operations	-	None	-	6,853,744	6,853,744	Note 3
7	WPG C&C Computers And Peripheral (India) Private Limited	World Peace International (India) Pvt., Ltd.	Other receivables - related parties	Y	84,070	84,070	-	0.00	2	-	Operations	-	None	-	339,783	339,783	Note 3
8	WPG C&C Limited	WPI International (Hong Kong) Limited	Other receivables - related parties	Y	241,800	241,800	241,800	2.02	2	-	Operations	-	None	-	272,790	272,790	Note 5
9	WPG India Electronics Pvt Ltd	World Peace International (India) Pvt., Ltd.	Other receivables - related parties	Y	40,033	40,033	36,030	9.25	2	-	Operations	-	None	-	166,089	166,089	Note 3
10	WPG South Asia Pte. Ltd.	World Peace International (South Asia) Pte Ltd	Other receivables - related parties	Y	453,375	453,375	120,900	2.76	2	-	Operations	-	None	-	1,366,673	1,366,673	Note 4

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the three months ended March 31, 2020	Balance at March 31, 2020	Actual amount drawn down	Interest rate	Nature of loan (Note 7)	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			
10	WPG South Asia Pte. Ltd.	WPG Korea Co., Ltd.	Other receivables - related parties	Y	$ 604,500	$ 453,375	$ 226,688	3.50	2	$ -	Operations	$ -	None	-	$ 1,366,673	$ 1,366,673	Note 4
11	Yosun Hong Kong Corp. Ltd.	WPG Electronics (HK) Limited	Other receivables - related parties	Y	1,511,250	1,511,250	1,511,250	2.75~2.98	2	-	Operations	-	None	-	4,739,108	4,739,108	Note 5
11	Yosun Hong Kong Corp. Ltd.	Peng Yu International Limited	Other receivables - related parties	Y	755,625	-	-	0.00	2	-	Operations	-	None	-	4,739,108	4,739,108	Note 5
12	AECO Technology Co., Ltd.	World Peace Industrial Co., Ltd.	Other receivables - related parties	Y	200,000	200,000	118,750	1.55	2	-	Operations	-	None	-	426,864	426,864	Note 2
13	AECO Electronics Co., Ltd.	WPI International (Hong Kong) Limited	Other receivables - related parties	Y	725,400	725,400	725,400	2.02~2.90	2	-	Operations	-	None	-	796,943	796,943	Note 5
14	WPG SCM Limited	Peng Yu International Limited	Other receivables - related parties	Y	604,500	302,250	302,250	2.52	2	-	Operations	-	None	-	1,067,111	1,067,111	Note 4
14	WPG SCM Limited	WPG Holdings Limited	Other receivables - related parties	Y	241,800	-	-	0.00	2	-	Operations	-	None	-	1,067,111	1,067,111	Note 4
15	Yosun South China Corp. Ltd.	WPG China Inc.	Other receivables - related parties	Y	63,825	63,825	63,825	2.80	2	-	Operations	-	None	-	201,537	201,537	Note 5
15	Yosun South China Corp. Ltd.	WPG China (SZ) Inc.	Other receivables - related parties	Y	119,140	106,375	106,375	2.80	2	-	Operations	-	None	-	201,537	201,537	Note 5
16	Yosun Shanghai Corp. Ltd.	WPG China Inc.	Other receivables - related parties	Y	148,925	148,925	148,925	2.80	2	-	Operations	-	None	-	356,032	356,032	Note 5
16	Yosun Shanghai Corp. Ltd.	WPG China (SZ) Inc.	Other receivables - related parties	Y	174,455	174,455	174,455	2.80	2	-	Operations	-	None	-	356,032	356,032	Note 5
17	WPG Investment Co., Ltd.	WPG Holdings Limited	Other receivables - related parties	Y	125,000	125,000	125,000	1.15	2	-	Operations	-	None	-	170,586	170,586	Note 2

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the three months ended March 31, 2020	Balance at March 31, 2020	Actual amount drawn down	Interest rate	Nature of loan (Note 7)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
18	WPG C&C Shanghai Co., Ltd.	Trigolduo (Shanghai) Industrial Development Ltd.	Other receivables - related parties	Y	$ 12,765	$ -	$ -	0.00	2	$ -	Operations	$ -	None	-	$ 113,771	$ 284,427	Note 5
18	WPG C&C Shanghai Co., Ltd.	Trigold Tongle (Shanghai) Industrial Development Ltd.	Other receivables - related parties	Y	12,765	12,765	1,277	4.60	2	-	Operations	-	None	-	113,771	284,427	Note 5
19	WPI International (Hong Kong) Limited	WPG Korea Co., Ltd.	Other receivables - related parties	Y	604,500	604,500	241,800	3.50~4.53	2	-	Operations	-	None	-	19,003,870	19,003,870	Note 5
19	WPI International (Hong Kong) Limited	WPG Electronics (HK) Limited	Other receivables - related parties	Y	604,500	604,500	-	0.00	2	-	Operations	-	None	-	19,003,870	19,003,870	Note 5
19	WPI International (Hong Kong) Limited	Peng Yu International Limited	Other receivables - related parties	Y	423,150	423,150	-	0.00	2	-	Operations	-	None	-	19,003,870	19,003,870	Note 5
20	World Peace Industrial Co., Ltd.	Longview Technology Inc.	Other receivables - related parties	Y	854,500	552,250	63,254	1.95~3.20	2	-	Operations	-	None	-	8,108,369	10,811,158	Note 6
20	World Peace Industrial Co., Ltd.	Long-Think International Co., Ltd.	Other receivables - related parties	Y	45,338	45,338	-	0.00	2	-	Operations	-	None	-	8,108,369	10,811,158	Note 6
20	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	Other receivables - related parties	Y	2,871,375	2,871,375	1,964,625	3.20	2	-	Operations	-	None	-	8,108,369	10,811,158	Note 6
21	Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	Other receivables - related parties	Y	200,000	200,000	200,000	1.37	2	-	Operations	-	None	-	214,874	214,874	Note 2
22	Silicon Application (BVI) Corporation	Silicon Application Corp.	Other receivables - related parties	Y	1,209,000	1,209,000	1,209,000	1.70	2	-	Operations	-	None	-	1,296,429	3,241,072	Note 5
22	Silicon Application (BVI) Corporation	Peng Yu International Limited	Other receivables - related parties	Y	120,900	120,900	120,900	3.20	2	-	Operations	-	None	-	3,241,072	3,241,072	Note 5
23	Silicon Application Company Limited	Silicon Application Corp.	Other receivables - related parties	Y	695,175	695,175	695,175	1.70	2	-	Operations	-	None	-	729,576	1,823,940	Note 5

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the three months ended March 31, 2020	Balance at March 31, 2020	Actual amount drawn down	Interest rate	Nature of loan (Note 7)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
23	Silicon Application Company Limited	Yosun Hong Kong Corp. Ltd.	Other receivables - related parties	Y	$ 604,500	$ 604,500	$ 604,500	3.09	2	$ -	Operations	$ -	None	-	$ 1,823,940	$ 1,823,940	Note 5
23	Silicon Application Company Limited	WPG China Inc.	Other receivables - related parties	Y	302,250	-	-	0.00	2	-	Operations	-	None	-	1,823,940	1,823,940	Note 5
23	Silicon Application Company Limited	Peng Yu International Limited	Other receivables - related parties	Y	181,350	181,350	181,350	2.85	2	-	Operations	-	None	-	1,823,940	1,823,940	Note 5
23	Silicon Application Company Limited	WPG Electronics (HK) Limited	Other receivables - related parties	Y	302,250	302,250	302,250	2.85	2	-	Operations	-	None	-	1,823,940	1,823,940	Note 5
24	Silicon Application Corp.	WPG Electronics (HK) Limited	Other receivables - related parties	Y	1,057,875	1,057,875	1,057,875	2.85	2	-	Operations	-	None	-	2,933,007	2,933,007	Note 2
25	Sertek Limited	Yosun Hong Kong Corp. Ltd.	Other receivables - related parties	Y	441,285	441,285	441,285	2.20	2	-	Operations	-	None	-	449,508	449,508	Note 5
26	Sertek Incorporated	Richpower Electronic Devices Co., Ltd	Other receivables - related parties	Y	302,250	302,250	302,250	3.25	2	-	Operations	-	None	-	669,927	669,927	Note 2
27	Genuine C&C Inc.	Hoban Inc.	Other receivables - related parties	Y	50,000	50,000	-	0.00	2	-	Operations	-	None	-	452,103	452,103	Note 2
27	Genuine C&C Inc.	Peng Yu International Limited	Other receivables - related parties	Y	300,000	300,000	-	0.00	2	-	Operations	-	None	-	452,103	452,103	Note 2
28	Richpower Electronic Devices Co., Limited	Silicon Application Corp.	Other receivables - related parties	Y	604,500	604,500	604,500	3.09	2	-	Operations	-	None	-	950,476	2,376,190	Note 5
28	Richpower Electronic Devices Co., Limited	Yosun Hong Kong Corp. Ltd.	Other receivables - related parties	Y	604,500	604,500	-	0.00	2	-	Operations	-	None	-	2,376,190	2,376,190	Note 5
29	Long-Think International (Hong Kong) Limited	WPI International (Hong Kong) Limited	Other receivables - related parties	Y	453,375	453,375	211,575	2.02	2	-	Operations	-	None	-	539,386	539,386	Note 5

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the three months ended March 31, 2020	Balance at March 31, 2020	Actual amount drawn down	Interest rate	Nature of loan (Note 7)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
30	Long-Think International Co., Ltd.	World Peace Industrial Co., Ltd.	Other receivables - related parties	Y	$ 18,000	$ 18,000	$ 18,000	1.52	2	$ -	Operations	$ -	None	-	$ 19,889	$ 19,889	Note 2
31	Peng Yu (Shanghai) Digital Technology Co., Ltd.	Trigolduo (Shanghai) Industrial Development Ltd.	Other receivables - related parties	Y	34,040	34,040	34,040	4.60	2	-	Operations	-	None	-	108,071	270,179	Note 5
31	Peng Yu (Shanghai) Digital Technology Co., Ltd.	WPG C&C Shanghai Co., Ltd.	Other receivables - related parties	Y	110,630	110,630	110,630	4.60	2	-	Operations	-	None	-	270,179	270,179	Note 5
32	Trigolduo (Shanghai) Industrial Development Ltd.	Trigold Tongle (Shanghai) Industrial Development Ltd.	Other receivables - related parties	Y	5,957	5,957	5,957	4.85	2	-	Operations	-	None	-	5,093	5,093	Note 2

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 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 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 30% of creditor's assets.

Note 7: 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

Three months ended March 31, 2020

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 March 31, 2020	Outstanding endorsement/ guarantee amount at March 31, 2020	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	$ 32,687,993	$ 153,510	$ 153,510	$ 76,755	$ 76,755	0.23	$ 32,687,993	Y	N	N	Notes 4 and 5
1	World Peace International Pte Ltd	WPG Americas Inc.	Note 3	7,460,436	166,238	166,238	10,956	-	4.46	7,460,436	N	N	N	Note 7
1	World Peace International Pte Ltd	WPG C&C Computers And Peripheral (India) Private Ltd.	Note 1	7,460,436	132,990	132,990	-	-	3.57	7,460,436	N	N	N	Note 7
1	World Peace International Pte Ltd	World Peace International (South Asia) Pte Ltd	Note 1	7,460,436	302,250	302,250	302,250	-	8.10	7,460,436	N	N	N	Note 7
2	Yosun Industrial Corp.	Yosun Singapore Pte Ltd.	Note 1	9,090,225	1,127,393	1,127,393	616,193	-	12.40	18,180,450	N	N	N	Note 9
2	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	Note 1	9,090,225	302,250	302,250	74,362	-	3.33	18,180,450	N	N	N	Note 9
2	Yosun Industrial Corp.	Sertek Incorporated	Note 1	9,090,225	2,418,000	2,418,000	1,476,070	-	26.60	18,180,450	N	N	N	Note 9
2	Yosun Industrial Corp.	Richpower Electronic Devices Co., Limited	Note 1	9,090,225	600,000	600,000	248,565	-	6.60	18,180,450	N	N	N	Note 9
3	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	Note 1	13,513,948	1,163,663	1,163,663	706,707	-	4.31	21,622,317	N	N	N	Note 6
3	World Peace Industrial Co., Ltd.	Vitec WPG Limited	Note 3	13,513,948	68,006	68,006	68,006	-	0.25	21,622,317	N	N	N	Note 6
3	World Peace Industrial Co., Ltd.	World Peace International (South Asia) Pte Ltd	Note 1	13,513,948	664,950	664,950	664,950	-	2.46	21,622,317	N	N	N	Note 6
4	Frontek Technology Corporation	Asian Information Technology Inc.	Note 2	977,640	622,250	622,250	622,250	-	25.46	1,222,050	N	N	N	Note 11
5	Apache Communication Inc.	Asian Information Technology Inc.	Note 2	475,986	100,000	100,000	100,000	-	8.40	594,982	N	N	N	Note 11
6	Asian Information Technology Inc.	WPG China Inc.	Note 3	2,592,731	15,113	15,113	-	-	0.23	3,240,914	N	N	Y	Note 8
6	Asian Information Technology Inc.	Frontek Technology Corporation	Note 1	2,592,731	855,890	855,890	100,453	-	13.20	3,240,914	N	N	N	Note 8

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 March 31, 2020	Outstanding endorsement/ guarantee amount at March 31, 2020	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
7	Pernas Electronics Co., Ltd.	Silicon Application Corp.	Note 2	519,322	100,000	100,000	-	-	9.63	519,322	N	N	N	Note 12
8	Trigold Holding Limited	Peng Yu (Shanghai) Digital Technology Co., Ltd.	Note 1	589,801	42,550	42,550	42,550	-	3.61	589,801	N	N	Y	Note 10
8	Trigold Holdings Limited	Peng Yu International Limited	Note 1	589,801	60,450	60,450	60,450	-	5.12	589,801	N	N	N	Note 10
8	Trigold Holdings Limited	WPG C&C Shanghai Co., Ltd.	Note 1	589,801	127,650	127,650	127,650	-	10.82	589,801	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 $76,755.

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 guarantee amount should not exceed 50% of guarantor's net assets; the limit to a single company should not exceed 40% of the 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. Net assets is based on the latest audited or reviewed financial statements. Ceiling on total endorsements/guarantees granted by the Company and subsidiaries shall be less than 50% of the Company's net assets. Ceiling on total endorsements/guarantees granted by the Company and subsidiaries to a single party is 50% 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. The net assets referred to above are based on the latest audited or reviewed financial statements.

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. The Company's and its subsidiaries' cumulative guarantee amount to others should not be in excess 50% (not including 50%) of the Company's net assets. The guarantee amount to a single company should not be in excess of 50% (not including 50%) 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. The guarantee amount to a subsidiary which is 100%directly or indirectly held by the Company should not exceed 50% (not including 50%) of the Company's net assets. The net assets value is based on the latest audit or reviewed financial statements.

Note 11: The guarantee amount should not exceed 50% of guarantor's net assets; the limit to a single company should not exceed 40% of the 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. Net assets is based on the latest audited or reviewed financial statements. 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. The net assets referred to above are based on the latest audited or reviewed financial statements.

Note 12: The cumulative guarantee amount to others should not be in excess of 50% of the Company's net assets; the limit to a single company should not exceed 50% of the 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.Ceiling on total endorsements/guarantees granted by the Company and subsidiaries shall be less than 50% of the Company's net assets. Ceiling on total endorsements/guarantees granted by the Company and subsidiaries to a single party is 50% 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. The net assets referred to above are based on the latest audited or reviewed financial statements.

WPG Holdings Limited and Subsidiaries

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

Three months ended March 31, 2020

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

				As of March 31, 2020				
Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares (in thousands)	Book value	Ownership (%)	Fair value (Note 1)	Footnote
WPG Holdings Limited	Restar Holdings Corporation	None	Financial assets at at fair value through profit or loss- non-current	230	$ 97,084	1.46	$ 97,084	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	-	150,264	-	150,264	
Silicon Application Corp.	Kingmax Technology Inc., etc. - Equity securities	None	Financial assets at at fair value through profit or loss- non-current, etc.	-	12,326	-	12,326	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	-	11,507	-	11,507	
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	-	30,875	-	30,875	
WPG Investment Co., Ltd.	DIGITIMES Inc. etc. - Equity securities	None	Financial assets at at fair value through profit or loss- non-current, etc.	-	104,890	-	104,890	
Silicon Application (BVI) Corp.	Actiontec Electronics Inc. etc. - Equity securities	None	Financial assets at at fair value through profit or loss- non-current	-	6,593	-	6,593	

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of March 31, 2020				Footnote
				Number of shares (in thousands)	Book value	Ownership (%)	Fair value (Note 1)	
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	653	9	653	
WPG China Inc.	CECI Technology Co. Ltd. etc. - Equity securities	None	Financial assets at at fair value through profit or loss- non-current	-	558,731	-	558,731	

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 amortized 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 March 31, 2020.

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

Three months ended March 31, 2020

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

					Balance as at January 1, 2020		Addition		Disposal				Balance as at March 31, 2020	
Investor	Marketable securities	General ledger account	Counterparty	Relationship with the counterparty	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	WT Microelectronics Co., Ltd.	Note 1	Stock exchange market	None	-	$ -	177,110	$ 8,111,638	-	$ -	$ -	$ -	177,110	$ 8,111,638

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

WPG Holdings Limited and Subsidiaries

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

Three months ended March 31, 2020

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: Original owner who sold the real estate to the counterparty	Relationship between the original owner and the acquirer	Date of the original transaction	Amount	Basis or reference used in setting the price	Reason for acquisition of real estate and status of the real estate	Other commitments
The Company	Office building A in Taipei City Nangang Dist. Jingmao section No. 70, No. 70-1	2016.12 (Note 1)	$ 4,533,954	$ 2,942,265	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	593,201	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	654,847	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, for the year ended December 31, 2019, the amount was $241,531, and for the three months ended March 31, 2020, the amount was $2,821,636.

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
Three months ended March 31, 2020

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	($ 125,510)	(55.35)	Note 5	Note 5	Note 5	$ 47,145	51.73	
World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	"	"	(964,991)	(3.44)	Note 3	Note 3	Note 3	558,593	2.20	
"	WPG Electronics (HK) Limited	"	"	(178,957)	(0.64)	"	"	"	201,063	0.79	
"	WPG China (SZ) Inc.	"	"	(280,991)	(1.00)	"	"	"	229,244	0.90	
"	WPG China Inc.	"	"	(139,748)	(0.50)	"	"	"	140,248	0.55	
"	WPG SCM Limited	"	"	(281,953)	(1.01)	"	"	"	116,048	0.46	
"	WPG Korea Co., Ltd.	"	"	(493,863)	(1.76)	"	"	"	206,544	0.81	
World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	"	"	(184,317)	(2.98)	"	"	"	77,041	1.82	
World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	"	"	(760,618)	(12.29)	"	"	"	626,264	14.77	
WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	"	(1,139,173)	(2.72)	"	"	"	482,679	1.36	
"	World Peace International (South Asia) Pte Ltd.	"	"	(363,165)	(0.87)	"	"	"	153,817	0.43	
"	WPG China (SZ) Inc.	"	"	(279,828)	(0.67)	"	"	"	210,473	0.59	
"	WPG China Inc.	"	"	(213,392)	(0.51)	"	"	"	214,186	0.60	
"	WPG SCM Limited	"	"	(229,527)	(0.55)	"	"	"	96,482	0.27	
Silicon Application Corp.	WPG Electronics (HK) Limited	"	"	(846,470)	(6.60)	90 days after monthly billings	Note 4	Note 4	1,039,283	8.51	
"	WPG China (SZ) Inc.	"	"	(169,264)	(1.32)	"	"	"	115,539	0.95	
Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	"	"	(352,505)	(37.47)	Note 2	"	"	236,416	28.87	
Asian Information Technology Inc.	Frontek Technology Corporation	"	"	(1,018,675)	(13.07)	"	Note 2	Note 2	705,585	11.20	
"	Apache Communication Inc.	"	"	(206,097)	(2.64)	"	"	"	91,035	1.45	
Henshen Electric Trading Co., Ltd.	Frontek Technology Corporation	"	"	(112,606)	(36.33)	"	"	"	74,419	36.34	

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)	
Frontek Technology Corporation	Asian Information Technology Inc.	Same parent company	Sales	($ 523,837)	(10.58)	Note 2	Note 2	Note 2	$ 131,931	2.93	
Apache Communication Inc.	"	"	"	(181,499)	(3.36)	"	"	"	35,254	0.78	
WPG Electronics (HK) Limited	World Peace Industrial Co., Ltd.	"	"	(749,733)	(23.80)	Notes 3 and 5	Notes 3 and 5	Notes 3 and 5	303,770	11.85	
"	WPI International (Hong Kong) Limited	"	"	(711,892)	(22.59)	"	"	"	427,674	16.69	
"	Peng Yu International Limited	"	"	(171,875)	(5.46)	"	"	"	174,696	6.82	
WPG Americas Inc.	World Peace Industrial Co., Ltd.	"	"	(159,190)	(5.19)	Note 3	Note 3	Note 3	62,082	3.91	
WPG South Asia Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	"	"	(112,742)	(30.31)	Note 5	Note 5	Note 5	-	-	
Yosun Industrial Corp.	WPG China (SZ) Inc.	"	"	(122,912)	(2.22)	Note 6	Note 6	Note 6	94,965	3.38	
"	WPG China Inc.	"	"	(108,429)	(1.96)	"	"	"	108,843	3.88	
"	Yosun Hong Kong Corp. Ltd.	"	"	(669,345)	(12.08)	Note 3	Note 3	Note 3	241,681	8.61	
Yosun Hong Kong Corp. Ltd.	WPG China Inc.	"	"	(427,188)	(7.23)	Note 6	Note 6	Note 6	428,987	12.48	
"	Richpower Electronic Devices Co., Limited	"	"	(161,097)	(2.73)	Note 3	Note 3	Note 3	78,464	2.28	
Yosun Singapore Pte Ltd.	WPG SCM Limited	"	"	(126,580)	(8.29)	"	"	"	76,681	6.23	
"	Yosun Hong Kong Corp. Ltd.	"	"	(106,473)	(6.97)	"	"	"	56,037	4.55	
Sertek Incorporated	Yosun Industrial Corp.	"	"	(123,639)	(3.24)	"	"	"	20,631	2.49	
Sertek Incorporated	Yosun Hong Kong Corp. Ltd.	"	"	(124,570)	(3.26)	"	"	"	22,934	2.77	
Richpower Electronic Devices Co., Ltd.	WPG Electronics (HK) Limited	"	"	(230,613)	(14.36)	Note 6	Note 6	Note 6	274,535	18.04	
Richpower Electronic Devices Co., Limited	Yosun Industrial Corp.	"	"	(1,363,188)	(39.54)	Note 3	Note 3	Note 3	76,185	4.04	
"	Yosun Hong Kong Corp. Ltd.	"	"	(680,810)	(19.75)	"	"	"	272,919	14.47	
Peng Yu International Limited	WPG Electronics (HK) Limited	"	"	(148,413)	(26.96)	"	"	"	135,202	53.09	
"	WPG C&C Shanghai Co., Ltd.	"	"	(198,572)	(36.08)	"	"	"	78,234	30.72	

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

Three months ended March 31, 2020

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2020 (Note 1)	Turnover rate (Note 2)	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 3)	Allowance for doubtful accounts
					Amount	Action taken		
World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	Same parent company	$ 558,593	7.97	$ 139	-	$ 558,593	$ -
World Peace Industrial Co., Ltd.	WPG Electronics (HK) Limited	"	201,063	3.57	3,060	-	51,261	-
World Peace Industrial Co., Ltd.	WPG China (SZ) Inc.	"	229,244	5.44	-	-	72,805	-
World Peace Industrial Co., Ltd.	WPG China Inc.	"	140,248	4.18	-	-	35,812	-
World Peace Industrial Co., Ltd.	WPG SCM Limited	"	116,048	10.47	-	-	116,048	-
World Peace Industrial Co., Ltd.	WPG Korea Co., Ltd.	"	206,544	11.72	-	-	206,520	-
World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	"	626,264	5.35	-	-	90,675	-
WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	"	482,679	10.88	-	-	482,679	-
WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	"	153,817	11.56	-	-	153,817	-
WPI International (Hong Kong) Limited	WPG China (SZ) Inc.	"	210,473	5.10	-	-	104,373	-
WPI International (Hong Kong) Limited	WPG China Inc.	"	214,186	3.59	-	-	46,547	-
Silicon Application Corp.	WPG Electronics (HK) Limited	"	1,039,283	3.13	-	-	228,243	-
Silicon Application Corp.	WPG China (SZ) Inc.	"	115,539	5.02	-	-	41,344	-
Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	"	236,416	5.67	-	-	99,467	-
Asian Information Technology Inc.	Frontek Technology Corporation	"	705,585	5.90	-	-	277,097	-
Frontek Technology Corporation	Asian Information Technology Inc.	"	131,931	12.71	-	-	105,743	-
Frontek Technology Corporation	WPG Electronics (HK) Limited	"	205,058	2.07	-	-	62,900	-
WPG Electronics (HK) Limited	World Peace Industrial Co., Ltd.	"	303,770	19.62	-	-	-	-
WPG Electronics (HK) Limited	WPI International (Hong Kong) Limited	"	427,674	11.45	-	-	-	-
WPG Electronics (HK) Limited	Peng Yu International Limited	"	174,696	7.12	-	-	75,563	-
WPG Korea Co., Ltd.	WPG South Asia Pte. Ltd.	"	175,955	0.03	175,955	-	-	-
Yosun Industrial Corp.	WPG China Inc.	"	108,843	3.85	-	-	34,499	-
Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	"	241,681	12.61	-	-	241,681	-
Yosun Hong Kong Corp. Ltd.	WPG China Inc.	"	428,987	5.05	-	-	114,962	-

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2020 (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		
Richpower Electronic Devices Co., Ltd.	WPG Electronics (HK) Limited	Same parent company	$ 274,535	3.16	$ -	-	$ 53,436	$ -
Richpower Electronic Devices Co., Limited	Yosun Hong Kong Corp. Ltd.	"	272,919	15.38	-	-	75,482	-
Peng Yu International Limited	WPG Electronics (HK) Limited	"	135,202	4.64	-	-	-	-
WPG Holdings Limited	Silicon Application Corp.	"	651,532	0.00	-	-	-	-
World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	"	2,354,772	0.00	-	-	383,081	-
World Peace International Pte Ltd	World Peace International (South Asia) Pte Ltd.	"	121,187	0.00	-	-	-	-
World Peace International (South Asia) Pte Ltd.	WPI International (Hong Kong) Limited	"	1,818,505	0.00	-	-	914,452	-
World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	"	108,803	0.00	-	-	-	-
World Peace International (South Asia) Pte Ltd.	WPG South Asia Pte. Ltd.	"	187,571	0.00	-	-	187,571	-
WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	"	128,583	0.00	-	-	117	-
WPI International (Hong Kong) Limited	WPG Electronics (HK) Limited	"	131,053	0.00	-	-	-	-
WPI International (Hong Kong) Limited	WPG Korea Co., Ltd.	"	246,674	0.00	-	-	246,674	-
WPI International (Hong Kong) Limited	Peng Yu International Limited	"	779,002	0.00	-	-	-	-
WPG C&C Limited	WPI International (Hong Kong) Limited	"	243,510	0.00	-	-	-	-
Long-Think International (Hong Kong) Limited	WPI International (Hong Kong) Limited	"	215,342	0.00	-	-	-	-
AECO Technology Co., Ltd.	World Peace Industrial Co., Ltd.	"	118,974	0.00	-	-	-	-
AECO Electronic Co., Ltd.	WPI International (Hong Kong) Limited	"	733,665	0.00	-	-	-	-
Silicon Application Corp.	Pernas Electronics Co., Ltd.	"	228,107	0.00	-	-	228,107	-
Silicon Application Corp.	WPG Electronics (HK) Limited	"	1,058,385	0.00	-	-	-	-
Silicon Application (BVI) Corp.	Silicon Application Corp.	"	1,227,098	0.00	-	-	-	-
Silicon Application (BVI) Corp.	Peng Yu International Limited	"	122,007	0.00	-	-	-	-
Silicon Application Company Limited	Silicon Application Corp.	"	699,906	0.00	-	-	-	-
Silicon Application Company Limited	WPG Electronics (HK) Limited	"	302,370	0.00	-	-	-	-
Silicon Application Company Limited	Yosun Hong Kong Corp. Ltd.	"	608,443	0.00	-	-	-	-
Silicon Application Company Limited	Peng Yu International Limited	"	181,623	0.00	-	-	-	-

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2020 (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		
Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	Same parent company	$ 196,623	0.00	$ -	-	$ 196,623	$ -
Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	"	200,045	0.00	-	-	-	-
WPG South Asia Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	"	184,115	0.00	-	-	184,115	-
WPG South Asia Pte. Ltd.	WPG Korea Co., Ltd.	"	227,373	0.00	-	-	106,472	-
WPG SCM Limited	Peng Yu International Limited	"	302,907	0.00	-	-	-	-
Yosun Hong Kong Corp. Ltd.	WPG Electronics (HK) Limited	"	1,513,197	0.00	-	-	-	-
Yosun Shanghai Corp. Ltd.	WPG China (SZ) Inc.	"	177,027	0.00	-	-	-	-
Yosun Shanghai Corp. Ltd.	WPG China Inc.	"	151,131	0.00	-	-	-	-
Yosun South China Corp. Ltd.	WPG China (SZ) Inc.	"	107,691	0.00	-	-	3,545	-
Sertek Incorporated	Richpower Electronic Devices Co., Ltd	"	307,025	0.00	-	-	-	-
Sertek Limited	Yosun Hong Kong Corp. Ltd.	"	445,276	0.00	-	-	-	-
Richpower Electronic Devices Co., Limited	Silicon Application Corp.	"	608,391	0.00	-	-	-	-
Richpower Electronic Devices Pte Ltd	Yosun Singapore Pte Ltd.	"	218,137	0.00	-	-	60,967	-
WPG Investment Co., Ltd.	WPG Holdings Limited	"	125,523	0.00	-	-	40,142	-
Genuine C&C Holding Inc. (Seychelles)	Peng Yu International Limited	"	123,559	0.00	-	-	62,591	-
Peng Yu (Shanghai) Digital Technology Co., Ltd.	WPG C&C Shanghai Co., Ltd.	"	112,047	0.00	-	-	-	-
Peng Yu International Limited	WPG Electronics (HK) Limited	"	203,277	0.00	-	-	-	-

Note 1: Balance as at March 31, 2020 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 May 12, 2020.

WPG Holdings Limited and Subsidiaries
Significant inter-company transactions during the reporting period
Three months ended March 31, 2020

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	WPG Holdings Limited	World Peace Industrial Co., Ltd.	1	Sales	$ 125,510	Note 11	0.10
1	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	1	"	964,991	Note 5	0.74
1	World Peace Industrial Co., Ltd.	WPG Electronics (HK) Limited	1	"	178,957	Note 5	0.14
1	World Peace Industrial Co., Ltd.	WPG China (SZ) Inc.	1	"	280,991	Note 5	0.21
1	World Peace Industrial Co., Ltd.	WPG China Inc.	3	"	139,748	Note 5	0.11
1	World Peace Industrial Co., Ltd.	WPG SCM Limited	3	"	281,953	Note 5	0.22
1	World Peace Industrial Co., Ltd.	WPG Korea Co., Ltd.	3	"	493,863	Note 5	0.38
2	World Peace International (South Asia) Pte Ltd.	WPG C&C Computers And Peripheral (India) Private Limited	3	"	184,317	Note 5	0.14
2	World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	3	"	760,618	Note 5	0.58
3	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	1,139,173	Note 5	0.87
3	WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	3	"	363,165	Note 5	0.28
3	WPI International (Hong Kong) Limited	WPG China (SZ) Inc.	3	"	279,828	Note 5	0.21
3	WPI International (Hong Kong) Limited	WPG China Inc.	3	"	213,392	Note 5	0.16
3	WPI International (Hong Kong) Limited	WPG SCM Limited	3	"	229,527	Note 5	0.18
7	Silicon Application Corp.	WPG Electronics (HK) Limited	3	"	846,470	Notes 9 and 12	0.65
7	Silicon Application Corp.	WPG China (SZ) Inc.	3	"	169,264	Notes 9 and 12	0.13
9	Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	3	"	352,505	Note 4	0.27
10	Asian Information Technology Inc.	Frontek Technology Corporation	3	"	1,018,675	Note 4	0.78
10	Asian Information Technology Inc.	Apache Communication Inc.	3	"	206,097	Note 4	0.16
11	Henshen Electric Trading Co., Ltd.	Frontek Technology Corporation	3	"	112,606	Note 4	0.09
12	Frontek Technology Corporation	Asian Information Technology Inc.	3	"	523,837	Note 4	0.40
13	Apache Communication Inc.	Asian Information Technology Inc.	3	"	181,499	Note 4	0.14
15	WPG Electronics (HK) Limited	World Peace Industrial Co., Ltd.	3	"	749,733	Note 11	0.57

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction: General ledger account	Transaction: Amount	Transaction: Transaction terms	Transaction: Percentage of consolidated total operating revenues or total assets (Note 3)
15	WPG Electronics (HK) Limited	WPI International (Hong Kong) Limited	3	Sales	$ 711,892	Note 11	0.54
15	WPG Electronics (HK) Limited	Peng Yu International Limited	3	"	171,875	Note 10	0.13
18	WPG Americas Inc.	World Peace Industrial Co., Ltd.	3	"	159,190	Note 5	0.12
19	WPG South Asia Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	3	"	112,742	Note 10	0.09
21	Yosun Industrial Corp.	WPG China (SZ) Inc.	3	"	122,912	Note 8	0.09
21	Yosun Industrial Corp.	WPG China Inc.	3	"	108,429	Note 8	0.08
21	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	3	"	669,345	Note 5	0.51
22	Yosun Hong Kong Corp. Ltd.	WPG China Inc.	3	"	427,188	Note 8	0.33
22	Yosun Hong Kong Corp. Ltd.	Richpower Electronic Devices Co., Limited	3	"	161,097	Note 5	0.12
23	Yosun Singapore Pte Ltd.	WPG SCM Limited	3	"	126,580	Note 5	0.10
23	Yosun Singapore Pte Ltd.	Yosun Hong Kong Corp. Ltd.	3	"	106,473	Note 5	0.08
24	Sertek Incorporated	Yosun Industrial Corp.	3	"	123,639	Note 5	0.09
24	Sertek Incorporated	Yosun Hong Kong Corp. Ltd.	3	"	124,570	Note 5	0.10
25	Richpower Electronic Devices Co., Ltd.	WPG Electronics (HK) Limited	3	"	230,613	Note 8	0.18
26	Richpower Electronic Devices Co., Limited	Yosun Industrial Corp.	3	"	1,363,188	Note 5	1.04
26	Richpower Electronic Devices Co., Limited	Yosun Hong Kong Corp. Ltd.	3	"	680,810	Note 5	0.52
27	Peng Yu International Limited	WPG Electronics (HK) Limited	3	"	148,413	Note 5	0.11
27	Peng Yu International Limited	WPG C&C Shanghai Co., Ltd.	3	"	198,572	Note 5	0.15
1	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	3	Accounts receivable	558,593	Note 5	0.22
1	World Peace Industrial Co., Ltd.	WPG Electronics (HK) Limited	3	"	201,063	Note 5	0.08
1	World Peace Industrial Co., Ltd.	WPG China (SZ) Inc.	3	"	229,244	Note 5	0.09
1	World Peace Industrial Co., Ltd.	WPG China Inc.	3	"	140,248	Note 5	0.06
1	World Peace Industrial Co., Ltd.	WPG SCM Limited	3	"	116,048	Note 5	0.05
1	World Peace Industrial Co., Ltd.	WPG Korea Co., Ltd.	3	"	206,544	Note 5	0.08
2	World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	3	"	626,264	Note 5	0.25
3	WPI International (Hong Kong) Limited	World Peace Industrial Co., Ltd.	3	"	482,679	Note 5	0.19
3	WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	3	"	153,817	Note 5	0.06

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction				
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
3	WPI International (Hong Kong) Limited	WPG China (SZ) Inc.	3	Accounts receivable	$ 210,473	Note 5	0.08
3	WPI International (Hong Kong) Limited	WPG China Inc.	3	"	214,186	Note 5	0.09
7	Silicon Application Corp.	WPG Electronics (HK) Limited	3	"	1,039,283	Notes 9 and 12	0.42
7	Silicon Application Corp.	WPG China (SZ) Inc.	3	"	115,539	Notes 9 and 12	0.05
9	Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	3	"	236,416	Note 4	0.10
10	Asian Information Technology Inc.	Frontek Technology Corporation	3	"	705,585	Note 4	0.28
12	Frontek Technology Corporation	Asian Information Technology Inc.	3	"	131,931	Note 4	0.05
12	Frontek Technology Corporation	WPG Electronics (HK) Limited	3	"	205,058	Note 4	0.08
15	WPG Electronics (HK) Limited	World Peace Industrial Co., Ltd.	3	"	303,770	Note 11	0.12
15	WPG Electronics (HK) Limited	WPI International (Hong Kong) Limited	3	"	427,674	Note 11	0.17
15	WPG Electronics (HK) Limited	Peng Yu International Limited	3	"	174,696	Note 10	0.07
20	WPG Korea Co., Ltd.	WPG South Asia Pte. Ltd.	3	"	175,955	30 days from the end of the month	0.07
21	Yosun Industrial Corp.	WPG China Inc.	3	"	108,843	Note 8	0.04
21	Yosun Industrial Corp.	Yosun Hong Kong Corp. Ltd.	3	"	241,681	Note 5	0.10
22	Yosun Hong Kong Corp. Ltd.	WPG China Inc.	3	"	428,987	Note 8	0.17
25	Richpower Electronic Devices Co., Ltd.	WPG Electronics (HK) Limited	3	"	274,535	Note 8	0.11
26	Richpower Electronic Devices Co., Limited	Yosun Hong Kong Corp. Ltd.	3	"	272,919	Note 5	0.11
27	Peng Yu International Limited	WPG Electronics (HK) Limited	3	"	135,202	Note 5	0.05
0	WPG Holdings Limited	Silicon Application Corp.	1	Other receivables	651,532	Note 13	0.26
1	World Peace Industrial Co., Ltd.	WPI International (Hong Kong) Limited	3	"	2,354,772	Note 7	0.95
28	World Peace International Pte Ltd	World Peace International (South Asia) Pte Ltd.	3	"	121,187	Note 7	0.05
2	World Peace International (South Asia) Pte Ltd.	WPI International (Hong Kong) Limited	3	"	1,818,505	Note 7	0.73
2	World Peace International (South Asia) Pte Ltd.	WPG SCM Limited	2	"	108,803	Note 6	0.04
2	World Peace International (South Asia) Pte Ltd.	WPG South Asia Pte. Ltd.	3	"	187,571	Note 6	0.08
3	WPI International (Hong Kong) Limited	World Peace International (South Asia) Pte Ltd.	3	"	128,583	Note 6	0.05
3	WPI International (Hong Kong) Limited	WPG Electronics (HK) Limited	3	"	131,053	Note 6	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)
3	WPI International (Hong Kong) Limited	WPG Korea Co., Ltd.	3	Other receivables	$ 246,674	Note 7	0.10
3	WPI International (Hong Kong) Limited	Peng Yu International Limited	3	"	779,002	Note 15	0.31
29	WPG C&C Limited	WPI International (Hong Kong) Limited	3	"	243,510	Note 7	0.10
6	Long-Think International (Hong Kong) Limited	WPI International (Hong Kong) Limited	3	"	215,342	Note 7	0.09
31	AECO Technology Co., Ltd.	World Peace Industrial Co., Ltd.	3	"	118,974	Note 7	0.05
32	AECO Electronic Co., Ltd.	WPI International (Hong Kong) Limited	3	"	733,665	Note 7	0.30
7	Silicon Application Corp.	Pernas Electronics Co., Ltd.	3	"	228,107	Note 13	0.09
7	Silicon Application Corp.	WPG Electronics (HK) Limited	3	"	1,058,385	Note 7	0.43
33	Silicon Application (BVI) Corp.	Silicon Application Corp.	3	"	1,227,098	Note 7	0.49
33	Silicon Application (BVI) Corp.	Peng Yu International Limited	3	"	122,007	Note 7	0.05
34	Silicon Application Company Limited	Silicon Application Corp.	3	"	699,906	Note 7	0.28
34	Silicon Application Company Limited	WPG Electronics (HK) Limited	3	"	302,370	Note 7	0.12
34	Silicon Application Company Limited	Yosun Hong Kong Corp. Ltd.	3	"	608,443	Note 7	0.24
34	Silicon Application Company Limited	Peng Yu International Limited	3	"	181,623	Note 7	0.07
8	Pernas Electronics Co., Ltd.	Everwiner Enterprise Co., Ltd.	3	"	196,623	Note 13	0.08
9	Everwiner Enterprise Co., Ltd.	Pernas Electronics Co., Ltd.	3		200,045	Note 7	0.08
19	WPG South Asia Pte. Ltd.	World Peace International (South Asia) Pte Ltd.	3	"	184,115	Note 10	0.07
19	WPG South Asia Pte. Ltd.	WPG Korea Co., Ltd.	3	"	227,373	Note 7	0.09
39	WPG SCM Limited	Peng Yu International Limited	3	"	302,907	Note 7	0.12
22	Yosun Hong Kong Corp. Ltd.	WPG Electronics (HK) Limited	3	"	1,513,197	Note 7	0.61
35	Yosun Shanghai Corp. Ltd.	WPG China (SZ) Inc.	3	"	177,027	Note 7	0.07
35	Yosun Shanghai Corp. Ltd.	WPG China Inc.	3	"	151,131	Note 7	0.06
36	Yosun South China Corp. Ltd.	WPG China (SZ) Inc.	3	"	107,691	Note 7	0.04
24	Sertek Incorporated	Richpower Electronic Devices Co., Ltd.	3	"	307,025	Note 7	0.12
41	Sertek Limited	Yosun Hong Kong Corp. Ltd.	3	"	445,276	Note 7	0.18
26	Richpower Electronic Devices Co., Limited	Silicon Application Corp.	3	"	608,391	Note 7	0.24
38	Richpower Electronic Devices Pte Ltd	Yosun Singapore Pte Ltd.	3	"	218,137	Note 7	0.09
4	WPG Investment Co., Ltd.	WPG Holdings Limited	2	"	125,523	Note 7	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)
37	Genuine C&C Holding Inc. (Seychelles)	Peng Yu International Limited	3	Other receivables	$	123,559	Note 7	0.05
40	Peng Yu (Shanghai) Digital Technology Co., Ltd.	WPG C&C Shanghai Co., Ltd.	3	"		112,047	Note 14	0.05
27	Peng Yu International Limited	WPG Electronics (HK) Limited	3	"		203,277	Note 5	0.08

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: Mainly dividends receivable.
Note 14: The collection period is 45 days from the end of the month of sales.
Note 15: The amount receivable arose from payments to suppliers made on behalf of the associate.

WPG Holdings Limited and Subsidiaries

Information on investees

Three months ended March 31, 2020

Table 9

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2020			Net profit (loss) of the investee for the three months ended March 31, 2020	Investment income (loss) recognized by the Company for the three months ended March 31, 2020 (Note 1)	Footnote
				Balance as at March 31, 2020	Balance as at December 31, 2019	Number of shares	Ownership (%)	Book value			
WPG Holdings Limited	World Peace Industrial Co., Ltd.	Taiwan	Sales of electronic components	$ 18,471,669	$ 18,471,669	1,502,700,000	100.00	$ 27,015,477	$ 787,627	$ 787,627	Note 4
WPG Holdings Limited	Silicon Application Corp.	Taiwan	Sales of computer software, hardware and electronic components	5,717,962	5,717,962	555,000,000	100.00	7,332,518	128,348	128,348	Note 4
WPG Holdings Limited	Asian Information Technology Inc.	Taiwan	Sales of electronic /electrical components	4,863,464	4,863,464	500,000,000	100.00	6,481,828	306,041	306,041	Note 4
WPG Holdings Limited	WPG Electronics Limited	Taiwan	Sales of electronic components	14,735	14,735	3,920,000	100.00	52,116	1,740	1,745	Note 4
WPG Holdings Limited	WPG International (CI) Limited	Cayman Islands	Holding company	4,583,583	4,583,583	150,282,520	100.00	5,289,766	30,683	30,683	Note 4
WPG Holdings Limited	WPG Korea Co., Ltd.	South Korea	Sales of electronic components	169,071	169,071	1,087,794	100.00	496,843	4,211	4,211	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	12,847,096	254,942	254,063	Note 4
WPG Holdings Limited	Trigold Holdings Limited	Taiwan	Investment company	707,968	707,968	48,139,319	60.50	754,480	24,567	17,722	Note 4
WPG Holdings Limited	WPG Investment Co., Ltd.	Taiwan	Investment company	502,997	502,997	50,000,000	100.00	426,464	(8,243)	(8,243)	Note 4
WPG Holdings Limited	WT Microelectronics Co., Ltd.	Taiwan	Trading company	8,111,638	-	177,110,000	29.90	8,138,712	616,034	122,796	Note 6
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	3,849,204	56,355	-	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	19,054,337	471,709	-	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	608,455	13,378	-	Notes 2 and 5
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	1,671,824	3,521	-	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	171,016	20,755	-	Notes 2 and 3

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at March 31, 2020	Initial investment amount: Balance as at December 31, 2019	Shares held as at March 31, 2020: Number of shares	Shares held as at March 31, 2020: Ownership (%)	Shares held as at March 31, 2020: Book value	Net profit (loss) of the investee for the three months ended March 31, 2020	Investment income (loss) recognized by the Company for the three months ended March 31, 2020 (Note 1)	Footnote
Longview Technology Inc.	Longview Technology GC Limited	British Virgin Islands	Holding company	$ 335,328	$ 335,328	11,300,000	100.00	$ 539,587	$ 14,831	$ -	Notes 2 and 5
Longview Technology Inc.	Long-Think International Co., Ltd.	Taiwan	Sales of electronic /electrical components	37,302	37,302	4,000,000	100.00	50,496	634	-	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	797,067	3,949	-	Notes 2 and 5
Silicon Application Corp.	Win-Win Systems Ltd.	British Virgin Islands	Holding company	24,015	24,015	765,000	100.00	26,044	123	-	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	3,241,072	18,715	-	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	113,015	(632)	-	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	1,050,506	35,498	-	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	729,448	28,602	-	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	137,440	14,423	-	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	2,444,101	54,293	-	Notes 2 and 5
Asian Information Technology Inc.	Apache Communication Inc.	Taiwan	Wholesale of electronic components	180,313	180,313	107,000,000	100.00	1,189,964	61,438	-	Notes 2 and 5
Asian Information Technology Inc.	Fame Hall International Co., Ltd.	British Virgin Islands	Investment company	155,558	155,558	4,703,107	100.00	296,695	(5,608)	-	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	31,286	(2,655)	-	Notes 2 and 3
Frontek Technology Corporation	Frontek International Limited	British Virgin Islands	Investment company	101,862	101,862	2,970,000	100.00	126,252	502	-	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	5,177,821	7,130	-	Notes 2 and 5

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2020			Net profit (loss) of the investee for the three months ended March 31, 2020	Investment income (loss) recognized by the Company for the three months ended March 31, 2020 (Note 1)	Footnote
				Balance as at March 31, 2020	Balance as at December 31, 2019	Number of shares	Ownership (%)	Book value			
Yosun Industrial Corp.	Sertek Incorporated	Taiwan	Sales of electronic /electrical components	$ 1,616,722	$ 1,616,722	94,828,100	100.00	$ 1,970,237	$ 93,157	$ -	Notes 2 and 5
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	2,325,440	69,992	-	Notes 2 and 5
Yosun Industrial Corp.	Eesource Corp.	Taiwan	Sales of electronic /electrical components, office machinery and equipment	11,520	11,520	1,080,000	20.00	34,079	10,035	-	Notes 2 and 3
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
Sertek Incorporated	Sertek Limited	Hong Kong	Sales of electronic /electrical components	83,494	83,494	19,500,000	100.00	449,508	2,030	-	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	2,376,190	45,101	-	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	226,356	1,442	-	Notes 2 and 5
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	1,130,257	24,943	-	Notes 2 and 5
Trigold Holdings Limited	Trigold (Hong Kong) Company Limited	Hong Kong	Holding company	510,981	510,981	130,200,000	100.00	569,869	7,974	-	Notes 2 and 5
WPG Investment Co., Ltd.	Trigold Holdings Limited	Taiwan	Investment company	230	230	10,000	0.01	237	24,567	-	Notes 2 and 3
WPG Investment Co., Ltd.	AutoSys Co., Ltd.	Cayman Islands	Holding company	73,000	73,000	5,000,000	19.40	70,470	(3,195)	-	Notes 2 and 3
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	12,352	(207)	-	Notes 2 and 3
WPG Investment Co., Ltd.	Pan-World Control Technologies, Inc.	Taiwan	Wholesale of machinery	17,800	17,800	1,565,218	22.86	-	-	-	Notes 2 and 3
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	34,896	7,972	-	Notes 2 and 3

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at March 31, 2020	Initial investment amount: Balance as at December 31, 2019	Shares held as at March 31, 2020: Number of shares	Shares held as at March 31, 2020: Ownership (%)	Shares held as at March 31, 2020: Book value	Net profit (loss) of the investee for the three months ended March 31, 2020	Investment income (loss) recognized by the Company for the three months ended March 31, 2020 (Note 1)	Footnote
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	$ 45,871	($ 3,600)	$ -	Notes 2 and 3
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	7,195	(3,079)	-	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	133,745	1,187	-	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	11,147	(3,600)	-	Notes 2 and 3

Note 1: Investment income (loss) recognized by the company including realized (unrealized) gain or loss from upstream intercompany transactions and amortization of investment discount (premium).
Note 2: Investment income (loss) recognized by each subsidiary.
Note 3: An investee company accounted for under the equity method by subsidiary.
Note 4: A subsidiary.
Note 5: An indirect subsidiary.
Note 6: An investee company accounted for under the equity method by the Company.

WPG Holdings Limited and Subsidiaries

Information on investments in Mainland China

Three months ended March 31, 2020

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, 2020	Amount remitted from Taiwan to Mainland China / Amount remitted back to Taiwan for the three months ended March 31, 2020		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2020	Net income of investee for the three months ended March 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the three monhts ended March 31, 2020 (Note 3)	Book value of investments in Mainland China as of March 31, 2020 (Note 6)	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2020	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
WPG China Inc.	Sales of electronic /electrical components	$ 1,610,292	1	$ 1,763,264	$ -	$ -	$ 1,763,264	$ 13,984	100.00	$ 13,984	$ 2,302,733	$ -	
WPG China (SZ) Inc.	Sales of computer software and electronic components	142,901	1	105,675	-	-	105,675	(5,817)	100.00	(5,817)	716,718	-	Note 4
Suzhou Xinning Bonded Warehouse Co., Ltd.	Warehousing services	35,189	1	28,360	-	-	28,360	(3,888)	49.00	(1,905)	74,948	-	
Gain Tune Logistics (Shanghai) Co., Ltd.	Warehousing services / extra work	42,550	1	14,978	-	-	14,978	(4,168)	40.00	(1,667)	24,317	-	
Suzhou Xinning Logistics Co., Ltd.	Warehousing services	63,825	1	18,581	-	-	18,581	(517)	29.40	(152)	39,736	-	
WPG C&C Shanghai Co., Ltd.	Sales of electronic products	226,097	1	262,958	-	-	262,958	(1,945)	100.00	(1,177)	172,107	-	Note 7
Long-Think International (Shanghai) Limited	Sales of electronic components	14,089	1	143,490	-	-	143,490	453	100.00	453	26,887	-	Note 2
Yosun Shanghai Corp. Ltd.	Sales of electronic components and warehousing services	267,282	1	232,733	-	-	232,733	1,722	100.00	1,722	356,032	-	
Yosun South China Corp. Ltd.	Sales of electronic /electrical components	136,452	1	-	-	-	-	1,132	100.00	1,132	201,537	-	

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, 2020	Amount remitted from Taiwan to Mainland China / Amount remitted back to Taiwan for the three months ended March 31, 2020		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2020	Net income of investee for the three months ended March 31, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the three monhts ended March 31, 2020 (Note 3)	Book value of investments in Mainland China as of March 31, 2020 (Note 6)	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2020	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Qegoo Technology Co., Ltd.	Business e-commerce platform	$ 55,916	1	$ 4,846	$ -	$ -	$ 4,846	$ -	15.00	$ -	$ -	$ -	
Peng Yu (Shanghai) Digital Technology Co., Ltd	Sales of electronic products	95,738	1	184,350	-	-	184,350	17,743	100.00	10,736	163,485	-	
Trigolduo (Shanghai) Industrial Development Ltd.	Children's theme park	42,550	1	29,785	-	-	29,785	(10,876)	70.00	(4,607)	5,393	-	
Trigold Tongle (Shanghai) Industrial Development Ltd.	Children's theme park	6,383	1	-	-	-	-	(1,608)	70.00	(681)	(479)	-	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 three months ended March 31, 2020 that was recognized 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 (SZ) 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 three months ended March 31, 2020, accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2020, book value of investments in Mainland China as of March 31, 2020, accumulated amount of investment income remitted back to Taiwan as of March 31, 2020, etc., the exchange rates used were USD 1: NTD 30.225, HKD 1: NTD 3.898 and RMB 1: NTD 4.255.

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, WPG C&C Shanghai Co., 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 March 31, 2020	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	$ 2,003,027	$ 2,104,237	$ 39,526,751
World Peace Industrial Co., Ltd. and its subsidiaries	378,338	362,206	16,240,362
Silicon Application Corp. and its subsidiaries	13,049	18,974	4,399,511
Yosun Industrial Corp. and its subsidiares	253,437	536,917	5,454,135
WPG Investment Co., Ltd.	4,846	14,762	255,879
Trigold Holdings Limited and its subsidiaries	571,767	571,767	710,053

(1) Exchange rates as of March 31, 2020 were USD 1: NTD 30.225, HKD 1 : NTD 3.898 and RMB 1 : NTD 4.255.
(2) The ceiling of investment amount of the company is calculated based on the investor's net assets.

WPG Holdings Limited and Subsidiaries

Major shareholders information

March 31, 2020

Table 11

Name of major shareholders	Shares	
	Number of shares held	Ownership (%)
Fubon Life Assurance Co., Ltd.	126,362,000	6,72%

Description: If the company applies Taiwan Depository & Clearing Corporation for the information of the table, the following can be explained in the notes of the table.

(a) The major shareholders information was derived from the data that the Company issued common shares (including treasury shares) and preference shares in dematerialised form which were registered and held by the shareholders above 5% on the last operating date of each quarter and was calculated by the Taiwan Depository & Clearing Corporation. The share capital which was recorded in the financial statements may be different from the actual number of shares in dematerialised form due to the difference in the calculation basis.

(b) If the aforementioned data contains shares which were held in trust by the shareholders, the data is disclosed as a separate account of client which was set by the trustee. As for the shareholder who reports share equity as an insider whose shareholding ratio is greater than 10%, in accordance with the Securities and Exchange Act, the shareholding ratio includes the self-owned shares and shares held in trust, and at the same time, the shareholder has the power t decide how to allocate the trust assets. For the information on reported share equity of insider, please refer to Market Observation Post System.