Catcher Technology Co., Ltd. and Subsidiaries

Consolidated Financial Statements for the Years Ended December 31, 2020 and 2019 and Independent Auditors' Report

DECLARATION OF CONSOLIDATION OF FINANCIAL STATEMENTS OF AFFILIATES

The companies required to be included in the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” for the year ended December 31, 2020 are all the same as the companies required to be included in the consolidated financial statements of parent and subsidiary companies as provided in International Financial Reporting Standard 10 “Consolidated Financial Statements”. Relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Hence, we do not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

CATCHER TECHNOLOGY CO., LTD.

By

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SHUI-SHU HONG
Chairman
March 10, 2021

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Catcher Technology Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Catcher Technology Co., Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2020 and 2019, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission, the Republic of China.

Basis for Opinion

We conducted our audit of the consolidated financial statements for the year ended December 31, 2020 in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. We conducted our audit of the consolidated financial statements for the year ended December 31, 2019 in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, Rule No. 1090360805 issued by the Financial Supervisory Commission of the Republic of China on February 25, 2020, and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2020. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in the Group's consolidated financial statements for the year ended December 31, 2020 is as follows:

As stated in Notes 4(f), 5(a) and 11 to the accompanying consolidated financial statements, as of December 31, 2020, the Group's net inventory amounted to NT$6,003,807 thousand (net of obsolescence loss of NT$3,788,830 thousand). Such inventory loss represents approximately 39% of the total inventory. The Group operates in a fast-changing industry whereby developments in product technology and market demand may result in slow-moving or obsolete inventory. Because the evaluation of inventory impairment and obsolescence loss involves management's material estimations, we deemed such valuation to be a key audit matter.

The main audit procedures that we performed in regard of this key audit matter include:

- We determined the appropriateness of the Group's methodology for the evaluation of inventory impairment and obsolescence loss based on our understanding of the business and industry, coupled with our understanding of the nature and aging of the inventory.

- We obtained the valuation report of the net realizable value of the inventory and assessed the reasonableness of the inventory valuation by sample-selecting inventory items and comparing their carrying amounts to the latest sales prices.

Other Matter

We have also audited the parent company only financial statements of Catcher Technology Co., Ltd. as of and for the years ended December 31, 2020 and 2019 on which we have issued an unqualified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2020 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Chi Chen Lee and Lee Yuan Kuo.

Deloitte & Touche
Taipei, Taiwan
Republic of China
March 10, 2021

<u>*Notice to Readers*</u>

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

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars)

	December 31, 2020		December 31, 2019	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 111,882,981	44	$ 69,017,246	28
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	349,801	-	324,380	-
Financial assets at amortized cost - current (Notes 4 and 9)	65,333,889	26	82,549,645	34
Note Receivable (Notes 4 and 10)	21	-	-	-
Trade receivables (Notes 4, 10 and 24)	17,317,501	7	23,603,964	10
Other receivables (Note 4 and 10)	306,029	-	656,973	-
Current tax assets (Notes 4 and 26)	90,318	-	23,503	-
Inventories (Notes 4, 5 and 11)	6,003,807	2	14,163,693	6
Other current assets (Note 18)	593,003	-	1,505,128	1
Total current assets	201,877,350	79	191,844,532	79
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	652,880	-	543,130	-
Financial assets at amortized cost - non-current (Notes 4 and 9)	24,585,406	10	994	-
Investments accounted for using the equity method (Notes 4 and 13)	11,583	-	12,295	-
Property, plant and equipment (Notes 4 and 14)	22,567,706	9	41,296,514	17
Right-of-use assets (Notes 4 and 15)	1,245,224	-	1,986,704	1
Investment properties (Notes 4 and 16)	500,299	-	535,848	-
Intangible assets (Notes 4 and 17)	38,004	-	101,455	-
Deferred tax assets (Notes 4 and 26)	4,346,647	2	6,433,654	3
Other non-current assets (Note 18)	78,096	-	359,147	-
Total non-current assets	54,025,845	21	51,269,741	21
TOTAL	$ 255,903,195	100	$ 243,114,273	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 19)	$ 70,465,726	27	$ 70,352,230	29
Contract liabilities - current (Notes 4 and 24)	12,545	-	25,614	-
Notes payable (Note 20)	-	-	23,824	-
Trade payables (Note 20)	7,691,968	3	11,200,215	5
Other payables (Note 21)	6,924,658	3	8,814,643	4
Current tax liabilities (Notes 4 and 26)	3,997,201	2	1,446,742	-
Lease liabilities - current (Notes 4 and 15)	17,584	-	29,596	-
Other current liabilities (Note 21)	2,352,993	1	1,378,140	-
Total current liabilities	91,462,675	36	93,271,004	38
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Notes 4, 5 and 26)	6,197,748	2	1,097,275	1
Lease liabilities - non-current (Notes 4 and 15)	142,925	-	131,173	-
Net defined benefit liabilities - non-current (Notes 4 and 22)	6,558	-	6,558	-
Other non-current liabilities (Note 21)	21,687	-	19,756	-
Total non-current liabilities	6,368,918	2	1,254,762	1
Total liabilities	97,831,593	38	94,525,766	39
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 23)				
Share capital - ordinary shares	7,616,181	3	7,703,911	3
Capital surplus	20,008,231	8	20,237,791	8
Retained earnings				
Legal reserve	19,532,131	8	18,404,919	8
Special reserve	12,188,506	5	7,410,317	3
Unappropriated earnings	113,024,326	44	106,894,281	44
Total retained earnings	144,744,963	57	132,709,517	55
Other equity	(14,394,310)	(6)	(12,188,506)	(5)
Total equity attributable to owners of the Company	157,975,065	62	148,462,713	61
NON-CONTROLLING INTERESTS	96,537	-	125,794	-
Total equity	158,071,602	62	148,588,507	61
TOTAL	$ 255,903,195	100	$ 243,114,273	100

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

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2020		2019	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 4, 15 and 24)	$ 82,506,032	100	$ 91,628,115	100
OPERATING COSTS (Notes 11, 22 and 25)	60,586,781	73	69,361,220	76
GROSS PROFIT	21,919,251	27	22,266,895	24
OPERATING EXPENSES (Notes 22 and 25)				
Selling and marketing expenses	652,469	1	663,740	1
General and administrative expenses	4,746,964	6	5,074,656	5
Research and development expenses	1,584,650	2	2,419,351	3
Total operating expenses	6,984,083	9	8,157,747	9
PROFIT FROM OPERATIONS	14,935,168	18	14,109,148	15
NON-OPERATING INCOME AND EXPENSES (Notes 13, 25 and 28)				
Interest income	2,001,921	3	4,152,640	5
Other income	3,865,654	5	3,366,833	4
Foreign exchange gains (losses), net	(5,625,516)	(7)	(763,882)	(1)
Other gains	26,246,911	32	88,016	-
Interest expenses	(576,237)	(1)	(959,764)	(1)
Share of profit (loss) of associates	(712)	-	(9,730)	-
Total non-operating income and expenses	25,912,021	32	5,874,113	7
PROFIT BEFORE INCOME TAX	40,847,189	50	19,983,261	22
INCOME TAX EXPENSE (Notes 4 and 26)	19,681,121	24	8,685,441	10
NET PROFIT	21,166,068	26	11,297,820	12
OTHER COMPREHENSIVE INCOME (LOSS) (Note 23)				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	(27,978)	-	(31,338)	-

(Continued)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2020		2019	
	Amount	**%**	**Amount**	**%**
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	$ (2,176,688)	(3)	$ (4,751,756)	(5)
Other comprehensive loss for the year, net of income tax	(2,204,666)	(3)	(4,783,094)	(5)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 18,961,402	23	$ 6,514,726	7
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	$ 21,129,820	26	$ 11,272,124	12
Non-controlling interests	36,248	-	25,696	-
	$ 21,166,068	26	$ 11,297,820	12
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	$ 18,924,016	23	$ 6,493,934	7
Non-controlling interests	37,386	-	20,792	-
	$ 18,961,402	23	$ 6,514,726	7
EARNINGS PER SHARE (Note 27)				
Basic	$ 27.65		$ 14.63	
Diluted	$ 27.42		$ 14.53	

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

(Concluded)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company											
			Retained Earnings			Other Equity						
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total	Treasury Shares	Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2019	$ 7,703,911	$ 20,238,740	$ 15,607,700	$ 6,207,055	$ 108,872,223	$ (7,401,796)	$ (8,520)	$ (7,410,316)	$ -	$ 151,219,313	$ 105,002	$ 151,324,315
Appropriation of the 2018 earnings (Note 23)												
Legal reserve	-	-	2,797,219	-	(2,797,219)	-	-	-	-	-	-	-
Special reserve	-	-	-	1,203,262	(1,203,262)	-	-	-	-	-	-	-
Cash dividends distributed by the Company - 120%	-	-	-	-	(9,244,692)	-	-	-	-	(9,244,692)	-	(9,244,692)
Changes in capital surplus from donations from shareholders	-	473	-	-	-	-	-	-	-	473	-	473
Net profit for the year ended December 31, 2019	-	-	-	-	11,272,124	-	-	-	-	11,272,124	25,696	11,297,820
Other comprehensive loss for the year ended December 31, 2019, net of income tax	-	-	-	-	-	(4,746,852)	(31,338)	(4,778,190)	-	(4,778,190)	(4,904)	(4,783,094)
Total comprehensive income (loss) for the year ended December 31, 2019	-	-	-	-	11,272,124	(4,746,852)	(31,338)	(4,778,190)	-	6,493,934	20,792	6,514,726
Subscription for additional new shares of the investee at a percentage different from its existing ownership percentage	-	(1,422)	-	-	(4,893)	-	-	-	-	(6,315)	-	(6,315)
BALANCE AT DECEMBER 31, 2019	7,703,911	20,237,791	18,404,919	7,410,317	106,894,281	(12,148,648)	(39,858)	(12,188,506)	-	148,462,713	125,794	148,588,507
Appropriation of the 2019 earnings (Note 23)												
Legal reserve	-	-	1,127,212	-	(1,127,212)	-	-	-	-	-	-	-
Special reserve	-	-	-	4,778,189	(4,778,189)	-	-	-	-	-	-	-
Cash dividends distributed by the Company - 100%	-	-	-	-	(7,616,181)	-	-	-	-	(7,616,181)	-	(7,616,181)
Changes in capital surplus from donations from shareholders	-	907	-	-	-	-	-	-	-	907	-	907
Net profit for the year ended December 31, 2020	-	-	-	-	21,129,820	-	-	-	-	21,129,820	36,248	21,166,068
Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax	-	-	-	-	-	(2,177,826)	(27,978)	(2,205,804)	-	(2,205,804)	1,138	(2,204,666)
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	21,129,820	(2,177,826)	(27,978)	(2,205,804)	-	18,924,016	37,386	18,961,402
Buy-back of ordinary shares (Note 23)	-	-	-	-	-	-	-	-	(1,796,390)	(1,796,390)	-	(1,796,390)
Cancelation of treasury shares (Note 23)	(87,730)	(230,467)	-	-	(1,478,193)	-	-	-	1,796,390	-	-	-
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(66,643)	(66,643)
BALANCE AT DECEMBER 31, 2020	$ 7,616,181	$ 20,008,231	$ 19,532,131	$ 12,188,506	$ 113,024,326	$ (14,326,474)	$ (67,836)	$ (14,394,310)	$ -	$ 157,975,065	$ 96,537	$ 158,071,602

The accompanying notes are an integral part of the financial statements.

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars)

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 40,847,189	$ 19,983,261
Adjustments for:		
Depreciation expenses	8,722,617	12,053,048
Amortization expenses	67,050	68,396
Net loss (gain) on financial instruments at fair value through profit or loss	(25,008)	17,484
Interest expenses	576,237	959,764
Interest income	(2,001,921)	(4,152,640)
Dividend income	(19,443)	(26,040)
Share of (profit) loss of associates	712	9,730
Gain on disposal of property, plant and equipment	(147,930)	(22,509)
Loss on disposal of investment properties	768	-
Loss on disposal of subsidiaries	(25,951,192)	-
Write-down of inventories	4,471,489	196,722
Unrealized loss on foreign currency exchange	483,076	548,698
Changes in operating assets and liabilities		
Notes receivable	(21)	33
Trade receivables	4,463,252	1,028,491
Other receivables	(3,814,660)	(63,445)
Inventories	(4,223,626)	10,430,264
Other current assets	257,456	1,297,725
Contract liabilities	(8,585)	(9,562)
Notes payable	(23,824)	(5,447)
Trade payables	1,258,600	(2,542,352)
Other payables	3,499,550	(834,482)
Other current liabilities	1,006,141	(836,224)
Net defined benefit liabilities	-	6
Other non-current liabilities	(10)	(1,777,304)
Cash generated from operations	29,437,917	36,323,617
Dividends received	19,443	26,040
Income tax paid	(9,153,241)	(10,547,545)
Net cash generated from operating activities	20,304,119	25,802,112
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(160,881)	(296,894)
Purchase of financial assets at amortized cost	(377,084,044)	(410,985,912)
Proceeds from disposals of financial assets at amortized cost	366,881,978	439,668,711
Purchase of financial assets at fair value through profit or loss	(413)	-
Acquisitions of associates	-	(28,340)
Net cash inflow on disposal of subsidiaries (Note 28)	40,293,028	-
Payments for property, plant and equipment	(1,451,599)	(4,030,137)
Proceeds from disposal of property, plant and equipment	152,722	41,870

(Continued)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars)

	2020	2019
Increase in refundable deposits	$ (17,953)	$ (747)
Decrease in refundable deposits	7,363	14,714
Acquisitions of intangible assets	(19,834)	(41,828)
Acquisitions of investment properties	(4,907)	(930)
Proceeds from disposal of investment properties	178	-
Interest received	2,362,960	4,310,300
Net cash generated from investing activities	30,958,598	28,650,807
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	311,787,729	305,849,194
Repayments of short-term borrowings	(307,769,676)	(308,953,649)
Proceeds from guarantee deposits received	10,448	10,408
Refunds of guarantee deposits received	(10,338)	(104,778)
Repayment of the principal portion of lease liabilities	(56,250)	(12,413)
Cash dividends paid	(7,616,181)	(9,244,692)
Payments for buy-back of ordinary shares	(1,796,390)	-
Interest paid	(602,769)	(921,228)
Decrease in non-controlling interests	(66,643)	-
Net cash used in financing activities	(6,120,070)	(13,377,158)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	(2,276,912)	(1,363,015)
NET INCREASE IN CASH AND CASH EQUIVALENTS	42,865,735	39,712,746
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	69,017,246	29,304,500
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 111,882,981	$ 69,017,246

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

(Concluded)

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Catcher Technology Co., Ltd. (the "Company") was incorporated in November 1984 under the laws of the Republic of China (ROC). The Company mainly manufactures and sells aluminum and magnesium extrusion and stamping products and molds. It also provides leasing services.

The Company's shares were listed and traded on the Taipei Exchange (formerly called the GreTai Securities Market) from November 1999 until September 2001, when the Company listed its shares on the Taiwan Stock Exchange (TWSE) under stock number "2474" and ceased listing and trading on the Taipei Exchange.

The Company increased its capital by listing its shares in the form of Global Depositary Receipts (GDRs) on the Luxembourg Stock Exchange (Euro MTF) in June 2011.

The consolidated financial statements of the Company and its subsidiaries, collectively referred to as the Group, are presented in the Company's functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were published after being approved by the Company's board of directors on March 10, 2021.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

a. Initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC) and SIC Interpretations (SIC) (collectively, "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC).

   The initial application of the IFRSs endorsed and issued into effect by the FSC did not have any material impact on the accounting policies of the Company and its subsidiaries (collectively referred to as the "Group").

b. The IFRSs endorsed by the FSC for application starting from 2021

New IFRSs	Effective Date Announced by IASB
Amendments to IFRS 4 "Extension of the Temporary Exemption from Applying IFRS 9"	Effective immediately upon promulgation by the IASB
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 "Interest Rate Benchmark Reform - Phase 2"	January 1, 2021
Amendment to IFRS 16 "Covid-19-Related Rent Concessions"	June 1, 2020

c. New IFRSs in issue but not yet endorsed and issued into effect by the FSC

New IFRSs	Effective Date Announced by IASB (Note 1)
"Annual Improvements to IFRS Standards 2018-2020"	January 1, 2022 (Note 2)
Amendments to IFRS 3 "Reference to the Conceptual Framework"	January 1, 2022 (Note 3)
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 IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2023
Amendments to IAS 1 "Disclosure of Accounting policies"	January 1, 2023 (Note 6)
Amendments to IAS 8 "Definition of Accounting Estimates"	January 1, 2023 (Note 7)
Amendments to IAS 16 "Property, Plant and Equipment - Proceeds before Intended Use"	January 1, 2022 (Note 4)
Amendments to IAS 37 "Onerous Contracts - Cost of Fulfilling a Contract"	January 1, 2022 (Note 5)

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: The amendments to IFRS 9 will be applied prospectively to modifications and exchanges of financial liabilities that occur on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IAS 41 "Agriculture" will be applied prospectively to the fair value measurements on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IFRS 1 "First-time Adoptions of IFRSs" will be applied retrospectively for annual reporting periods beginning on or after January 1, 2022.

Note 3: The amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the annual reporting period beginning on or after January 1, 2022.

Note 4: The amendments are applicable to property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after January 1, 2021.

Note 5: The amendments are applicable to contracts for which the entity has not yet fulfilled all its obligations on January 1, 2022.

Note 6: The amendments will be applied prospectively for annual reporting periods beginning on or after January 1, 2023.

Note 7: The amendments are applicable to changes in accounting estimates and changes in accounting policies that occur on or after the beginning of the annual reporting period beginning on or after January 1, 2023.

1) Amendments to IAS 1 "Disclosure of Accounting Policies"

The amendments specify that the Group should refer to the definition of material to determine its material accounting policy information to be disclosed. Accounting policy information is material if it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments also clarify that:

a) Accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed;

b) The Group may consider the accounting policy information as material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial; and

c) Not all accounting policy information relating to material transactions, other events or conditions is itself material.

The amendments also illustrate that accounting policy information is likely to be considered as material to the financial statements if that information relates to material transactions, other events or conditions and:

a) The Group changed its accounting policy during the reporting period and this change resulted in a material change to the information in the financial statements;

b) The Group chose the accounting policy from options permitted by the standards;

c) The accounting policy was developed in accordance with IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” in the absence of an IFRS that specifically applies;

d) The accounting policy relates to an area for which the Group is required to make significant judgements or assumptions in applying an accounting policy, and the Group discloses those judgements or assumptions; or

e) The accounting is complex and users of the financial statements would otherwise not understand those material transactions, other events or conditions.

2) Amendments to IAS 8 “Definition of Accounting Estimates”

The amendments define that accounting estimates are monetary amounts in financial statements that are subject to measurement uncertainty. In applying accounting policies, the Group may be required to measure items at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, the Group uses measurement techniques and inputs to develop accounting estimates to achieve the objective. The effects on an accounting estimate of a change in a measurement technique or a change in an input are changes in accounting estimates unless they result from the correction of prior period errors.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs as endorsed and issued into effect by the FSC.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value, and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for assets or liabilities, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

3) Level 3 inputs are unobservable inputs for assets or liabilities.

c. Classification of current and non-current assets and liabilities

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within twelve months after the reporting period; and

3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within twelve months after the reporting period; and

3) Liabilities for which the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries).

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group’s ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets (including any goodwill) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Group directly disposed of the related assets or liabilities.

See Note 12, tables 8 and 9 for detailed information on subsidiaries (including percentages of ownership and main businesses).

e. Foreign currencies

In preparing the financial statements of each individual entity in the Group, transactions in currencies other than the entity's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which cases, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

For the purpose of presenting consolidated financial statements, assets and liabilities of a foreign operation (including subsidiaries in other countries that use currencies which are different from the currency of the Group) are translated into the New Taiwan dollar at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income attributed to the owners of the Company and non-controlling interests as appropriate.

On the disposal of a foreign operation (i.e., a disposal of the Company's entire interest in a foreign operation, or a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

f. Inventories

Inventories consist of raw materials, supplies, merchandise, finished goods, semi-finished goods and work-in-process. Inventories are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost.

g. Investments in associates

An associate is an entity over which the Group has significant influence and which is neither a subsidiary nor an interest in a joint venture.

The Group uses the equity method to account for its investments in associates. Under the equity method, an investment in an associate is initially recognized at cost and adjusted thereafter to recognize the Group’s share of the profit or loss and other comprehensive income of the associate. The Group also recognizes the changes in the Group’s share of the equity of associates.

When the Group subscribes for additional new shares of an associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Group’s proportionate interest in the associate. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in capital surplus from investments in associates and joint ventures accounted for using the equity method. If the Group’s ownership interest is reduced due to its additional subscription of the new shares of the associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required had the investee directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.

When the Group’s share of losses of an associate equals or exceeds its interest in that associate (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Group’s net investment in the associate), the Group discontinues recognizing its share of further loss, if any. Additional losses and liabilities are recognized only to the extent that the Group has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill, that forms part of the carrying amount of investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date and the fair value is regarded as the investment’s fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities.

When an entity in the Group transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the Group’s consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

h. Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

Depreciation of property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

i. Investment properties

Investment properties are properties held to earn rentals and / or for capital appreciation. Investment properties also include land held for a currently undetermined future use.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognized using the straight-line method.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss.

j. Intangible assets

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis.

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

k. Impairment of property, plant and equipment, right-of-use-asset, intangible assets and assets related to contract costs

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use asset and intangible assets, to determine whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

Before the Group recognizes an impairment loss from assets related to contract costs, any impairment loss on inventories, property, plant and equipment and intangible assets related to the contract applicable under IFRS 15 shall be recognized in accordance with applicable standards. Then, impairment loss from the assets related to the contract costs is recognized to the extent that the carrying amount of the assets exceeds the remaining amount of consideration that the Group expects to receive in exchange for related goods or services less the costs which relate directly to providing those goods or services and which have not been recognized as expenses. The assets related to the contract costs are then included in the carrying amount of the cash-generating unit to which they belong for the purpose of evaluating impairment of that cash-generating unit.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset, cash-generating unit or assets related to contract costs is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized for the asset, cash-generating unit or assets related to contract costs in prior years. A reversal of an impairment loss is recognized in profit or loss.

l. Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement categories

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost and investments in equity instruments at FVTOCI.

i. Financial assets at FVTPL

Financial assets are classified as at FVTPL when such a financial asset is mandatorily classified or designated as at FVTPL. Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI and debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria.

Financial assets at FVTPL are subsequently measured at fair value, and any dividends or interest earned on such financial assets are recognized in other income and interest income, respectively; any remeasurement gains or losses on such financial assets are recognized in other gains or losses. Fair value is determined in the manner described in Note 30.

ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

i) The financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

ii) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, investments in debt instruments, accounts receivable at amortized cost, other receivables and refundable deposits, are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss.

Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

i) Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets; and

ii) Financial assets that are not credit-impaired on purchase or origination but have subsequently become credit-impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

A financial asset is credit impaired when one or more of the following events have occurred:

i) Significant financial difficulty of the issuer or the borrower;

ii) Breach of contract, such as a default;

iii) It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or

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

Cash equivalents include time deposits and repurchase agreements with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

iii. Investments in equity instruments at FVTOCI

On initial recognition, the Group may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Group’s right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

b) Impairment of financial assets and contract assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including accounts receivables) at the end of each reporting period.

The Group always recognizes lifetime expected credit losses (ECLs) for accounts receivable. For all other financial instruments, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

For internal credit risk management purposes, the Group determines that the following situations indicate that a financial asset is in default (without taking into account any collateral held by the Group):

i. Internal or external information show that the debtor is unlikely to pay its creditors.

ii. When a financial asset is more than 180 days past due unless the Group has reasonable and corroborative information to support a more lagged default criterion.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account.

c) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in an equity instrument at FVTOCI in its entirety, the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity instruments

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

The repurchase of the Group’s own equity instruments is recognized in and deducted directly from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Group’s own equity instruments.

3) Financial liabilities

a) Subsequent measurement

All the financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

The difference between the carrying amount of a financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

m. Revenue recognition

The Group identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

Revenue from the sale of goods comes from sales of metal casing. Sales of metal casing product are recognized as revenue when the Group has transferred to the buyer the significant risks and rewards of ownership of the goods and the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, which is determined for export sales on the bases of the terms of the trade and for domestic sales on the bases of the acceptance date of the counterparty. Accounts receivable are recognized concurrently. Advance receipts are recognized as contract liabilities before the conditions of trade of the products are reached.

The Group does not recognize sales revenue on materials delivered to subcontractors because this delivery does not involve a transfer of control.

n. Leases

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

1) The Group as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

When the Group subleases a right-of-use asset, the sublease is classified by reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. However, if the head lease is a short-term lease that the Group, as a lessee, has accounted for applying recognition exemption, the sublease is classified as an operating lease.

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

Variable lease payments that do not depend on an index or a rate are recognized as income in the periods in which they are incurred.

When a lease includes both land and building elements, the Group assesses the classification of each element separately as a finance or an operating lease based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the lessee. The lease payments are allocated to the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of a contract. If the allocation of the lease payments can be made reliably, each element is accounted for separately in accordance with its lease classification. When the lease payments cannot be allocated reliably to the land and building elements, the entire lease is generally classified as a finance lease unless it is clear that both elements are operating leases; in which case, the entire lease is classified as an operating lease.

2) The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for by applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms. However, if leases transfer ownership of the underlying assets to the Group by the end of the lease terms or if the costs of right-of-use assets reflect that the Group will exercise a purchase option, the Group depreciates the right-of-use assets from the commencement dates to the end of the useful lives of the underlying assets.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments, in-substance fixed payments, variable lease payments which depend on an index or a rate, residual value guarantees, the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and payments of penalties for terminating a lease if the lease term reflects such termination, less any lease incentives receivable. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group will use the lessee’s incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, a change in the amounts expected to be payable under a residual value guarantee, a change in the assessment of an option to purchase an underlying asset, or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the periods in which they are incurred.

o. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other than those stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

p. Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants related to income are recognized in other income on a systematic basis over the periods in which the Group recognizes as expenses the related costs that the grants intend to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable.

q. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as expenses when employees have rendered service entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost) and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period in which they occur. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Group’s defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

r. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Law in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years’ tax liabilities are added to or deducted from the current year’s tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3) Current and deferred taxes for the year

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity; in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimations and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

Key sources of estimation uncertainty

a. Write-down of inventories

The net realizable value of inventories is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The estimation of net realizable value is based on current market conditions and historical experience of product sales of a similar nature. Changes in market conditions may have a material impact on the estimation of the net realizable value.

b. Income taxes

As of December 31, 2020 and 2019, for the purpose of expanding the Group's operation scale continuously and supporting the capital needs of overseas reinvestment companies, the Company's management resolved that the unappropriated retained earnings of overseas subsidiaries as of December 31, 2020 will be used for permanent investment; the proposal was approved by the board of directors on March 10, 2021. Therefore, no deferred tax liabilities were recognized on the subsidiaries' unappropriated earnings. If the retained earnings of overseas subsidiaries will be appropriated in the future, recognition of material deferred tax liabilities may arise, which would be recognized in profit or loss for the period in which such appropriation takes place. Due to the government's implementation of The Management, Utilization, and Taxation of Repatriated Offshore Funds Act, the Group evaluated the optimizaiton of its working capital and tax planning. The board of directors of Gigamag Co., Ltd. (the Company's subsidiary) approved the appropriation of earnings on July 28, 2020, which has been approved by the government. Remaining unappropriate retained earnings of other overseas subsidiaries will still be used for permanent investment.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2020	**2019**
Cash on hand	$ 3,330	$ 5,153
Deposits in banks	34,838,700	23,233,337
Cash equivalents (investments with original maturities of less than 3 months)		
Time deposits	76,439,595	45,228,298
Repurchase agreements	601,356	550,458
	$ 111,882,981	$ 69,017,246

The range of interest rates of time deposits and repurchase agreements was as follows:

	December 31	
	2020	**2019**
Time deposits	0.11%-3%	0.6%-2.55%
Repurchase agreements	1.05%-1.1%	2.8%-2.9%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31	
	2020	2019
Financial assets at FVTPL - current		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets		
Domestic quoted shares	$ 349,801	$ 324,380

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVTOCI)

Investments in equity instruments

	December 31	
	2020	2019
Non-current		
Domestic investments		
Unlisted shares		
Ordinary shares - Alpha Information Systems, Inc.	$ 53,880	$ 57,075
Ordinary shares - CDIB Capital Innovation Accelerator Co., Ltd.	30,300	32,220
Foreign investments		
Limited partnerships - China Renewable Energy Fund, L.P.	568,700	453,835
	$ 652,880	$ 543,130

These investments in equity instruments are not held for trading. Instead, they are held for medium- to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

The Group invested US$7,059 thousand, US$2,472 thousand and US$ 5,597 thousand in China Renewable Energy Fund, L.P. in June 2019, September 2019 and October 2020, respectively. The Group accounted for 23.51% of the total investment. In addition, the Group only holds 1 out of 5 seats in the Operation Committee. Therefore, the Group's management considered that it has no significant influence over the investee and classified the investment as financial assets at FVTOCI - non-current.

9. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2020	2019
Current		
Domestic investments		
Time deposits with original maturity of more than 3 months (a)	$ 65,314,334	$ 82,470,638
Repurchase agreements (a)	-	68,257
Refundable deposits	19,555	10,750
	$ 65,333,889	$ 82,549,645
Non-current		
Domestic investments		
Restricted bank deposits (b)	$ 24,321,980	$ -
Time deposits with original maturity of more than 1 year (a)	261,556	-
Refundable deposits	1,870	994
	$ 24,585,406	$ 994

a. The ranges of interest rates for time deposits and repurchase agreements:

	December 31	
	2020	2019
Time deposits	0.28%～2.22%	0.66%～2.8%
Repurchase agreements	-	2.9%

b. Restricted bank deposits were funds that the Group deposited in the segregated foreign exchange deposit account in accordance with “The Management, Utilization, and Taxation of Repatriated offshore Funds Act”.

10. TRADE RECEIVABLES AND OTHER RECEIVABLES

	December 31	
	2020	2019
Notes receivable		
At amortized cost		
Gross carrying amount	$ 21	$ -
Notes receivable - operating	$ 21	$ -

(Continued)

	December 31	
	2020	2019
Trade receivables		
At amortized cost		
Gross carrying amount	$ 17,374,684	$ 23,661,147
Less: Allowance for impairment loss	(57,183)	(57,183)
	$ 17,317,501	$ 23,603,964
Other receivables	$ 306,029	$ 656,973

(Concluded)

a. Notes receivable

The Group analyzed the notes receivable that were not past due based on the past due status, and the Group did not recognize an allowance for loss on notes receivable as of December 31, 2020 and 2019.

b. Trade receivables

The average credit period of sales of goods was 30 to 180 days. No interest was charged on accounts receivable. In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix by reference to the past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecasted direction of economic conditions at the reporting date. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of trade receivables based on the Group's provision matrix.

December 31, 2020

	Not Past Due	Less than 60 Days	61 to 120 Days	Total
Expected credit loss rate	0%~0.337%	0%~2.346%	0%~9.936%	
Gross carrying amount	$ 16,988,396	$ 385,907	$ 381	$ 17,374,684
Loss allowance (Lifetime ECLs)	(57,165)	(17)	(1)	(57,183)
Amortized cost	$ 16,931,231	$ 385,890	$ 380	$ 17,317,501

December 31, 2019

	Not Past Due	Less than 60 Days	61 to 180 Days	Over 180 Days	Total
Expected credit loss rate	0%~0.245%	0%~1.997%	0%~9.667%	100%	
Gross carrying amount	$ 23,342,449	$ 318,617	$ 9	$ 72	$ 23,661,147
Loss allowance (Lifetime ECLs)	(57,100)	(11)	-	(72)	(57,183)
Amortized cost	$ 23,285,349	$ 318,606	$ 9	$ -	$ 23,603,964

The movements of the loss allowance of accounts receivable were as follows:

	For the Year Ended December 31	
	2020	2019
Balance at January 1	$ 57,183	$ 57,184
Foreign exchange gains and losses	-	(1)
Balance at December 31	$ 57,183	$ 57,183

c. Other receivables

The Group analyzed other receivables that were not past due based on the past due status, and the Group did not recognize an allowance for loss on other receivables as of December 31, 2020 and 2019.

11. INVENTORIES

	December 31	
	2020	2019
Merchandise	$ 44,250	$ 18,255
Finished goods	4,333,700	7,779,374
Work-in-process and semi-finished goods	1,279,262	5,143,037
Raw materials and supplies	346,595	1,223,027
	$ 6,003,807	$ 14,163,693

The nature of the cost of goods sold is as follows:

	For the Year Ended December 31	
	2020	2019
Cost of inventories sold	$ 56,216,023	$ 69,139,192
Inventory write-downs	4,471,489	196,722
Others	(100,731)	25,306
	$ 60,586,781	$ 69,361,220

12. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements were as follows:

			% of Ownership December 31		
Investor	**Investee**	**Main Business**	**2020**	**2019**	**Remark**
Catcher Technology Co., Ltd.	Nanomag International Co., Ltd.	Investing activities	100	100	
	Gigamag Co., Ltd.	Investing activities	100	100	
	Ke Yue Co., Ltd.	Investing activities	100	100	
	Yi Sheng Co., Ltd.	Investing activities	100	100	
	Yi De Co., Ltd.	Investing activities	100	100	
Nanomag International Co., Ltd.	Castmate International Co., Ltd.	Investing activities	100	100	
	Stella International Co., Ltd.	Investing activities	100	100	
	Uranus International Co., Ltd.	Investing activities	100	100	
	Aquila International Co., Ltd.	Investing activities	75	75	
	Norma International Co., Ltd.	Investing activities	100	100	
	Next Level Ltd.	Investing activities	100	100	
	Cor Ventures Pte. Ltd.	Investing activities	100	-	Note 1
Castmate International Co., Ltd.	Cygnus International Co., Ltd.	Investing activities	100	100	
Cygnus International Co., Ltd.	Meeca Technology (Suzhou Industrial Park) Co., Ltd.	Manufacturing, selling and developing varied metal products	100	100	
Stella International Co., Ltd.	Lyra International Co., Ltd.	Investing activities	100	100	
Lyra International Co., Ltd.	Topo Technology (Suzhou) Co., Ltd.	Manufacturing, selling and developing varied metal products	100	100	
	Topo Technology (Taizhou) Co., Ltd.	Manufacturing, selling and developing varied metal products	-	100	Note 2
	Meeca Technology (Taizhou) Co., Ltd.	Manufacturing, selling and developing varied metal products	-	100	Note 2
Uranus International Co., Ltd.	Catcher Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	100	100	
	Vito Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	100	100	
Aquila International Co., Ltd.	Cepheus International Co., Ltd.	Investing activities	100	100	
Cepheus International Co., Ltd.	Aquila Technology (Suqian) Co., Ltd.	Manufacturing and selling molds and electronic parts	100	100	
Norma International Co. Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	100	100	
	Envio Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	100	100	
Gigamag Co., Ltd.	Neat Co., Ltd.	International trade	100	100	

Note 1: Nanomag International Co., Ltd. incorporated its 100% owned subsidiary, Cor Ventures Pte Ltd., in September 2020.

Note 2: The board of directors of the Company resolved to dispose of all shares of the subsidiaries, and the settlement was completed in December 2020. Refer to Note 28 for related disclosures of disposal of subsidiaries.

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31	
	2020	2019
Investments in associates		
Associates that are not individually material	$ 11,583	$ 12,295

Aggregate information of associates that are not individually material was as follows:

	For the Year Ended December 31	
	2020	2019
The Group's share of:		
Net profit and total comprehensive income (loss) for the year	$ (712)	$ (9,730)

14. PROPERTY, PLANT AND EQUIPMENT

All property, plant and equipment are used by the Group.

See Table 11 for the statements of changes in property, plant and equipment for the years ended December 31, 2020 and 2019.

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Main buildings	20 - 50 years
Mechanical and electrical power equipment	5 years
Engineering systems	2 - 5 years
Machinery and equipment	2 - 10 years
Transportation equipment	5 years
Furniture and fixtures	2 - 5 years
Miscellaneous equipment	2 - 15 years
Leasehold improvements	3 - 5 years

All of the Group's property, plant and equipment were not pledged as collateral.

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2020	2019
Carrying amounts		
Land	$ 1,225,208	$ 1,973,105
Buildings	20,016	13,599
	$ 1,245,224	$ 1,986,704

	For the Year Ended December 31	
	2020	2019
Additions to right-of-use assets	$ 68,528	$ -
Depreciation charge for right-of-use assets		
Land	$ 47,409	$ 47,749
Buildings	10,370	8,799
	$ 57,779	$ 56,548
Income from the subleasing of right-of-use assets (recognized as operating revenue)	$ (2,225)	$ (2,176)

b. Lease liabilities

	December 31	
	2020	2019
Carrying amounts		
Current	$ 17,584	$ 29,596
Non-current	$ 142,925	$ 131,173

Range of discount rate for lease liabilities was as follows:

	December 31	
	2020	2019
Land	0.71%	0.71%
Buildings	0.71% and 4.9%	0.71% and 4.9%

c. Material lease-in activities and terms

The Group leases certain land and buildings for the use of plants and office spaces with lease terms of 3 to 50 years.

The lease contract for land located in Taiwan specifies that lease payments will be adjusted every year on the basis of changes in the announced land value prices. The lease contract for land located in China specifies that lease payments will be adjusted every year based on the lease contract. The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms. In addition, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor’s consent.

d. Subleases

The Group subleases its right-of-use assets for office spaces in Taipei under operating leases with a lease term of 1 year to associate Yue-Kang Health Control Technology Inc. The maturity analysis of lease payments receivable was as follows:

	December 31	
	2020	2019
Year 1	$ 1,669	$ 1,673

e. Other lease information

	For the Year Ended December 31	
	2020	2019
Expenses relating to short-term leases	$ 5,074	$ 14,470
Expenses relating to low-value asset leases	$ 1,793	$ 1,908
Expenses relating to variable lease payments not included in the measurement of lease liabilities	$ 36,842	$ 87,310
Total cash outflow for leases	$ 112,524	$ 122,173

The Group leases certain assets which qualify as short-term leases and certain assets which qualify as low-value asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

16. INVESTMENT PROPERTIES

	Land	Buildings	Total
Cost			
Balance at January 1, 2019	$ 203,363	$ 922,809	$ 1,126,172
Additions	-	930	930
Effect of foreign currency exchange difference	-	(30,369)	(30,369)
Balance at December 31, 2019	$ 203,363	$ 893,370	$ 1,096,733
Accumulated depreciation			
Balance at January 1, 2019	$ -	$ 533,441	$ 533,441
Depreciation	-	45,192	45,192
Effect of foreign currency exchange difference	-	(17,748)	(17,748)
Balance at December 31, 2019	$ -	$ 560,885	$ 560,885
Carrying amounts at December 31, 2019	$ 203,363	$ 332,485	$ 535,848
Cost			
Balance at January 1, 2020	$ 203,363	$ 893,370	$ 1,096,733
Additions	-	4,907	4,907
Disposals	-	(9,446)	(9,446)
Effect of foreign currency exchange difference	-	11,498	11,498
Balance at December 31, 2020	$ 203,363	$ 900,329	$ 1,103,692

(Continued)

	Land		Buildings		Total	
Accumulated depreciation						
Balance at January 1, 2020	$	-	$	560,885	$	560,885
Depreciation		-		43,607		43,607
Disposals		-		(8,500)		(8,500)
Effect of foreign currency exchange difference		-		7,401		7,401
Balance at December 31, 2020	$	-	$	603,393	$	603,393
Carrying amounts at December 31, 2020	$	203,363	$	296,936	$	500,299

(Concluded)

The investment properties are depreciated by the straight-line method over their estimated useful lives as follows:

Main buildings	20 - 35 years
Elevators	15 years
Heat dissipation system	5 years

The determination of fair value was performed by independent qualified professional valuers. The fair value was measured using Level 3 inputs or was arrived at by reference to market evidence of transaction prices for similar properties. The fair value was as follows:

	December 31			
	2020		2019	
Fair value	$	2,334,976	$	1,926,116

All of the Group’s investment properties were not pledged as collateral.

The investment properties are leased out from February 2017 to March 2027. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods. The maturity analysis of lease payments receivable under operating leases of investment properties was as follows:

	December 31			
	2020		2019	
Year 1	$	63,166	$	54,165
Year 2		58,889		54,165
Year 3		13,309		50,565
Year 4		7,560		5,403
Year 5		7,560		-
Year 6 onwards		9,135		-
	$	159,619	$	164,298

17. INTANGIBLE ASSETS

	Computer Software	Emission License	Total
Cost			
Balance at January 1, 2019	$ 309,397	$ 17,478	$ 326,875
Additions	41,828	-	41,828
Effect of foreign currency exchange differences	(6,599)	(695)	(7,294)
Balance at December 31, 2019	$ 344,626	$ 16,783	$ 361,409
Accumulated amortization			
Balance at January 1, 2019	$ 198,564	$ 2,622	$ 201,186
Amortization expense	60,218	3,501	63,719
Effect of foreign currency exchange differences	(4,702)	(249)	(4,951)
Balance at December 31, 2019	$ 254,080	$ 5,874	$ 259,954
Carrying amounts at December 31, 2019	$ 90,546	$ 10,909	$ 101,455
Cost			
Balance at January 1, 2020	$ 344,626	$ 16,783	$ 361,409
Additions	19,834	-	19,834
Disposal of subsidiaries	(31,423)	(17,205)	(48,628)
Effect of foreign currency exchange differences	2,893	422	3,315
Balance at December 31, 2020	$ 335,930	$ -	$ 335,930
Accumulated amortization			
Balance at January 1, 2020	$ 254,080	$ 5,874	$ 259,954
Amortization expense	57,650	3,346	60,996
Disposal of subsidiaries	(15,851)	(9,463)	(25,314)
Effect of foreign currency exchange differences	2,047	243	2,290
Balance at December 31, 2020	$ 297,926	$ -	$ 297,926
Carrying amounts at December 31, 2020	$ 38,004	$ -	$ 38,004

The above intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Computer software	2 - 10 years
Emission license	5 years

18. OTHER ASSETS

	December 31	
	2020	2019
Current		
Net Input VAT	$ 271,331	$ 950,398
Office supplies	202,579	324,869
Prepaid expenses	103,173	207,746
Prepayments to suppliers	11,292	17,458
Others	4,628	4,657
	$ 593,003	$ 1,505,128
Non-current		
Prepaid equipment	$ 77,196	$ 356,980
Others	900	2,167
	$ 78,096	$ 359,147

19. SHORT-TERM BORROWINGS

	December 31	
	2020	2019
Unsecured borrowings		
Bank unsecured loans	$ 70,465,726	$ 70,352,230

The range of interest rates of short-term borrowings was as follows:

	December 31	
	2020	2019
Bank unsecured loans	0.59%-0.87%	0.59%-3.92%

20. NOTES PAYABLE AND TRADE PAYABLES

Both notes payable and trade payables resulted from operating activities.

The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

21. OTHER LIABILITIES

	December 31			
	2020		2019	
Current				
Other payables				
Payables for employees' compensation	$	3,149,338	$	3,271,750
Payables for salaries and bonuses		1,641,648		2,640,880
Payables for technical service fees		424,678		764,766
Payables for professional service fees		313,657		502
Payables for office supplies		179,285		257,128
Payables for purchases of equipment		138,474		229,869
Payables for annual leave		126,473		141,763
Payables for taxes		115,567		174,130
Payables for rework cost		90,364		90,364
Payables for shipping expenses and warehousing		88,228		57,714
Payables for utilities		75,349		182,908
Payables for maintenance		46,116		182,407
Payables for meals		44,041		133,621
Payables for interest		12,451		72,862
Others		478,989		613,979
	$	6,924,658	$	8,814,643
Other liabilities				
Advance receipts	$	1,690,202	$	11,277
Deferred revenue		606,496		1,256,706
Payables for value-added tax		20,183		51,006
Guarantee deposits received		13,680		27,125
Others		22,432		32,026
	$	2,352,993	$	1,378,140
Non-current				
Other liabilities				
Guarantee deposits received	$	21,677	$	19,736
Others		10		20
	$	21,687	$	19,756

22. RETIREMENT BENEFIT PLANS

a. Defined contribution plan

The Group adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

The employees of the Group's subsidiaries in China are members of a state-managed retirement benefit plan operated by the government of mainland China. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

b. Defined benefit plans

The defined benefit plan adopted by the Group in accordance with the Labor Standards Law is operated by the ROC government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Group contributes amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Group assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Group is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Group has no right to influence the investment policy and strategy.

The amounts included in the consolidated balance sheets in respect of the Group's defined benefit plans were as follows:

	December 31	
	2020	**2019**
Present value of defined benefit obligation	$ 80,599	$ 78,352
Fair value of plan assets	(74,041)	(71,794)
Net defined benefit liabilities	$ 6,558	$ 6,558

Movements in net defined benefit liabilities were as follows:

	Present Value of the Defined Benefit Obligation	**Fair Value of the Plan Assets**	**Net Defined Benefit Liabilities**
Balance at January 1, 2019	$ 74,967	$ (68,415)	$ 6,552
Service cost			
Current service cost	1,967	-	1,967
Net interest expense (income)	843	(781)	62
Recognized in profit or loss	2,810	(781)	2,029
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(2,284)	(2,284)
Actuarial loss - changes in demographic assumptions	840	-	840
Actuarial loss - changes in financial assumptions	4,198	-	4,198
Actuarial gain - experience adjustments	(2,754)	-	(2,754)
Recognized in other comprehensive income	2,284	(2,284)	-
Contributions from the employer	-	(2,023)	(2,023)
Benefits paid	(1,709)	1,709	-
Balance at December 31, 2019	78,352	(71,794)	6,558

(Continued)

	Present Value of the Defined Benefit Obligation		Fair Value of the Plan Assets		Net Defined Benefit Liabilities	
Service cost						
Current service cost	$	1,953	$	-	$	1,953
Net interest expense (income)		627		(582)		45
Recognized in profit or loss		2,580		(582)		1,998
Remeasurement						
Return on plan assets (excluding amounts included in net interest)		-		(2,397)		(2,397)
Actuarial loss - changes in demographic assumptions		804		-		804
Actuarial loss - changes in financial assumptions		4,017		-		4,017
Actuarial gain - experience adjustments		(2,424)		-		(2,424)
Recognized in other comprehensive income		2,397		(2,397)		-
Contributions from the employer		-		(1,998)		(1,998)
Benefits paid		(2,730)		2,730		-
Balance at December 31, 2020	$	80,599	$	(74,041)	$	6,558

(Concluded)

An analysis by function of the amounts recognized in profit or loss in respect of the defined benefit plans is as follows:

	For the Year Ended December 31			
	2020		2019	
Operating costs	$	1,341	$	1,321
Selling and marketing expenses		86		92
General and administrative expenses		371		400
Research and development expenses		200		216
	$	1,998	$	2,029

Through the defined benefit plans under the Labor Standards Law, the Group is exposed to the following risks:

1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.

2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.

3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salaries of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations were as follows:

	December 31	
	2020	2019
Discount rate	0.35%	0.8%
Expected rate of salary increase	2%	2%

If possible reasonable changes in each of the significant actuarial assumptions will occur and all other assumptions will remain constant, the present value of the defined benefit obligation will (decrease) increase as follows:

	December 31	
	2020	2019
Discount rate		
0.25% increase	$ (2,272)	$ (1,378)
0.25% decrease	$ 2,349	$ 3,400
Expected rate of salary increase		
0.25% increase	$ 2,226	$ 3,304
0.25% decrease	$ (2,165)	$ (1,297)

The sensitivity analysis presented above may not be representative of the actual changes in the present value of the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	December 31	
	2020	2019
Expected contributions to the plan for the next year	$ 1,998	$ 2,023
Average duration of the defined benefit obligation	10 years	11 years

23. EQUITY

a. Share capital

1) Ordinary shares

	December 31	
	2020	2019
Number of shares authorized (in thousands)	1,000,000	1,000,000
Shares authorized	$ 10,000,000	$ 10,000,000
Number of shares issued and fully paid (in thousands)	761,618	770,391
Shares issued	$ 7,616,181	$ 7,703,911

Fully paid ordinary shares, which have a par value of NT$10, carry one vote per share and carry a right to dividends.

On May 18, 2020, the Company's board of directors approved a capital reduction to cancel the Company's 8,773 thousand treasury shares, and the record date was June 30, 2020. The Company's paid-in capital was $7,616,181 thousand after the capital reduction.

A total of 23,000 thousand shares of the Company's authorized shares were reserved for the issuance of employee share options.

2) Global depositary receipts

In June 2011, the Company increased its capital by listing its shares in the form of Global Depositary Receipts (GDRs). Each GDR was issued at US$32.84 and represented 5 ordinary shares. The Company issued 6,700 thousand units of GDRs, representing 33,500 thousand ordinary shares.

As of December 31, 2020 and 2019, there were 805 thousand units and 728 thousand units of outstanding GDRs, equivalent to 4,024 thousand ordinary shares and 3,638 thousand ordinary shares, respectively.

b. Capital surplus

	December 31	
	2020	**2019**
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note)		
Arising from issuance of ordinary shares	$ 7,229,828	$ 7,460,295
Arising from conversion of bonds	12,775,052	12,775,052
Donations from shareholders	3,351	2,444
	$ 20,008,231	$ 20,237,791

Note: Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year).

c. Retained earnings and dividends policy

The shareholders of the Company held their regular meeting on June 12, 2019 and resolved the amendments to the Company's Articles of Incorporation (the "Articles"). The amendments explicitly stipulate that the proposal for profit distribution or offsetting of losses should be made at the end of each six months of the fiscal year.

Under the dividends policy as set forth in the amended Articles, the proposal for profit distribution or offsetting of losses can be made at the end of each six months of the fiscal year, when the Company makes a profit in the first half of the fiscal year, the profit should be appropriated as follows:

1) Pay taxes;

2) Offset against deficit, if any;

3) Estimate compensation of employees and remuneration of directors;

4) Appropriate 10% of the remaining profit as legal reserve, until the accumulated amount equals the Company's paid-in capital;

5) Reverse a special reserve in accordance with the laws or operating needs; and

6) Any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders.

When the Company makes a profit in a fiscal year, the profit should be appropriated as follows:

1) Pay taxes;

2) Offset against deficit, if any;

3) Estimate compensation of employees and remuneration of directors;

4) Appropriate 10% of the remaining profit as legal reserve, until the accumulated amount equals the Company's paid-in capital;

5) Reverse a special reserve in accordance with the laws or operating needs; and

6) Any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders.

The Company is still in the growing stage and is continuing to expand its operating scale with due consideration of the viability of the economic situation. The board of directors shall be focusing on growing dividends in a stable manner when proposing the appropriation of annual earnings. However, cash dividends shall not be less than 10% of the total dividends, and cash dividends shall not be distributed if the dividends per share is less than NT$0.5.

Under the dividends policy as set forth in the Articles before the amendments, when the Company makes a profit in a fiscal year, the profit should be appropriated as follows:

1) Offset against deficit, if any;

2) Appropriate 10% of the remaining profit as legal reserve, until the accumulated amount equals the Company's paid-in capital;

3) Reverse a special reserve in accordance with the laws or operating needs; and

4) Any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting.

For the policies on the distribution of the compensation of employees and remuneration of directors after the amendment, refer to "Compensation of employees and remuneration of directors" in Note 25(h).

The legal reserve may be used to offset deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

Per Order No. 1010012865 issued by the FSC and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs," the Company should make provisions to or reversals from a special reserve.

The appropriations of earnings for 2019 and 2018 were approved in the shareholders' meetings on June 30, 2020 and June 12, 2019, respectively. The appropriations and dividends per share were as follows:

	Appropriation of Earnings For the Year Ended December 31	
	2019	2018
Legal reserve	$ 1,127,212	$ 2,797,219
Special reserve	$ 4,778,189	$ 1,203,262
Cash dividends	$ 7,616,181	$ 9,244,692
Cash dividends per share (NT$)	$ 10	$ 12

d. Other equity items

1) Exchange differences on translating the financial statements of foreign operations

	For the Year Ended December 31	
	2020	2019
Balance at January 1	$ (12,148,648)	$ (7,401,796)
Exchange differences on translating the financial statements of foreign operations	(2,177,826)	(4,746,852)
Balance at December 31	$ (14,326,474)	$ (12,148,648)

2) Unrealized valuation gain / (loss) on financial assets at FVTOCI

	For the Year Ended December 31	
	2020	2019
Balance at January 1	$ (39,858)	$ (8,520)
Unrealized gain/(loss) - equity instruments	(27,978)	(31,338)
Balance at December 31	$ (67,836)	$ (39,858)

e. Non-controlling interests

	For the Year Ended December 31	
	2020	2019
Balance as of January 1	$ 125,794	$ 105,002
Share of profit for the year	36,248	25,696
Other comprehensive income (loss) during the year		
Exchange differences on translating the financial statements of foreign operations	1,138	(4,904)
Distribution of earnings of subsidiaries	(66,643)	-
Balance as of December 31	$ 96,537	$ 125,794

f. Treasury shares

To maintain the Company's credit and shareholders' equity, on March 17, 2020, the Company's board of directors resolved to buy back 25,000 thousand shares from March 18, 2020 to May 17, 2020 at the price range from $132 per share to $354.2 per share. The Company will continue to buy back shares when the market price falls below the lower limit of the price range. At the end of the execution duration, the Company bought back 8,773 thousand shares with total cost of $1,796,390 thousand. On

May 18, 2020, the Company's board of directors approved a capital reduction to cancel the Company's 8,773 thousand treasury shares, and the record date was June 30, 2020.

According to the Securities and Exchange Act, treasury shares should not exceed 10% of the Company's issued and outstanding shares and the total amount of treasury shares should not exceed the total retained earnings and realized additional paid-in capital.

Under the Securities and Exchange Act, the Company shall neither pledge treasury shares nor exercise shareholders' rights on these shares, such as the rights to dividends and to vote.

24. REVENUE

	For the Year Ended December 31	
	2020	2019
Revenue from contracts with customers		
Revenue from the sale of metal casing	$ 82,441,627	$ 91,562,759
Rental income	64,405	65,356
	$ 82,506,032	$ 91,628,115

a. Contract information

The Group sells metal casing to the customers. All goods are sold at respective fixed amounts as agreed in the contracts.

b. Contract balances

	December 31, 2020	December 31, 2019	January 1, 2019
Trade receivables			
Gross carrying amount	$ 17,374,684	$ 23,661,147	$ 25,080,753
Less: Allowance for impairment loss	(57,183)	(57,183)	(57,184)
	$ 17,317,501	$ 23,603,964	$ 25,023,569
Contract liabilities - current			
Sale of goods	$ 12,545	$ 25,614	$ 35,176

25. NET PROFIT

a. Interest income

	For the Year Ended December 31	
	2020	2019
Bank deposits	$ 1,988,997	$ 4,132,214
Repurchase agreements	12,924	20,426
	$ 2,001,921	$ 4,152,640

b. Other income

	For the Year Ended December 31	
	2020	2019
Government grants	$ 2,483,013	$ 3,214,000
Tax refund income	1,230,578	-
Recycling income	121,676	113,441
Dividend income	19,443	26,040
Others	10,944	13,352
	$ 3,865,654	$ 3,366,833

c. Other gains and losses

	For the Year Ended December 31	
	2020	2019
Gains on disposal of subsidiaries (Note 28)	$ 25,951,192	$ -
Fair value changes of financial assets mandatorily classified as at FVTPL	25,008	(17,484)
Others	270,711	105,500
	$ 26,246,911	$ 88,016

d. Interest expense

	For the Year Ended December 31	
	2020	2019
Interest on bank loans	$ 574,903	$ 958,465
Interest on lease liabilities	1,334	1,299
	$ 576,237	$ 959,764

e. Depreciation and amortization

	For the Year Ended December 31	
	2020	2019
An analysis of depreciation by function		
Operating costs	$ 7,748,827	$ 10,898,158
Operating expenses	973,790	1,154,890
	$ 8,722,617	$ 12,053,048
An analysis of amortization by function		
Operating costs	$ 39,994	$ 37,588
Operating expenses	27,056	30,808
	$ 67,050	$ 68,396

f. Operating expenses directly related to investment properties

	For the Year Ended December 31	
	2020	2019
Direct operating expenses from investment properties generating rental income	$ 46,431	$ 47,814

g. Employee benefits expense

	For the Year Ended December 31	
	2020	2019
Short-term employee benefits	$ 18,750,911	$ 17,343,214
Post-employment benefits		
Defined contribution plans	782,464	1,191,479
Defined benefit plans (Note 22)	1,998	2,029
	784,462	1,193,508
	$ 19,535,373	$ 18,536,722
An analysis of employee benefits expense by function		
Operating costs	$ 16,144,809	$ 14,728,039
Operating expenses	3,390,564	3,808,683
	$ 19,535,373	$ 18,536,722

h. Compensation of employees and remuneration of directors

The Company accrued the compensation of employees and remuneration of directors at the rates of no less than 1% and no higher than 1%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. The compensation of employees and remuneration of directors for the years ended December 31, 2020 and 2019, which were approved by the Company's board of directors on March 10, 2021 and March 10, 2020, respectively, were as follows:

Accrual rate

	For the Year Ended December 31	
	2020	2019
Compensation of employees	3.99%	7.01%
Remuneration of directors	0.05%	0.12%

Amount

	For the Year Ended December 31			
	2020		2019	
	Cash	Shares	Cash	Shares
Compensation of employees	$ 1,164,883	$ -	$ 950,847	$ -
Remuneration of directors	15,523	-	16,444	-

If there are changes in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

There was no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2019 and 2018.

Information on the compensation of employees and remuneration of directors resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

i. Gain or loss on foreign currency exchange

	For the Year Ended December 31	
	2020	2019
Foreign exchange gains	$ 10,071,675	$ 8,313,212
Foreign exchange losses	(15,697,191)	(9,077,094)
	$ (5,625,516)	$ (763,882)

26. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Year Ended December 31	
	2020	2019
Current tax		
In respect of the current year	$ 9,653,260	$ 7,317,929
Income tax on unappropriated earnings	-	689,486
Adjustment for prior years	400,439	82,991
Tax on repatriated offshore funds	2,294,302	-
	12,348,001	8,090,406
Deferred tax		
In respect of the current year	4,634,433	595,035
Adjustment for prior year	2,698,687	-
	7,333,120	595,035
	$ 19,681,121	$ 8,685,441

The Group's tax adjustment for prior year increased during the current period mainly due to the amended corporate tax and income tax on unappropriated earnings, which resulted from VAT tax refund income received.

A reconciliation of accounting profit and income tax expenses is as follows:

	For the Year Ended December 31	
	2020	2019
Profit before income tax	$ 40,847,189	$ 19,983,261
Income tax expense calculated at the statutory rate	$ 4,196,539	$ 3,797,885
Unrecognized temporary differences	(23,596)	(20,245)
Research and development tax credits from China	(127,496)	(141,014)
Non-deductible expenses in determining taxable income	46,317	4,812
Non-additive income in determining taxable income	(401,355)	-
Deferred tax effect of earnings of subsidiaries	5,185,790	1,090,733
Withholding tax on remittance of earnings	1,683,887	3,037,147
Tax-exempt income	(8,890)	(5,208)
Additional income tax on unappropriated earnings	-	689,486
5-year tax-exempt income	-	(21,264)
Unrecognized loss carryforwards	752,129	170,118
Adjustments for prior years' deferred tax	2,698,687	-
Adjustments for prior years' tax	400,439	82,991
Tax on repatriated offshore funds	2,294,302	-
Capital gains tax on disposal of subsidiaries	2,984,368	-
	$ 19,681,121	$ 8,685,441

The applicable corporate income tax rate used by the Group is 20%; the tax rate applicable to the subsidiaries in China is 25%; the tax amount incurred in other jurisdictions is calculated based on the applicable tax rate of each relevant jurisdiction.

In July 2019, the president of the ROC announced The Management, Utilization, and Taxation of Repatriated Offshore Funds Act, which stipulates that the applicable tax rate is adjusted from 20% to 8% for corporations applying for repatriation of funds within the approved period from August 15, 2019 to August 14, 2020. The repatriated funds should be deposited in the segregated foreign exchange deposit account for offshore funds, and the tax payable should be withheld by the account-handling bank. The Company repatriated funds of $28,813,096 thousand (USD$ 978,838 thousand), which was approved by the government in August and September 2020 and the tax of $2,294,302 thousand was withheld.

In July 2019, the president of the ROC announced the amendments to the Statute for Industrial Innovation, which stipulate that the amounts of unappropriated earnings in 2018 and thereafter that are reinvested in the construction or purchase of certain assets or technologies are allowed as deduction when computing the income tax on unappropriated earnings. When calculating the tax on unappropriated earnings, the Group only deducts the amount of the unappropriated earnings that has been reinvested in capital expenditure.

b. Current tax assets and liabilities

	December 31	
	2020	2019
Current tax assets		
Tax refund receivable	$ 90,318	$ 23,503
Current tax liabilities		
Income tax payable	$ 3,997,201	$ 1,446,742

c. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31, 2020

	Opening Balance	Recognized in Profit or Loss	Exchange Differences	Closing Balance
Deferred tax assets				
Temporary differences				
Provisions for losses on inventories	$ 197,612	$ 35,913	$ 171	$ 233,696
Depreciation differences	4,422,956	(1,715,251)	69,586	2,777,291
Unrealized intercompany profit	757,203	(153,105)	(1,649)	602,449
Unrealized sales returns	1,257	(1,226)	-	31
Defined benefit obligation	1,312	(1)	-	1,311
Payables for annual leave	39,088	(3,491)	328	35,925
Impairment loss on property, plant and equipment	173	(142)	-	31
Financial assets at FVTPL	9,143	(9,143)	-	-
Other payables	143	6,496	-	6,639
Right-of-use assets	61	(61)	-	-
Unrealized foreign exchange losses	233,031	114,979	-	348,010
Others	82,023	(41,361)	987	41,649
	5,744,002	(1,766,393)	69,423	4,047,032
Tax losses	689,652	(397,024)	6,987	299,615
	$ 6,433,654	$ (2,163,417)	$ 76,410	$ 4,346,647
Deferred tax liabilities				
Temporary differences				
Depreciation differences	$ 26,552	$ (16,087)	$ -	$ 10,465
Reserves for land value increment tax	12,597	-	-	12,597
Unappropriated earnings of subsidiaries	1,058,126	5,185,790	(69,230)	6,174,686
	$ 1,097,275	$ 5,169,703	$ (69,230)	$ 6,197,748

For the year ended December 31, 2019

	Opening Balance	Recognized in Profit or Loss	Exchange Differences	Closing Balance
Deferred tax assets				
Temporary differences				
Provisions for losses on inventories	$ 191,433	$ 6,880	$ (701)	$ 197,612
Depreciation differences	3,973,218	647,346	(197,608)	4,422,956
Unrealized intercompany profit	1,787,239	(1,025,993)	(4,043)	757,203
Unrealized sales returns	19,840	(18,583)	-	1,257
Defined benefit obligation	1,310	2	-	1,312
Payables for annual leave	43,136	(3,048)	(1,000)	39,088
Impairment loss on property, plant and equipment	2,787	(2,614)	-	173
Financial assets at FVTPL	5,646	3,497	-	9,143
Other payables	4,578	(4,435)	-	143
Right-of-use assets	-	61	-	61
Allowances for impaired receivables	13	(13)	-	-

(Continued)

	Opening Balance	Recognized in Profit or Loss	Exchange Differences	Closing Balance
Unrealized foreign exchange losses	$ 20,340	$ 212,691	$ -	$ 233,031
Others	66,570	18,655	(3,202)	82,023
	6,116,110	(165,554)	(206,554)	5,744,002
Tax losses	44,833	663,504	(18,685)	689,652
	$ 6,160,943	$ 497,950	$ (225,239)	$ 6,433,654
Deferred tax liabilities				
Temporary differences				
Depreciation differences	$ 24,300	$ 2,252	$ -	$ 26,552
Reserves for land value increment tax	12,597	-	-	12,597
Unappropriated earnings of subsidiaries	-	1,090,733	(32,607)	1,058,126
	$ 36,897	$ 1,092,985	$ (32,607)	$ 1,097,275

(Concluded)

d. Information about unused loss carryforwards and tax exemptions

Loss carryforwards as of December 31, 2020 comprised:

Unused Amount	Expiry Year
$ 364,440	2021
573,837	2022
133,032	2023
169,774	2024
760,310	2025
299,615	2030
$ 2,301,008	

As of December 31, 2020, profits attributable to the following expansion projects were exempted from income tax for a five-year period:

Expansion of Construction Project	Tax-exemption Period
Five years tax-exempt expansion project approved under the Official Letter, No. 1020163631, issued by Tainan City Government	From January 1, 2016 to December 31, 2020

e. The aggregate amount of temporary difference associated with investments for which deferred tax liabilities have not been recognized

The taxable temporary differences associated with investments in subsidiaries for which no deferred tax liabilities have been recognized amounted to NT$12,980,304 thousand and NT$20,953,639 thousand as of December 31, 2020 and 2019, respectively.

f. Income tax assessments

The tax returns of the Company through 2017 have been assessed by the tax authorities. The tax returns of the subsidiaries through 2018 have been by the tax authorities.

27. EARNINGS PER SHARE

The earnings and weighted average number of ordinary shares outstanding in the computation of earnings per share were as follows:

Net profit for the year

	For the Year Ended December 31	
	2020	2019
Profit for the year attributable to owners of the Company	$ 21,129,820	$ 11,272,124

Weighted average number of ordinary shares outstanding (in thousand shares)

	For the Year Ended December 31	
	2020	2019
Weighted average number of ordinary shares in computation of basic earnings per share	764,102	770,391
Effect of potentially dilutive ordinary shares:		
Compensation of employees	6,461	5,592
Weighted average number of ordinary shares used in the computation of diluted earnings per share	770,563	775,983

If the Group offered to settle compensation paid to employees in cash or shares, the Group assumed the entire amount of the compensation would be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

28. DISPOSAL OF SUBSIDIARIES

On August 18, 2020, the Group entered into a share purchase agreement to dispose of Topo Technology (Taizhou) Co., Ltd. and Meeca Technology (Taizhou) Co., Ltd. (collectively referred to as "Taizhou Subsidiaries"), which carried out the Group's cell phone casing production. The disposal was completed on December 31, 2020, on which date control of Taizhou Subsidiaries has been passed to the acquirer.

a. Consideration received from disposals

	Taizhou Subsidiaries
Consideration received in cash and cash equivalents	$ 41,029,007

b. Analysis of assets and liabilities on the date control was lost

	Taizhou Subsidiaries
Current assets	
Cash and cash equivalents	$ 735,979
Financial assets at amortized cost	1,273
Trade receivables	2,111,820
Other receivables	3,823,085
Inventories	8,174,890
Current tax assets	54,949
Other current assets	649,882
Non-current assets	
Property, plant and equipment	12,239,757
Right-of-use assets	774,755
Intangible assets	23,314
Other non-current assets	23,717
Current liabilities	
Short-term borrowings	(3,835,547)
Contract liabilities	(4,484)
Trade payables	(4,909,828)
Other payables	(5,442,490)
Current tax liabilities	(62,289)
Other current liabilities	(30,166)
Net assets disposed of	$ 14,328,617

c. Gain on disposal of subsidiaries

	Taizhou Subsidiaries
Consideration received	$ 41,029,007
Net assets disposed of	(14,328,617)
Reclassification of other comprehensive income in respect of subsidiaries	(571,027)
Related fees and taxes	(178,171)
Gain on disposal (recognized as other gains and losses)	25,951,192
Less: Capital gains tax (recognized as income tax expense)	2,984,368
Net gain on disposals	$ 22,966,824

d. Net cash inflow on disposals of subsidiaries

	Taizhou Subsidiaries
Consideration received in cash and cash equivalents	$ 41,029,007
Less: Cash and cash equivalent balances disposed of	(735,979)
	$ 40,293,028

29. CAPITAL MANAGEMENT

The Group requires significant amounts of capital to build and expand its production facilities and equipment. The Group manages its capital in a manner to ensure that it has sufficient and necessary financial resources to fund its working capital needs, capital asset purchases, research and development activities, dividend payments, debt service requirements and other business requirements associated with its existing operations over the next 12 months.

30. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments not measured at fair value

The carrying amounts of financial instruments that are not measured at fair value approximate their fair value recognized in the consolidated financial statements; these financial instruments include cash and cash equivalents, financial assets at amortized cost, accounts receivable, other receivables, refundable deposits, short-term loans, accounts payable, other payables, and guarantee deposits received.

b. Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

December 31, 2020

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Listed shares and emerging market shares	$ 349,801	$ -	$ -	$ 349,801
Financial assets at FVTOCI				
Investments in equity instruments at financial assets at FVTOCI				
Unlisted shares	$ -	$ -	$ 84,180	$ 84,180
Limited partnerships	-	-	568,700	568,700
	$ -	$ -	$ 652,880	$ 652,880

December 31, 2019

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Listed shares and emerging market shares	$ 324,380	$ -	$ -	$ 324,380
Financial assets at FVTOCI				
Investments in equity instruments at financial assets at FVTOCI				
Unlisted shares	$ -	$ -	$ 89,295	$ 89,295
Limited partnerships	-	-	453,835	453,835
	$ -	$ -	$ 543,130	$ 543,130

2) Reconciliation of Level 3 fair value measurements of financial instruments

Financial assets at FVTOCI

	For the Year Ended December 31	
	2020	2019
Balance at January 1	$ 543,130	$ 294,235
Addition	160,881	296,894
Recognized in other comprehensive income (included in unrealized gain/loss on financial assets at financial assets at FVTOCI)	(27,978)	(31,338)
Foreign exchange gains and losses	(23,153)	(16,661)
Balance at December 31	$ 652,880	$ 543,130

3) Valuation techniques and inputs applied for Level 3 fair value measurement

The fair value of unlisted equity securities in the ROC was estimated using the market approach and based on the recent net equity. In the market approach, the selling price of comparable companies was used to estimate the fair value of the target asset through comparison, analysis and adjustments.

The fair value of limited partnerships was estimated based on the recent net equity.

c. Categories of financial instruments

	December 31	
	2020	2019
Financial assets		
Financial assets at FVTPL		
Mandatorily classified as at FVTPL	$ 349,801	$ 324,380
Financial asset at amortized cost (i)	219,425,827	175,828,822
Financial assets at FVTOCI		
Equity instruments	652,880	543,130
Financial liabilities		
Financial liabilities measured at amortized cost (ii)	85,117,709	90,437,773

(i) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, debt investments, notes receivable, trade receivables, other receivables and refundable deposits.

(ii) The balance includes financial liabilities measured at amortized cost, which comprise short-term loans, notes and trade payables, other payables, and guarantee deposits received.

d. Financial risk management objectives and policies

The Group’s major financial instruments include equity and debt investments, trade receivables, trade payables, borrowings, and lease liabilities. The Group’s Corporate Treasury function provides services to the business departments, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The plans for material treasury activities are reviewed by board of directors in accordance with procedures required by relevant regulations or internal controls. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below), interest rates (see (b) below) and other prices (see (c) below).

There have been no change to the Group's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

The Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the reporting period are set out in Note 34.

Sensitivity analysis

The Group was mainly exposed to the United States dollars (USD) and the renminbi (RMB).

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollar (NTD, the functional currency) against the relevant foreign currencies. The sensitivity analysis included only outstanding foreign-currency denominated monetary items. A positive number below indicates an increase in profit before income tax that would result when the NTD weakens by 1% against the relevant currency. For a 1% strengthening of the NTD against the relevant currency, there would be an equal and opposite impact on profit before income tax and the balances below would be negative.

	USD Impact	
	For the Year Ended December 31	
	2020	**2019**
Profit or loss	$ 970,578	$ 710,893

	RMB Impact	
	For the Year Ended December 31	
	2020	**2019**
Profit or loss	$ 58,459	$ (2,532)

The result was mainly attributable to the exposure on outstanding USD-denominated and RMB-denominated cash and cash equivalents, financial assets at amortized cost, and receivables and payables which were not hedged at the end of the reporting period.

The Group's sensitivity to the USD and RMB increased during the current period mainly due to the increase in net assets denominated in USD and RMB. In management's opinion, the sensitivity analysis was unrepresentative of inherent foreign exchange risk because the exposure at the end of the reporting period did not reflect the exposure during the period.

b) Interest rate risk

The Group was exposed to interest rate risk because entities in the Group borrowed funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	December 31	
	2020	**2019**
Fair value interest rate risk		
Financial assets	$ 166,938,821	$ 128,317,651
Financial liabilities	160,509	4,618,753
Cash flow interest rate risk		
Financial assets	34,838,700	23,233,337
Financial liabilities	70,465,726	65,894,246

Sensitivity analysis

The sensitivity analysis below was based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming that the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

If interest rates had been 10 basis points higher/lower and all other variables were held constant, the Group's profit before tax for the years ended December 31, 2020 and 2019 would have decreased/increased by NT$35,627 thousand and NT$42,661 thousand, respectively; the change would be mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings of cash flow.

The Group's sensitivity to interest rates decreased during the current period mainly due to the increase in variable rate financial assets.

c) Other price risk

The Group was exposed to equity price risk through its investments in equity securities. The Group manages this exposure by maintaining a portfolio of investments with different risks.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 1% higher/lower, pre-tax profit for the years ended December 31, 2020 and 2019 would have increased/decreased by NT$3,498 thousand and NT$3,244 thousand respectively, as a result of the changes in fair value of financial assets at FVTPL.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk, which could cause a financial loss to the Group due to the failure of a counterparty to discharge an obligation, could at most amount to the carrying amount of the respective recognized financial assets as stated in the balance sheets.

The counterparties to the foregoing financial instruments are reputable business organizations. Management does not expect the Group's exposure to default by those parties to be material; ongoing credit evaluation is also performed on the financial condition of customers with whom the Group has accounts receivable.

Information on credit risk concentration as of December 31, 2020 and 2019 was as follows:

	December 31			
	2020		2019	
	Amount	%	Amount	%
Customer A	$ 6,742,116	39	$ 7,090,152	30
Customer B	3,539,126	20	10,378,389	44
Customer C	3,501,534	20	3,052,927	13

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group's operating funds and bank loan credit line are deemed sufficient to meet cash flow demands; therefore, liquidity risk is not considered to be significant.

a) Liquidity and interest rate risk table for non-derivative financial liabilities

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table was drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

To the extent that interest flows are at floating rates, the undiscounted amount was derived from the interest rate curve at the end of the reporting period.

December 31, 2020

	Less than 3 Months	3 Months to 1 Year	1-5 Years	Over 5 Years
Non-derivative financial liabilities				
Non-interest bearing	$10,897,975	$ 3,732,331	$ 21,677	$ -
Lease liabilities	3,445	15,185	25,363	132,023
Variable interest rate liabilities	47,104,357	23,496,032	-	-
	$58,005,777	$27,243,548	$ 47,040	$ 132,023

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	$ 18,630	$ 25,363	$ 22,918	$ 22,918	$ 44,935	$ 41,252

December 31, 2019

	Less than 3 Months	3 Months to 1 Year	1-5 Years	Over 5 Years
Non-derivative financial liabilities				
Non-interest bearing	$13,163,238	$ 6,902,569	$ 19,736	$ -
Lease liabilities	1,250	29,335	23,296	121,382
Variable interest rate liabilities	37,286,457	28,755,566	-	-
Fixed interest rate liabilities	1,534,631	2,980,281	-	-
	$51,985,576	$38,667,751	$ 43,032	$ 121,382

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	$ 30,585	$ 23,296	$ 22,478	$ 22,478	$ 22,478	$ 53,948

The amounts included for variable interest rate instruments for both non-derivative financial assets and liabilities would change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the reporting period.

b) Financing facilities

	December 31	
	2020	2019
Unsecured bank loan facilities		
Amount used	$ 70,475,726	$ 70,380,746
Amount unused	17,427,286	27,032,198
	$ 87,903,012	$ 97,412,944

31. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated upon consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

Compensation of key management personnel

	For the Year Ended December 31	
	2020	2019
Short-term employee benefits	$ 343,108	$ 99,096
Post-employment benefits	29,943	35,371
	$ 373,051	$ 134,467

The remuneration of directors and key executives are determined by the remuneration committee with due regard to the performance of individuals, the performance of the Group, and future risk.

32. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of December 31, 2020 and 2019 were as follows:

Unrecognized commitments are as follows:

	December 31	
	2020	2019
Acquisition of property, plant and equipment	$ 369,672	$ 725,970
Acquisition of inventories	$ 47,947	$ 102,298

33. OTHER ITEMS

Due to the impact of the COVID-19 pandemic, some of the Group's subsidiaries located in China have temporarily suspended operations. However, those operating locations gradually returned to operation, starting from February 10, 2020. Besides, the Government of China has reduced the collection of endowment insurance by half for 3 months. The Group's operation condition for the year ended December 31, 2020 was similar to that during the previous year. Therefore, the pandemic did not cause material impact on the Group.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the economic impact of the COVID-19 pandemic on the Group.

34. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information is an aggregation of foreign currencies other than the functional currencies of the entities in the Group and disclosure of the exchange rates between the foreign currencies and the respective functional currencies. The significant assets and liabilities denominated in foreign currencies were as follows:

(In Thousands of New Taiwan Dollars and Foreign Currencies)

December 31, 2020

	Foreign Currencies (In Thousands)	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 2,794,953	28.43 (USD:NTD)	$ 79,460,520
USD	835,310	6.5249 (USD:RMB)	23,789,637
USD	8,980	1.3221 (USD:SGD)	255,970
RMB	229,568	4.3520 (RMB:NTD)	999,079

(Continued)

	Foreign Currencies (In Thousands)	Exchange Rate	Carrying Amount
RMB	$ 1,136,042	0.1533 (RMB:USD)	$ 4,959,942
Financial liabilities			
Monetary items			
USD	114,615	28.53 (USD:NTD)	3,269,980
USD	111,600	6.5249 (USD:RMB)	3,178,369
RMB	25,703	4.4020 (RMB:NTD)	113,145

(Concluded)

December 31, 2019

	Foreign Currencies (In Thousands)	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 2,099,273	29.93 (USD:NTD)	$ 62,831,230
USD	1,146,454	6.9762 (USD:RMB)	34,370,706
Financial liabilities			
Monetary items			
USD	206,996	30.03 (USD:NTD)	6,216,085
USD	663,662	6.9762 (USD:RMB)	19,896,590
RMB	58,472	4.330 (RMB:NTD)	253,182

The Group is mainly exposed to the USD. The following information is an aggregation of the functional currencies of the entities in the Group and disclosures of the exchange rates between the respective functional currencies and the presentation currency. The significant realized and unrealized foreign exchange gains (losses) were as follows:

	For the Year Ended December 31			
	2020		2019	
Foreign Currencies	Exchange Rate	Net Foreign Exchange Gain (Loss)	Exchange Rate	Net Foreign Exchange Gain (Loss)
USD	29.549(USD:NTD)	$ 34,618	30.912(USD:NTD)	$ (56,269)
NTD	1(NTD:NTD)	(3,634,704)	1(NTD:NTD)	(1,026,836)
RMB	4.2837(RMB:NTD)	(2,020,747)	4.4837(RMB:NTD)	319,223
SGD	21.43(SGD:NTD)	(4,683)	22.66(SGD:NTD)	-
		$ (5,625,516)		$ (763,882)

35. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions

1) Financing provided to others (Table 1)

2) Endorsements/guarantees provided (Table 2)

3) Marketable securities held (excluding investments in subsidiaries and associates) (Table 3)

4) Marketable securities acquired and disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital (Table 4)

5) Acquisitions of individual real estate at cost of at least NT$300 million or 20% of the paid-in capital (Table 5)

6) Disposals of individual real estate at a price of at least NT$300 million or 20% of the paid-in capital (N/A)

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 6)

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 7)

9) Trading in derivative instruments (N/A)

10) Intercompany relationships and significant intercompany transactions (Table 10)

b. Information on investees (Table 8)

c. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income or loss of investee, investment income or loss, carrying amount of the investment at the end of the period, and repatriations of investment from the mainland China

area (Table 9)

2) Significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses as follows (Tables 1, 2, 6, 7 and 10):

   a) Purchases - the amount and percentage of purchases and the balance and percentage of the related payables at the end of the period

   b) Sales - the amount and percentage of sales and the balance and percentage of the related receivables at the end of the period

   c) Property transactions - the amount of property transactions and the amount of the resultant gains or losses

   d) Endorsements and guarantees - the balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes

   e) Financing - the highest balance during the period, the end of period balance, the interest rate range, and total current period interest with respect to the financing of funds

   f) Other - the transactions with material effect on profit or loss for the period or on the financial position, such as the rendering or receipt of services

d. Information of major shareholders：List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (N/A)

36. SEGMENT INFORMATION

For the purpose of resources allocation and performance assessment, the Group’s chief operating decision maker reviews operating results and financial information on a plant by plant basis with a focus on the operating results of each plant. As each plant shares similar economic characteristics, produces similar products using similar production process and all products are distributed and sold to same-level customers through a central sales function, the Group’s operating segments are aggregated into a single reportable segment. The Group’s chief operating decision maker reviews segment information measured on the same basis as the consolidated financial statements. Information about reportable segment sales and profit or loss is referenced from the consolidated statements of comprehensive income for the years ended December 31, 2020 and 2019 and information on assets is referenced from the consolidated balance sheets as of December 31, 2020 and 2019.

a. Geographical information

   The Group operates in two principal geographical areas - Taiwan and China.

The Group’s revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

	Revenue from External Customers For the Year Ended December 31	
	2020	2019
China	$ 30,775,098	$ 29,347,640
United States	45,875,935	56,713,789
Taiwan	1,102,480	932,226
Singapore	4,751,146	4,619,095
Others	1,373	15,365
	$ 82,506,032	$ 91,628,115

	Non-current Assets	
	December 31, 2020	December 31, 2019
Taiwan	$ 7,663,446	$ 8,054,949
China	16,765,883	36,224,719
	$ 24,429,329	$ 44,279,668

Non-current assets excluded those classified as investments accounted for using the equity method, financial instruments and deferred tax assets.

b. Information about major customers

Single customers who contributed 10% or more to the Group’s revenue were as follows:

	For the Year Ended December 31	
	2020	2019
Customer A	$ 45,791,405	$ 56,690,715
Customer B	17,006,380	16,620,114
Customer C	9,985,587	8,360,659
	$ 72,783,372	$ 81,671,488

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limits (Note 2)
													Item	Value		
1	Topo Technology (Suzhou) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	Other receivables - related parties	Yes	$ 131,496	$ -	$ -	1.5	For short-term financing	$ -	Operating capital	$ -	-	$ -	$ 789,875,325	
		Arcadia Technology (Suqian) Co., Ltd.	Other receivables - related parties	Yes	767,060	-	-	1.5	For short-term financing	-	Operating capital	-	-	-	789,875,325	$ 789,875,325
						$ -										
2	Meeca Technology (Suzhou Industrial Park) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	Other receivables - related parties	Yes	284,908	$ -	-	1.5	For short-term financing	-	Operating capital	-	-	-	789,875,325	
		Meeca Technology (Taizhou) Co., Ltd.	Other receivables - related parties	Yes	730,745	-	-	1.5	For short-term financing	-	Operating capital	-	-	-	789,875,325	$ 789,875,325
						$ -										
3	Catcher Technology (Suqian) Co., Ltd.	Envio Technology (Suqian) Co., Ltd.	Other receivables - related parties	Yes	429,710	$ -	-	1.5	For short-term financing	-	Operating capital	-	-	-	789,875,325	
		Topo Technology (Taizhou) Co., Ltd.	Other receivables - related parties	Yes	2,361,610	-	-	1.5	For short-term financing	-	Operating capital	-	-	-	789,875,325	
		Vito Technology (Suqian) Co., Ltd.	Other receivables - related parties	Yes	3,462,728	-	-	1.5	For short-term financing	-	Operating capital	-	-	-	789,875,325	
		Meeca Technology (Taizhou) Co., Ltd.	Other receivables - related parties	Yes	3,604,440	-	-	1.5	For short-term financing	-	Operating capital	-	-	-	789,875,325	
		Arcadia Technology (Suqian) Co., Ltd.	Other receivables - related parties	Yes	3,199,736	938,432	938,432	1.5	For short-term financing	-	Operating capital	-	-	-	789,875,325	$ 789,875,325
						$ 938,432										
4	Topo Technology (Taizhou) Co., Ltd.	Meeca Technology (Taizhou) Co., Ltd.	Other receivables - related parties	Yes	2,394,920	$ 2,394,920	2,394,920	0.76604 ~ 1.5	For short-term financing	-	Operating capital	-	-	-	789,875,325	$ 789,875,325
5	Envio Technology (Suqian) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	Other receivables - related parties	Yes	613,648	$ -	-	1.5	For short-term financing	-	Operating capital	-	-	-	789,875,325	
		Arcadia Technology (Suqian) Co., Ltd.	Other receivables - related parties	Yes	1,811,392	1,811,392	1,811,392	1.5	For short-term financing	-	Operating capital	-	-	-	789,875,325	$ 789,875,325
						$ 1,811,392										
6	Cygnus International Co., Ltd.	Topo Technology (Taizhou) Co., Ltd.	Other receivables - related parties	Yes	3,025,000	$ -	-	2.267	For short-term financing	-	Operating capital	-	-	-	789,875,325	$ 789,875,325
7	Gigamag Co., Ltd.	Next Level Ltd.	Other receivables - related parties	Yes	11,192,500	$ -	-	-	For short-term financing	-	Operating capital	-	-	-	789,875,325	$ 789,875,325
8	Next Level Ltd.	Norma International Co., Ltd.	Other receivables - related parties	Yes	605,000	$ -	-	-	For short-term financing	-	Operating capital	-	-	-	789,875,325	
		Cygnus International Co., Ltd.	Other receivables - related parties	Yes	3,630,000	-	-	-	For short-term financing	-	Operating capital	-	-	-	789,875,325	
		Uranus International Co., Ltd.	Other receivables - related parties	Yes	7,562,500	-	-	-	For short-term financing	-	Operating capital	-	-	-	789,875,325	$ 789,875,325
						$ -										

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral Item	Collateral Value	Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limits (Note 2)
9	Norma International Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Other receivables - related parties	Yes	$ 605,000	$ -	$ -	2.267	For short-term financing	$ -	Operating capital	$ -	-	$ -	$ 789,875,325	
		Meeca Technology (Taizhou) Co., Ltd.	Other receivables - related parties	Yes	605,000	-	-	-	For short-term financing	-	Operating capital	-	-	-	789,875,325	
		Topo Technology (Taizhou) Co., Ltd.	Other receivables - related parties	Yes	2,722,500	-	-	-	For short-term financing	-	Operating capital	-	-	-	789,875,325	
		Cygnus International Co., Ltd.	Other receivables - related parties	Yes	589,800	569,600	569,600	-	For short-term financing	-	Operating capital	-	-	-	789,875,325	$ 789,875,325
						$ 569,600										
10	Uranus International Co., Ltd.	Meeca Technology (Taizhou) Co., Ltd.	Other receivables - related parties	Yes	4,537,500	$ -	-	2.267	For short-term financing	-	Operating capital	-	-	-	789,875,325	
		Topo Technology (Taizhou) Co., Ltd.	Other receivables - related parties	Yes	6,050,000	-	-	2.267	For short-term financing	-	Operating capital	-	-	-	789,875,325	
		Lyra International Co., Ltd.	Other receivables - related parties	Yes	142,400	142,400	-	-	For short-term financing	-	Operating capital	-	-	-	789,875,325	
		Cygnus International Co., Ltd.	Other receivables - related parties	Yes	2,359,200	2,278,400	2,278,400	-	For short-term financing	-	Operating capital	-	-	-	789,875,325	$ 789,875,325
						$ 2,420,800										
11	Ke Yue Co., Ltd.	Catcher Technology Co., Ltd.	Other receivables - related parties	Yes	600,000	$ -	-	0.57978	For short-term financing	-	Operating capital	-	-	-	447,909	$ 447,909
12	Yi Sheng Co., Ltd.	Catcher Technology Co., Ltd	Other receivables - related parties	Yes	163,000	$ -	-	0.57978	For short-term financing	-	Operating capital	-	-	-	119,423	$ 119,423
13	Yi De Co., Ltd.	Catcher Technology Co., Ltd	Other receivables - related parties	Yes	163,000	$ -	-	0.57978	For short-term financing	-	Operating capital	-	-	-	119,423	$ 119,423

(Concluded)

Note 1: The upper limit of the 100% owned subsidiaries held directly or indirectly by the Company is equivalent to 100% of the net asset value as of December 31, 2020 of the Company; the upper limit of the subsidiaries is equivalent to 40% of the net asset value as of December 31, 2020 of the subsidiaries; but the upper limit of those with business transactions is no more than the needed amount for operations.

Note 2: The upper limit of the 100% owned subsidiaries held directly or indirectly by the Company is equivalent to 100% of the net asset value as of December 31, 2020 of the Company; the upper limit of the subsidiaries is equivalent to 40% of the net asset value as of December 31, 2020 of the subsidiaries.

Note 3: The net asset value mentioned in Notes 1 and 2 above is the equity attributable to owners of the Company on the consolidated balance sheets.

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

ENDORSEMENTS / GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	Catcher Technology Co., Ltd.	Catcher Technology Co., Ltd.	Business relation	$ 78,987,532	10,000	$ 10,000	$ 10,000	$ -	0.01	$ 157,975,065	N	N	N
1	Topo Technology (Taizhou) Co., Ltd.	Topo Technology (Taizhou) Co., Ltd.	Business relation	78,987,532	43,796	$ 43,648	$ 43,648	$ -	0.03	$ 157,975,065	N	N	Y
2	Meeca Technology (Taizhou) Co., Ltd.	Meeca Technology (Taizhou) Co., Ltd.	Business relation	78,987,532	85,970	$ 43,648	$ 43,648	$ -	0.03	$ 157,975,065	N	N	Y
3	Catcher Technology (Suqian) Co., Ltd.	Catcher Technology (Suqian) Co., Ltd.	Business relation	78,987,532	21,898	$ 21,824	$ 21,824	$ -	0.01	$ 157,975,065	N	N	Y
4	Vito Technology (Suqian) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	Business relation	78,987,532	27,081	$ 21,824	$ 21,824	$ -	0.01	$ 157,975,065	N	N	Y
5	Arcadia Technology (Suqian) Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Business relation	78,987,532	25,361	$ 7,420	$ 7,420	$ -	-	$ 157,975,065	N	N	Y
6	Envio Technology (Suqian) Co., Ltd.	Envio Technology (Suqian) Co., Ltd.	Business relation	78,987,532	13,139	$ 13,094	$ 13,094	$ -	0.01	$ 157,975,065	N	N	Y
7	Aquila Technology (Suqian) Co., Ltd.	Aquila Technology (Suqian) Co., Ltd.	Business relation	78,987,532	8,730	$ 8,730	$ 8,730	$ -	-	$ 157,975,065	N	N	Y

Note 1: The upper limit for each borrower of the Company and the 100% owned subsidiaries held directly or indirectly by the Company is equivalent to 50% of the net asset value of the Company as of December 31, 2020.

Note 2: The upper limit of the Company and the 100% owned subsidiaries held directly or indirectly by the Company is equivalent to 100% of the net asset value of the Company as of December 31, 2020.

Note 3: The net asset value mentioned in Notes 1 and 2 above is the equity attributable to owners of the Company on the consolidated balance sheets.

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD (EXCLUDING INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES)
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2020				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Catcher Technology Co., Ltd.	Alpha Information Systems, Inc.	None	Financial assets at FVTOCI - non-current	1,500,000	$ 53,880	10	$ 53,880	
	CDIB Capital Innovation Accelerator Co., Ltd.	None	Financial assets at FVTOCI - non-current	3,000,000	30,300	3.57	30,300	
					$ 84,180		$ 84,180	
	Sinher Technology Co., Ltd.	None	Financial assets at FVTPL - current	7,439,917	$ 348,932	9.998	$ 348,932	
Ke Yue Co., Ltd.	Qisda Corporation	None	Financial assets at FVTPL - current	30,000	$ 869	0.002	$ 869	
Nanomag International Co., Ltd.	China Renewable Energy Fund, L.P.	None	Financial assets at FVTOCI - non-current	-	$ 568,700	23.51	$ 568,700	Note 3

Note 1: Securities in this table are shares, bonds, beneficiary certificates and those derived from the above-mentioned items which are within the scope of IFRS 9 “Financial Instrument: Recognition and Measurement”.

Note 2: Refer to Tables 8 and 9 for information on subsidiaries and associates.

Note 3: Percentage of Ownership is the fund share ratio.

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED AND DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Carrying Amount	Gain (Loss) on Disposal	Number of Shares	Amount
Lyra International Co., Ltd.	Topo Technology (Taizhou) Co., Ltd.	Investments accounted for using the equity method	Lens International (HK) Ltd.	Investing activities	-	$ 8,826,869 (USD 294,425,255)	-	$ 255,543 (USD 21,528,706) (Note 1)	-	$ - (Note 3)	$ 9,082,412 (USD 315,953,961)	$ - (Note 4)	-	$ -
	Meeca Technology (Taizhou) Co., Ltd.	Investments accounted for using the equity method	Lens International (HK) Ltd.	Investing activities	-	6,630,643 (USD 221,168,895)	-	(1,384,438) ((USD 38,666,804)) (Note 2)	-	- (Note 3)	5,246,205 (USD 182,502,091)	- (Note 4)	-	-

Note 1: Including the share of loss of subsidiaries accounted for using the equity method of US$4,594,617, capital surplus - changes in ownership interests in subsidiaries of US$10,261,943, foreign exchange gains on translating foreign operations of US$23,058,998 and repatriation of earnings of US$7,197,618.

Note 2: Including the share of loss of subsidiaries accounted for using the equity method of US$51,955,015, capital surplus - changes in ownership interests in subsidiaries of US$2,237,842, foreign exchange gains on translating foreign operations of US$16,001,278 and repatriation of earnings of US$4,950,909.

Note 3: Total equity sale price is $41,029,007 thousand (US$1,427,294,484).

Note 4: Gain on disposal includes reclassification of other comprehensive income in respect of subsidiaries and related expenses and tax. Total gain on disposal is $25,951,192 thousand (US$902,775,776).

TABLE 5

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

ACQUISITIONS OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Property	Event Date	Transaction Amount	Payment Status	Counterparty/ Acquisition Item	Relationship	Information on Previous Title Transfer If Counterparty is a Related Party				Pricing Reference	Purpose of Acquisition	Other Terms
							Property Owner	Relationship	Transaction Date	Amount			
Envio Technology (Suqian) Co., Ltd.	Manufacturing plant	2017.08.18-2020.12.31	Contract price is NT$755,616 thousand (RMB 173,116 thousand); NT$744,282 thousand has been put into construction	In accordance with rules of contracts and progress	Self-built assets (The main contractor is Zhongxing Construction Co., Ltd.)	-	-	-	-	$ -	Price comparison or negotiation	Operating production	-

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Catcher Technology (Suqian) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	Same ultimate parent company	Sales	$ (1,480,547)	7	Net 30 to 90 days after month end close	Equivalent	Equivalent	$ 1,230,121	11	
			Purchases	818,830	24	Net 30 to 90 days after month end close	Equivalent	Equivalent	(703,167)	23	
	Arcadia Technology (Suqian) Co., Ltd.	Same ultimate parent company	Purchases	113,656	3	Net 30 to 90 days after month end close	Equivalent	Equivalent	(65,849)	2	
	Envio Technology (Suqian) Co., Ltd.	Same ultimate parent company	Sales	(348,904)	2	Net 30 to 90 days after month end close	Equivalent	Equivalent	266,289	2	
			Purchases	113,090	3	Net 30 to 90 days after month end close	Equivalent	Equivalent	(48,347)	2	
	Aquila Technology (Suqian) Co., Ltd.	Same ultimate parent company	Purchases	221,242	6	Net 120 days after month end close	Equivalent	Equivalent	(108,432)	4	
Topo Technology (Taizhou) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	Same ultimate parent company	Purchases	363,222	4	Net 30 to 90 days after month end close	Equivalent	Equivalent	-	-	Note
	Arcadia Technology (Suqian) Co., Ltd.	Same ultimate parent company	Purchases	120,589	1	Net 30 to 90 days after month end close	Equivalent	Equivalent	-	-	Note
	Aquila Technology (Suqian) Co., Ltd.	Same ultimate parent company	Purchase	236,157	2	Net 120 days after month end close	Equivalent	Equivalent	-	-	Note
	Meeca Technology (Taizhou) Co., Ltd.	Same ultimate parent company	Sales	(218,366)	1	Net 30 to 90 days after month end close	Equivalent	Equivalent	-	-	Note
			Purchases	688,589	7	Net 30 to 90 days after month end close	Equivalent	Equivalent	-	-	Note
	Next Level Ltd.	Same ultimate parent company	Sales	(19,078,703)	14	Net 30 to 90 days after month end close	No comparable sales prices for general customers	Equivalent	-	-	Note
Vito Technology (Suqian) Co., Ltd.	Catcher Technology Co., Ltd.	Ultimate parent company	Sales	(322,147)	2	Net 30 to 120 days after month end close	No comparable sales prices for general customers	Equivalent	77,553	-	
	Aquila Technology (Suqian) Co., Ltd.	Same ultimate parent company	Purchases	172,927	4	Net 120 days after month end close	Equivalent	Equivalent	(79,576)	3	
	Meeca Technology (Taizhou) Co., Ltd.	Same ultimate parent company	Sales	(265,570)	2	Net 30 to 90 days after month end close	Equivalent	Equivalent	-	-	Note
			Purchases	479,633	10	Net 30 to 90 days after month end close	Equivalent	Equivalent	-	-	Note
	Arcadia Technology (Suqian) Co., Ltd.	Same ultimate parent company	Purchases	130,474	3	Net 30 to 90 days after month end close	Equivalent	Equivalent	(90,330)	3	
	Next Level Ltd.	Same ultimate parent company	Sales	(4,046,593)	4	Net 30 to 90 days after month end close	No comparable sales prices for general customers	Equivalent	1,448,602	23	
Meeca Technology (Taizhou) Co., Ltd.	Aquila Technology (Suqian) Co., Ltd.	Same ultimate parent company	Purchases	135,053	-	Net 120 days after month end close	Equivalent	Equivalent	-	-	Note
	Arcadia Technology (Suqian) Co., Ltd.	Same ultimate parent company	Purchases	134,987	2	Net 30 to 90 days after month end close	Equivalent	Equivalent	-	-	Note
	Next Level Ltd.	Same ultimate parent company	Sales	(12,198,038)	13	Net 30 to 90 days after month end close	No comparable sales prices for general customers	Equivalent	-	-	Note
Envio Technology (Suqian) Co., Ltd.	Next Level Ltd.	Same ultimate parent company	Sales	(9,351,351)	14	Net 30 to 90 days after month end close	No comparable sales prices for general customers	Equivalent	2,422,407	98	
Next Level Ltd.	Catcher Technology Co., Ltd.	Ultimate parent company	Sales	(44,676,624)	100	Net 30 to 120 days after month end close	No comparable sales prices for general customers	Equivalent	2,676,475	100	
Lyra International Co., Ltd.	Catcher Technology Co., Ltd.	Ultimate parent company	Purchases	3,479,296	100	Net 30 to 120 days after month end close	No comparable sales prices for general customers	Equivalent	(3,479,296)	100	

Note: It became a non-related party of the Group on December 31, 2020.

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Related Party	Relationship	Ending Balance	Turnover Ratio	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Catcher Technology (Suqian) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	Same ultimate parent company	814,346	- (Note 3)	-	Not applicable	$ 197,216	-
			1,230,121	1.67	-	Not applicable	391,650	-
	Arcadia Technology (Suqian) Co., Ltd.	Same ultimate parent company	938,432	- (Note 1)	-	Not applicable	-	-
	Envio Technology (Suqian) Co., Ltd.	Same ultimate parent company	266,289	1.30	-	Not applicable	80,412	-
Vito Technology (Suqian) Co., Ltd.	Catcher Technology (Suqian) Co., Ltd.	Same ultimate parent company	200,360	- (Note 3)	-	Not applicable	49,900	-
			703,167	2.07	-	Not applicable	218,533	-
	Arcadia Technology (Suqian) Co., Ltd.	Same ultimate parent company	108,130	- (Note 3)	-	Not applicable	41,899	-
	Envio Technology (Suqian) Co., Ltd.	Same ultimate parent company	242,459	- (Note 3)	-	Not applicable	81,195	-
	Next Level Ltd.	Same ultimate parent company	1,448,602	2.41	-	Not applicable	15,482	-
Envio Technology (Suqian) Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Same ultimate parent company	1,811,392	- (Note 1)	-	Not applicable	-	-
	Next Level Ltd.	Same ultimate parent company	2,422,407	5.50	-	Not applicable	894,999	-
Aquila Technology (Suqian) Co., Ltd.	Catcher Technology (Suqian) Co., Ltd.	Same ultimate parent company	108,432	1.99	-	Not applicable	7,740	-
Next Level Ltd.	Catcher Technology Co., Ltd.	Ultimate parent company	2,676,475	11.25	-	Not applicable	2,676,475	-
Catcher Technology Co., Ltd.	Lyra International Co., Ltd.	Subsidiary	3,479,296	2.00	-	Not applicable	-	-
Norma International Co., Ltd.	Cygnus International Co., Ltd.	Same ultimate parent company	569,600	- (Note 1)	-	Not applicable	-	-
Uranus International Co., Ltd.	Cygnus International Co., Ltd.	Same ultimate parent company	2,278,400	- (Note 1)	-	Not applicable	-	-

Note 1: The ending balance of financing provided is not in the calculation of the turnover rate.

Note 2: The ending balance of property, plant and equipment purchased is not in the calculation of the turnover rate.

Note 3: The ending balance of processing income receivables is not in the calculation of the turnover rate.

TABLE 8

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2020			Net Income (Loss) of the Investee	Share of Profits (Loss) (Note 1)	Note
				December 31, 2020	December 31, 2019	Number of Shares	%	Carrying Amount			
Catcher Technology Co., Ltd.	Gigamag Co., Ltd.	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	Investing activities	$ 484,941	$ 484,941	14,377,642	100	$ 1,091,353	$ 1,127,452	$ 1,321,844	
	Nanomag International Co., Ltd.	P.O. Box31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands	Investing activities	1	1	30	100	143,762,628	29,050,679	26,961,614	
	Yue-Kang Health Control Technology Inc.	1F, No. 10, Ln. 138, Renai St., Yongkang Dist., Tainan City 710, Taiwan (ROC)	Health and medical treatment consultant	72,000	72,000	7,200,000	45	11,583	(1,582)	(712)	
	Ke Yue Co., Ltd.	1F, No. 10, Ln. 138, Renai St., Yongkang Dist., Tainan City 710, Taiwan (ROC)	Investing activities	1,129,000	1,129,000	11,290,000	100	1,119,774	(10,053)	(10,053)	
	Yi Sheng Co., Ltd.	1F, No. 10, Ln. 138, Renai St., Yongkang Dist., Tainan City 710, Taiwan (ROC)	Investing activities	298,000	298,000	3,070,000	100	298,558	335	335	
	Yi De Co., Ltd.	1F, No. 10, Ln. 138, Renai St., Yongkang Dist., Tainan City 710, Taiwan (ROC)	Investing activities	298,000	298,000	3,070,000	100	298,558	335	335	
Gigamag Co., Ltd.	Neat Co., Ltd.	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	International trading	285 (USD 10,000)	285 (USD 10,000)	10,000	100	249	3		
Nanomag International Co., Ltd.	Castmate International Co., Ltd.	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	Investing activities	28,753 (USD 1,009,592)	28,753 (USD 1,009,592)	1,009,592	100	3,253,478	(166,613)		
	Stella International Co., Ltd.	P.O. Box31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands	Investing activities	9,457,614 (USD 332,079,144)	9,457,614 (USD 332,079,144)	332,079,144	100	38,798,657	21,115,446		
	Aquila International Co., Ltd.	P.O. Box31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands	Investing activities	31,898 (USD 1,120,000)	31,898 (USD 1,120,000)	1,050,000	75	289,612	144,994		
	Uranus International Co., Ltd.	Room 1907, 19F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investing activities	11,363,787 (USD 399,009,383)	11,363,787 (USD 399,009,383)	399,009,383	100	36,752,713	9,087,937		
	Norma International Co., Ltd.	Room 1907, 19F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investing activities	8,530,720 (USD 299,533,691)	8,530,720 (USD 299,533,691)	299,533,691	100	8,079,048	(453,938)		
	Next Level Ltd.	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	Investing activities	285 (USD 10,000)	285 (USD 10,000)	10,000	100	147,937	86,470		
	Cor Ventures Pte. Ltd.	160 Robinson Road, #14-04 Singapore Business Federation Centre, Singapore 068914	Investing activities	261,266 (SGD 12,118,100)	-	12,118,100	100	256,294	(4,924)		
Castmate International Co., Ltd.	Cygnus International Co., Ltd.	Room 1907, 19F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investing activities	284,950 (USD 10,005,259)	284,950 (USD 10,005,259)	10,005,259	100	2,974,947	(171,506)		
Stella International Co., Ltd.	Lyra International Co., Ltd.	Room 1907, 19F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investing activities	9,456,881 (USD 332,053,412)	9,456,881 (USD 332,053,412)	332,053,412	100	39,108,169	21,113,531		
Aquila International Co., Ltd.	Cepheus International Co., Ltd.	Room 1907, 19F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investing activities	39,872 (USD 1,400,000)	39,872 (USD 1,400,000)	1,400,000	100	385,464	145,205		

Note 1: Share of profit (loss) is only reflected for the subsidiaries invested in directly and the investments accounted for by using the equity method.

Note 2: Information on investments in mainland China is provided in Table 9.

TABLE 9

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital (Note 13)	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2020 (Note 13)	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2020 (Note 13)	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of December 31, 2020	Accumulated Repatriation of Investment Income as of December 31, 2020
					Outward	Inward						
Catcher Technology (Suzhou) Co., Ltd.	Manufacturing, selling and developing varied metal products	$ -	2. Cygnus International Co., Ltd. (Note 8)	$ 949,523 (USD 33,340,000)	$ -	$ -	$ 949,523 (USD 33,340,000)	$ -	100	$ -	$ -	$ -
Topo Technology (Suzhou) Co., Ltd.	Manufacturing, selling and developing varied metal products	285,085 (USD 10,010,000)	2. Lyra International Co., Ltd. (Notes 4 and 5)	1,148,883 (USD 40,340,000)	-	-	1,148,883 (USD 40,340,000)	(99,948)	100	(99,948) (Note 2.(A))	1,052,638	-
Topo Technology (Taizhou) Co., Ltd.	Manufacturing, selling and developing varied metal products	5,500,908 (RMB 829,779,072) (USD 65,979,240)	2. Lyra International Co., Ltd. (Note 9)	-	-	-	-	(94,822)	100	(94,822) (Note 2.(A))	-	5,482,243
Meeca Technology (Taizhou) Co., Ltd.	Manufacturing, selling and developing varied metal products	5,680,702 (RMB 814,650,196) (USD 74,610,861)	2. Lyra International Co., Ltd. (Note 12)	-	-	-	-	(1,458,058)	100	(1,458,058) (Note 2.(A))	-	-
Meeca Technology (Suzhou Industrial Park) Co., Ltd.	Manufacturing, selling and developing varied metal products	284,800 (USD 10,000,000)	2. Cygnus International Co. Ltd. (Note 6)	-	-	-	-	(138,069)	100	(138,069) (Note 2.(A))	1,010,791	-
Catcher Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	5,696,000 (USD 200,000,000)	2. Uranus International Co., Ltd. (Note 7)	2,705,572 (USD 94,999,000)	-	-	2,705,572 (USD 94,999,000)	6,533,512	100	6,533,512 (Note 2.(A))	16,796,518	10,597,814
Vito Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	5,554,990 (RMB 409,431,280) (USD 132,300,000)	2. Uranus International Co., Ltd. (Note 10)	-	-	-	-	3,220,946	100	3,220,946 (Note 2.(A))	13,214,437	-
Arcadia Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	5,692,494 (RMB 398,499,193) (USD 138,803,527)	2. Norma International Co., Ltd. (Note 11)	-	-	-	-	(1,957,379)	100	(1,957,379) (Note 2.(A))	2,083,373	-
Envio Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied metal products	2,847,124 (RMB 188,956,820) (USD 71,010,000)	2. Norma International Co., Ltd. (Note 16)	-	-	-	-	1,485,088	100	1,485,088 (Note 2.(A))	5,448,564	-
Aquila Technology (Suqian) Co., Ltd.	Manufacturing and selling molds and electronic parts	39,872 (USD 1,400,000)	2. Cepheus International Co., Ltd.	31,898 (USD 1,120,000)	-	-	31,898 (USD 1,120,000)	174,835	75	131,126 (Note 2.(A))	384,639	169,684
WIT Technology (Taizhou) Co., Ltd. (Note 14)	Researching, developing and manufacturing communication electronic products	-	2. Cetus International Co., Ltd.	-	-	-	-	-	70	-	-	-
Chaohu Yunhai Magnesium Co., Ltd. (Note 15)	Manufacturing and selling dolomite, aluminum, magnesium alloy and other alkaline-earth metals	-	2. Sagitta International Co., Ltd.	628,893 (USD 22,081,923)	-	-	628,893 (USD 22,081,923)	-	46	-	-	-

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2018 (Note 13)	Investment Amounts Authorized by Investment Commission, MOEA (Notes 13 and 14)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Note 3)
$ 5,464,769 (USD 191,880,923)	$ 40,703,018 (USD 1,024,374,988) (RMB 2,641,316,560)	$ 94,842,961

Note 1: The investing methods are categorized as follows:
1: Direct investment in companies in mainland China
2: Investment in companies in mainland China, which is made by a company incorporated via a third region
3: Others

Note 2: In the column:
1: This means the investee is under initial preparation and there were no gains or losses on investment.
2: The recognition of gains or losses on investment is based on:
(1) The financial statements audited by global accounting firms, which are affiliated with the accounting firms in the Republic of China
(2) The financial statements audited by the certified public accountant of the parent company in Taiwan
(3) Others

Note 3: The upper limit on investment in mainland China is calculated as $158,071,602×60%=$94,842,961.

Note 4: The paid-in capital of US$6,670,000, which is self-funding of Nanomag International Co., Ltd., is invested in Topo Technology (Suzhou) Co., Ltd. through Stella International Co., Ltd., and the paid-in capital of US$33,300,000 is earnings distributed in the third quarter of 2011. Thereafter, the amount of US$33,300,000 is returned by capital reduction in the fourth quarter of 2014.

Note 5: The paid-in capital of US$30,000,000 is earnings distributed from Topo Technology (Suzhou) Co., Ltd. to Stella International Co., Ltd., which were then reinvested in Topo Technology (Suzhou) Co., Ltd. Thereafter, the amount of US$67,000,000 was returned by capital reduction in the first quarter of 2016.

Note 6: The paid-in capital of US$106,000,000 is earnings distributed from Catcher Technology (Suzhou) Co., Ltd. to Castmate International Co., Ltd., which were then invested in Meeca Technology (Suzhou Industrial Park) Co., Ltd., and the paid-in capital of US$16,670,000 is earnings distributed in the third quarter of 2011. The amount of US$16,670,000 was returned by capital reduction in the fourth quarter of 2014 and the amount of US$32,000,000 in the third quarter of 2016. Thereafter, the amount of US$32,000,000 was returned by capital reduction in the second quarter of 2017, and the amount of US$32,000,000 was returned by capital reduction in the third quarter of 2017.

Note 7: The paid-in capital of US$5,001,000 is earnings distributed from Catcher Technology (Suzhou) Co., Ltd. to Castmate International Co., Ltd., which were then invested in Catcher Technology (Suqian) Co., Ltd. The paid-in capital of US$100,000,000 is earnings distributed from Topo Technology (Suzhou) Co., Ltd. to Stella International Co., Ltd., which were invested in Catcher Technology (Suqian) Co., Ltd. through Uranus International Co., Ltd.

Note 8: The paid-in capital of US$16,670,000 is earnings distributed in the third quarter of 2011. Thereafter, the amount of US$40,000,000 was returned by capital reduction in the second quarter of 2014, and due to dissolution, US$10,010,000 of capital were returned in August 2016; the remaining amount of capital has not been wired back to Taiwan.

Note 9: The paid-in capital of RMB227,510,746 is earnings distributed from Topo Technology (Suzhou) Co., Ltd. to Stella International Co., Ltd., which were then invested in Topo Technology (Taizhou) Co., Ltd. On the other hand, US$65,979,240 and RMB602,268,326 are earnings distributed from investees in mainland China to Nanomag International Co., Ltd., which were then invested in Topo Technology (Taizhou) Co., Ltd. via Lyra International Co., Ltd.

Note 10: The paid-in capital of US$99,000,000 is earnings distributed from Catcher Technology (Suzhou) Co., Ltd. to Nanomag International Co., Ltd., which were then invested in Vito Technology (Suqian) Co., Ltd. via Uranus International Co., Ltd. The paid-in capital of US$33,300,000 and RMB409,431,280 is earning distributed from Topo Technology (Suzhou) Co., Ltd. to Nanomag International Co., Ltd., which were then invested in Vito Technology (Suqian) Co., Ltd. through Uranus International Co., Ltd.

Note 11: The paid-in capital of US$27,332,360 and RMB398,499,193 are earnings distributed from Catcher Technology (Suzhou) Co., Ltd. and Topo Technology (Suzhou) Co., Ltd. to Nanomag International Co., Ltd., which were then invested in Arcadia Technology (Suqian) Co., Ltd. through Norma International Co., Ltd. The paid-in capital of US$89,970,000, which is the proceeds arising from the capital reduction of Catcher Technology (Suzhou) Co., Ltd., Topo Technology (Suzhou) Co., Ltd., and Meeca Technology (Suzhou Industrial Park) Co., Ltd., was invested in Arcadia Technology (Suqian) Co., Ltd. through Norma International Co., Ltd. The paid-in capital of US$21,501,167 is earning distributed from Catcher Technology (Suzhou) Co., Ltd. and Topo Technology (Suzhou) Co., Ltd. to Nanomag International Co., Ltd., which were then invested in Arcadia Technology (Suqian) Co., Ltd. through Norma International Co., Ltd.

Note 12: The paid-in capital of US$17,610,861 and RMB529,989,796 are earnings distributed from Catcher Technology (Suzhou) Co., Ltd. and Topo Technology (Suzhou) Co., Ltd. to Nanomag International Co., which were then invested in Meeca Technology (Taizhou) Co., Ltd. through Lyra International Co., Ltd. The paid-in capital of US$20,000,000 and RMB284,660,400 are earnings and liquidation income distributed from Catcher Technology (Suzhou) Co., Ltd. and earnings distributed from Topo Technology (Suzhou) Co., Ltd. and Meeca Technology (Suzhou Industrial Park) Co., Ltd. to Nanomag International Co., Ltd., which were then invested in Meeca Technology (Taizhou) Co., Ltd. through Lyra International Co., Ltd.

Note 13: The exchange rate on December 31, 2020 was US$1:NT$28.48.
The exchange rate on December 31, 2020 was RMB1:NT$4.3648.

Note 14: WIT Technology (Taizhou) Co., Ltd. was dissolved in June 2012, and the remaining amount of capital has not been wired back to Taiwan.

Note 15: Sagitta International Co., Ltd. sold all of its shares of Chaohu Yunhai Magnesium Co., Ltd. in June 2016, and the remaining amount of capital has not been wired back to Taiwan.

Note 16: The paid-in capital of US$71,010,000 and RMB$ 188,956,820, which is the proceeds arising from returned capital of the liquidation from Catcher Technology (Suzhou) Co., Ltd. and the returned capital reduction from Topo Technology (Suzhou) Co., Ltd. and Meeca Technology (Suzhou Industrial Park) Co., Ltd., is invested in Envio Technology (Suqian) Co., Ltd. through Norma International Co., Ltd.

TABLE 10

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Investee Company	Counterparty	Relationship (Note 1)	Transaction Details			
				Financial Statement Account	Amount (Note 2)	Payment Terms	% of Total Sales Or Assets
0	Catcher Technology Co., Ltd.	Next Level Ltd.	1	Purchases	$ 44,676,624	The purchase prices have no comparison with those from third parties, net 30 to 120 days after month end close.	54.15
				Sales	98,343	The sales prices have no comparison with those from third parties, net 30 to 120 days after month end close.	0.12
				Payables to related parties	2,676,475		1.05
				Receivables from related parties	83,914		0.03
		Lyra International Co., Ltd.	1	Sales	3,479,296	The sales prices have no comparison with those from third parties, net 30 to 120 days after month end close.	4.22
				Receivables from related parties	3,479,296		1.36
		Catcher Technology (Suqian) Co., Ltd.	1	Other receivables from related parties	53,813		0.02
		Vito Technology (Suqian) Co., Ltd.	1	Purchases	322,147	The purchase prices have no comparison with those from third parties, net 30 to 120 days after month end close.	0.39
				Purchases of property, plant and equipment	68,353	The purchase prices were negotiated, net 120 days after month end close.	0.08
				Payables to related parties	77,553		0.03
				Other payables to related parties	70,686		0.03
		Arcadia Technology (Suqian) Co., Ltd.	1	Purchases of property, plant and equipment	88,385	The purchase prices were negotiated, net 120 days after month end close.	0.11
1	Catcher Technology (Suqian) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	3	Purchases	818,830	The purchase prices were not different from third parties, net 30 to 90 days after month end close.	0.99
				Processing expense	256,348	The purchase prices were not different from third parties, net 30 to 90 days after month end close.	0.31
				Sales	1,480,547	The sales prices were not different from third parties, net 30 to 90 days after month end close.	1.79
				Processing income	987,429	The sales prices were not different from third parties, net 30 to 90 days after month end close.	1.20
				Payables to related parties	703,167		0.27
				Other payables to related parities	200,360		0.08
				Receivables from related parties	1,230,121		0.48
				Other receivables from related parities	814,346		0.32
		Topo Technology (Taizhou) Co., Ltd.	3	Sales of property, plant and equipment	87,707	The purchase prices were negotiated, net 120 days after month end close.	0.11
		Meeca Technology (Taizhou) Co., Ltd.	3	Processing income	90,182	The sales prices were not different from third parties, net 30 to 90 days after month end close.	0.11
				Sales of property, plant and equipment	544,713	The sales prices were negotiated, net 120 days after month end close.	0.66
		Arcadia Technology (Suqian) Co., Ltd.	3	Purchases	113,656	The purchase prices were not different from third parties, net 30 to 90 days after month end close.	0.14
				Processing expense	94,939	The purchase prices were not different from third parties, net 30 to 90 days after month end close.	0.12
				Processing income	70,000	The sales prices were not different from third parties, net 30 to 90 days after month end close.	0.08
				Payables to related parties	65,849		0.03
				Other payables to related parties	65,614		0.03
				Other receivables from related parities	56,927		0.02
				Other receivables from related parties	938,432		0.37
		Envio Technology (Suqian) Co., Ltd.	3	Sales	348,904	The sales prices were not different from third parties, net 30 to 90 days after month end close.	0.42
				Purchases	113,090	The purchase prices were not different from third parties, net 30 to 90 days after month end close.	0.14
				Receivables from related parties	266,289		0.10
		Aquila Technology (Suqian) Co., Ltd.	3	Purchases	221,242	The purchase prices were not different from third parties, net 120 days after month end close.	0.27
				Payables to related parties	108,432		0.04

(Continued)

No.	Investee Company	Counterparty	Relationship (Note)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales Or Assets
2	Aquila Technology (Suqian) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	3	Sales	$ 172,927	The sales prices were not different from third parties, net 120 days after month end close.	0.21
				Receivables from related parties	79,576		0.03
		Meeca Technology (Taizhou) Co., Ltd.	3	Sales	135,053	The sales prices were not different from third parties, net 120 days after month end close.	0.16
		Topo Technology (Taizhou) Co., Ltd.	3	Sales	236,157	The sales prices were not different from third parties, net 120 days after month end close.	0.29
3	Topo Technology (Taizhou) Co., Ltd.	Next Level Ltd.	3	Sales	19,078,703	The sales prices have no comparison with those from third parties, net 30 to 90 days after month end close.	23.12
				Purchases	87,847	The purchases prices were not different from third parties, net 30 to 90 days after month end close.	0.11
		Vito Technology (Suqian) Co., Ltd.	3	Purchases	363,222	The purchase prices were not different from third parties, net 30 to 90 days after month end close.	0.44
				Sales of property, plant and equipment	72,467	The sales prices were negotiated, net 120 days after month end close	0.09
				Purchases of property, plant and equipment	263,928	The purchase prices were negotiated, net 120 days after month end close	0.32
		Meeca Technology (Taizhou) Co., Ltd.	3	Purchases	688,589	The purchase prices were not different from third parties, net 30 to 90 days after month end close.	0.83
				Sales	218,366	The sales prices were not different from third parties, net 30 to 90 days after month end close.	0.26
				Processing income	580,094	The sales prices were not different from third parties, net 30 to 90 days after month end close.	0.70
				Sales of property, plant and equipment	1,284,221	The sales prices were negotiated, net 120 days after month end close.	1.56
				Purchases of property, plant and equipment	258,632	The purchase prices were negotiated, net 120 days after month end close.	0.31
		Arcadia Technology (Suqian) Co., Ltd.	3	Purchases	120,589	The purchase prices were not different from third parties, net 30 to 90 days after month end close.	0.15
				Sales of property plant and equipment	57,662	The sales prices were negotiated, net 120 days after month end close	0.07
				Purchases of property, plant and equipment	115,085	The purchase prices were negotiated, net 120 days after month end close.	0.14
		Meeca Technology (Suzhou Industrial Park) Co., Ltd.	3	Processing expense	52,662	The purchase prices were not different from third parties, net 30 to 90 days after month end close.	0.06
4	Vito Technology (Suqian) Co., Ltd.	Next Level Ltd.	3	Sales	4,046,593	The sales prices have no comparison with those from third parties, net 30 to 90 days after month end close.	4.90
				Receivables from related parties	1,448,602		0.57
		Meeca Technology (Taizhou) Co., Ltd.	3	Purchases	479,633	The purchase prices were not different from third parties, net 30 to 90 days after month end close.	0.58
				Sales	265,570	The sales prices were not different from third parties, net 30 to 90 days after month end close.	0.32
				Processing income	173,969	The sales prices were not different from third parties, net 30 to 90 days after month end close.	0.21
				Sales of property, plant and equipment	839,803	The sales prices were negotiated, net 120 days after month end close.	1.02
				Purchases of property, plant and equipment	107,782	The purchase prices were negotiated, net 120 days after month end close.	0.13
		Arcadia Technology (Suqian) Co., Ltd.	3	Processing income	199,986	The sales prices were not different from third parties, net 30 to 90 days after month end close.	0.24
				Purchases	130,474	The purchase prices were not different from third parties, net 30 to 90 days after month end close.	0.16
				Other receivables from related parities	108,130		0.04
				Other payables to related parities	90,330		0.04
		Envio Technology (Suqian) Co., Ltd.	3	Sales	71,064	The sales prices were not different from third parties, net 30 to 90 days after month end close.	0.09
				Processing income	407,892	The sales prices were not different from third parties, net 30 to 90 days after month end close.	0.49
				Receivables from related parties	53,755		0.02
				Other receivables from related parities	242,459		0.09
5	Meeca Technology (Taizhou) Co., Ltd.	Next Level Ltd.	3	Sales	12,198,038	The sales prices have no comparison with those from third parties, net 30 to 90 days after month end close.	14.78
		Arcadia Technology (Suqian) Co., Ltd.	3	Purchases	134,987	The purchase prices were not different from third parties, net 30 to 90 days after month end close.	0.16
				Processing expense	289,922	The purchase prices were not different from third parties, net 30 to 90 days after month end close.	0.35
				Purchases of property, plant and equipment	608,635	The purchase prices were negotiated, net 120 days after month end close.	0.74

(Continued)

No.	Investee Company	Counterparty	Relationship (Note)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales Or Assets
6	Envio Technology (Suqian) Co., Ltd.	Next Level Ltd.	3	Sales	$ 9,351,351	The sales prices have no comparison with those from third parties, net 30 to 90 days after month end close.	11.33
				Receivables from related parties	2,422,407		0.95
		Arcadia Technology (Suqian) Co., Ltd.	3	Processing expense	76,393	The purchase prices were not different from third parties, net 30 to 90 days after month end close.	0.09
				Other receivables from related parities	1,811,392		0.71
7	Norma International Co., Ltd.	Cygnus International Co., Ltd.	3	Other receivables from related parities	569,600		0.22
8	Uranus International Co., Ltd.	Topo Technology (Taizhou) Co., Ltd.	3	Interest income	67,804		0.08
		Cygnus International Co., Ltd.	3	Other receivables from related parities	2,278,400		0.89

(Concluded)

Note 1: No. 1 Represents transactions from parent company to subsidiaries.
No. 2 Represents transactions from subsidiaries to parent company.
No. 3 Represents transactions among subsidiaries.

Note 2: Written off at the time of preparing the consolidated financial report

TABLE 11

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

	Land	Buildings	Machinery and Equipment	Transportation Equipment	Furniture and Fixtures	Miscellaneous Equipment	Leasehold Improvement	Construction in Progress and Equipment to be Inspected	Total
Cost									
Balance at January 1, 2019	$ 2,179,324	$ 24,625,849	$ 74,657,204	$ 184,501	$ 2,803,950	$ 4,086,179	$ 277	$ 783,392	$ 109,320,676
Additions	-	334,872	676,378	19,862	39,584	1,188,478	-	391,142	2,650,316
Disposals	-	(15,724)	(101,004)	(3,156)	(7,009)	(214,060)	-	-	(340,953)
Reclassification	-	897,123	1,969,857	3,575	3,559	72,266	-	(902,783)	2,043,597
Effect of foreign currency exchange differences	-	(915,279)	(2,657,340)	(5,953)	(100,093)	(177,326)	(11)	(6,974)	(3,862,976)
Balance at December 31, 2019	$ 2,179,324	24,926,841	74,545,095	198,829	2,739,991	4,955,537	266	264,777	109,810,660
Accumulated depreciation and impairment									
Balance at January 1, 2019	$ -	$ 6,793,732	$ 48,193,228	$ 108,677	$ 1,633,737	$ 2,326,760	$ 143	$ -	$ 59,056,277
Depreciation	-	1,596,111	8,930,853	27,268	439,407	957,614	55	-	11,951,308
Disposals	-	(3,601)	(95,015)	(2,533)	(6,515)	(213,928)	-	-	(321,592)
Effect of foreign currency exchange differences	-	(315,821)	(1,693,839)	(3,379)	(67,992)	(90,809)	(7)	-	(2,171,847)
Balance at December 31, 2019	$ -	$ 8,070,421	$ 55,335,227	$ 130,033	$ 1,998,637	$ 2,979,637	$ 191	$ -	$ 68,514,146
Carrying amounts at December 31, 2019	$ 2,179,324	$ 16,856,420	$ 19,209,868	$ 68,796	$ 741,354	$ 1,975,900	$ 75	$ 264,777	$ 41,296,514
Cost									
Balance at January 1, 2020	$ 2,179,324	$ 24,926,841	$ 74,545,095	$ 198,829	$ 2,739,991	$ 4,955,537	$ 266	$ 264,777	$ 109,810,660
Additions	-	29,942	179,483	2,171	37,717	627,349	-	61,596	938,258
Disposals	-	(1,430)	(604,204)	(6,383)	(4,302)	(271,047)	-	-	(887,366)
Reclassification	-	179,221	662,950	-	7,254	21,420	-	(193,171)	677,674
Disposals of subsidiaries	-	(6,600,326)	(22,430,224)	(40,039)	(614,013)	(1,798,222)	-	(126)	(31,482,950)
Effect of foreign currency exchange differences	-	410,144	1,832,776	2,536	41,221	80,744	5	(338)	2,367,088
Balance at December 31, 2020	$ 2,179,324	$ 18,944,392	$ 54,185,876	$ 157,114	$ 2,207,868	$ 3,615,781	$ 271	$ 132,738	$ 81,423,364
Accumulated depreciation and impairment									
Balance at January 1, 2020	$ -	$ 8,070,421	$ 55,335,227	$ 130,033	$ 1,998,637	$ 2,979,637	$ 191	$ -	$ 68,514,146
Depreciation	-	1,482,054	5,858,281	26,143	361,520	893,181	52	-	8,621,231
Disposals	-	(510)	(600,662)	(6,383)	(4,257)	(270,762)	-	-	(882,574)
Disposals of subsidiaries	-	(2,009,635)	(16,071,029)	(25,364)	(406,183)	(730,982)	-	-	(19,243,193)
Effect of foreign currency exchange differences	-	163,752	1,599,096	1,855	32,773	48,567	5	-	1,846,048
Balance at December 31, 2020	$ -	$ 7,706,082	$ 46,120,913	$ 126,284	$ 1,982,490	$ 2,919,641	$ 248	$ -	$ 58,855,658
Carrying amounts at December 31, 2020	$ 2,179,324	$ 11,238,310	$ 8,064,963	$ 30,830	$ 225,378	$ 696,140	$ 23	$ 132,738	$ 22,567,706