

Catcher Technology Co., Ltd. and Subsidiaries
Consolidated Financial Statements for the Three Months
Ended March 31, 2021 and 2020 and
Independent Auditors' Review Report

Address: No. 398, Renai St., Yongkang Dist., Tainan City
TEL: +886-6-253-9000

For the convenience of readers, the independent auditors' review 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' review report and consolidated financial statements shall prevail.

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Independent Auditors' Review Report

To Catcher Technology Co., Ltd.:

Introduction

Catcher Technology Co., Ltd. and its subsidiaries' (Catcher Group) Consolidated Balance Sheets for the three months ended March 31, 2021 and 2020, in addition to the Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows, and Notes to the Consolidated Financial Statements (including a summary of significant accounting policies) from January 1 to March 31, 2021 and 2020, have been reviewed by the CPAs. The management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope

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

Conclusion

Based on our review, we are not aware of any material respects in which the consolidated financial statements referred to above do not comply with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission, and which do not present fairly the consolidated financial position of Catcher Group as of March 31, 2021 and 2020, and the consolidated financial results and consolidated cash flows as of March 31, 2021 and 2020.

Deloitte & Touche

CPA Hong-Ju, Liao

CPA Chi-Chen, Li

Financial Supervisory Commission

Securities and Futures Commission

Approval No.

Approval No.

Jin-Guan-Zheng-Shen-Zi No. 0990031652

Tai-Cai-Zheng(6) No. 0920123784

May 5, 2021

Catcher Technology Co., Ltd. and Subsidiaries
Consolidated Balance Sheets
March 31, 2021, December 31, 2020, and March 31, 2020
(In Thousands of New Taiwan Dollars)

Code	Assets	March 31, 2021 (Reviewed)		December 31, 2020 (Audited)		March 31, 2020 (Reviewed)	
		Amount	%	Amount	%	Amount	%
Current Assets							
1100	Cash and cash equivalents (Note 6)	\$ 20,657,329	8	\$111,882,981	44	\$117,895,253	48
1110	Financial assets at fair value through profit or loss - current (Note 7)	443,703	-	349,801	-	232,941	-
1136	Financial assets at amortized cost - current (Note 9)	156,328,122	63	65,333,889	26	44,942,679	18
1150	Notes receivable (Note 10)	-	-	21	-	-	-
1170	Accounts receivable (Note 10)	15,249,430	6	17,317,501	7	16,536,237	7
1200	Other receivables (Note 10)	257,671	-	306,029	-	1,682,196	1
1220	Tax assets (Note 4)	98,666	-	90,318	-	52,306	-
130X	Inventories (Notes 5 and 11)	4,552,885	2	6,003,807	2	13,106,209	5
1470	Other current assets (Note 18)	690,045	-	593,003	-	1,129,833	1
11XX	Total current assets	<u>198,277,851</u>	<u>79</u>	<u>201,877,350</u>	<u>79</u>	<u>195,577,654</u>	<u>80</u>
Non-current Assets							
1510	Financial assets at fair value through profit or loss - non-current (Note 7)	77,045	-	-	-	-	-
1517	Financial assets at fair value through other comprehensive income - non current (Note 8)	786,783	-	652,880	-	548,485	-
1535	Financial assets at amortized cost - non-current (Note 9)	24,632,964	10	24,585,406	10	994	-
1550	Investments accounted for using equity method (Note 13)	9,681	-	11,583	-	9,136	-
1600	Property, plant, and equipment (Note 14)	21,186,791	8	22,567,706	9	38,782,980	16
1755	Right-of-use asset (Note 15)	1,227,381	1	1,245,224	-	1,959,572	1
1760	Investment properties (Note 16)	488,100	-	500,299	-	523,198	-
1780	Intangible assets (Note 17)	54,769	-	38,004	-	92,873	-
1840	Deferred tax assets (Note 4)	4,046,454	2	4,346,647	2	6,416,364	3
1990	Other non-current assets (Note 18)	84,157	-	78,096	-	231,617	-
15XX	Total non-current assets	<u>52,594,125</u>	<u>21</u>	<u>54,025,845</u>	<u>21</u>	<u>48,565,219</u>	<u>20</u>
1XXX	Total Assets	<u>\$250,871,976</u>	<u>100</u>	<u>\$255,903,195</u>	<u>100</u>	<u>\$244,142,873</u>	<u>100</u>
Liabilities and Equity							
Current Liabilities							
2100	Short-term loans (Note 19)	\$ 70,148,726	28	\$ 70,465,726	27	\$ 72,674,357	30
2130	Contract liabilities - current (Note 24)	44,160	-	12,545	-	25,590	-
2150	Notes payable (Note 20)	-	-	-	-	8,981	-
2170	Accounts payable (Note 20)	4,796,007	2	7,691,968	3	7,772,667	3
2200	Other payables (Note 21)	5,986,842	2	6,924,658	3	7,674,125	3
2230	Tax liabilities (Note 4)	422,979	-	3,997,201	2	1,194,719	1
2280	Lease liabilities - current (Note 15)	14,448	-	17,584	-	29,658	-
2300	Other current liabilities (Note 21)	2,358,170	1	2,352,993	1	1,142,538	-
21XX	Total current liabilities	<u>83,771,332</u>	<u>33</u>	<u>91,462,675</u>	<u>36</u>	<u>90,522,635</u>	<u>37</u>
Non-current Liabilities							
2570	Deferred tax liabilities (Notes 4 and 5)	6,383,746	3	6,197,748	2	1,365,540	1
2580	Lease liabilities - non-current (Note 15)	142,006	-	142,925	-	130,110	-
2640	Net defined benefit liabilities - non-current (Note 4)	6,549	-	6,558	-	6,558	-
2670	Other non-current liabilities (Note 21)	21,410	-	21,687	-	21,853	-
25XX	Total non-current liabilities	<u>6,553,711</u>	<u>3</u>	<u>6,368,918</u>	<u>2</u>	<u>1,524,061</u>	<u>1</u>
2XXX	Total Liabilities	<u>90,325,043</u>	<u>36</u>	<u>97,831,593</u>	<u>38</u>	<u>92,046,696</u>	<u>38</u>
Equity Attributable to Owners of the Company (Note 23)							
Share capital							
3110	Ordinary shares	7,616,181	3	7,616,181	3	7,703,911	3
3200	Capital surplus	20,008,824	8	20,008,231	8	20,238,221	8
Retained earnings							
3310	Legal reserve	19,532,131	8	19,532,131	8	18,404,919	8
3320	Special reserve	12,188,506	5	12,188,506	5	7,410,317	3
3350	Unappropriated retained earnings	115,537,428	46	113,024,326	44	110,816,944	45
3300	Total retained earnings	<u>147,258,065</u>	<u>59</u>	<u>144,744,963</u>	<u>57</u>	<u>136,632,180</u>	<u>56</u>
3400	Other equity interest	(14,441,564)	(6)	(14,394,310)	(6)	(11,923,082)	(5)
3500	Treasury stock	-	-	-	-	(685,856)	-
31XX	Total equity attributable to owners of the Company	<u>160,441,506</u>	<u>64</u>	<u>157,975,065</u>	<u>62</u>	<u>151,965,374</u>	<u>62</u>
36XX	Non-controlling Interest	105,427	-	96,537	-	130,803	-
3XXX	Total Equity	<u>160,546,933</u>	<u>64</u>	<u>158,071,602</u>	<u>62</u>	<u>152,096,177</u>	<u>62</u>
Total Liabilities and Equity		<u>\$250,871,976</u>	<u>100</u>	<u>\$255,903,195</u>	<u>100</u>	<u>\$244,142,873</u>	<u>100</u>

The accompanying notes are an integral part of the Consolidated Financial Statements.

Catcher Technology Co., Ltd. and Subsidiaries

Consolidated Statements of Comprehensive Income

January 1 to March 31, 2021 and 2020

(Reviewed only, not audited in accordance with generally accepted auditing standards)

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code		January 1 to March 31, 2021		January 1 to March 31, 2020	
		Amount	%	Amount	%
4000	Operating Income, Net (Notes 15 and 24)	\$ 12,629,378	100	\$ 17,616,374	100
5000	Operating Costs (Notes 11 and 25)	<u>8,610,015</u>	<u>68</u>	<u>13,325,578</u>	<u>76</u>
5900	Gross Profit	<u>4,019,363</u>	<u>32</u>	<u>4,290,796</u>	<u>24</u>
	Operating Expenses (Note 25)				
6100	Selling expenses	110,414	1	102,436	1
6200	General and administrative expenses	752,476	6	968,866	5
6300	Research and development expenses	<u>353,109</u>	<u>3</u>	<u>385,288</u>	<u>2</u>
6000	Total operating expenses	<u>1,215,999</u>	<u>10</u>	<u>1,456,590</u>	<u>8</u>
6900	Net Operating Income	<u>2,803,364</u>	<u>22</u>	<u>2,834,206</u>	<u>16</u>
	Non-operating Income and Expenses (Notes 13 and 25)				
7100	Interest income	207,760	2	758,107	4
7190	Other income	270,706	2	1,298,822	7
7230	Foreign exchange income, net	306,587	2	729,296	4
7590	Other gains and losses, net	82,100	1	(63,569)	-
7510	Interest expense	(113,348)	(1)	(175,040)	(1)
7060	Share of gains of associates accounted for using the equity method	(<u>1,902</u>)	<u>-</u>	(<u>3,159</u>)	<u>-</u>
7000	Total non-operating income and expenses	<u>751,903</u>	<u>6</u>	<u>2,544,457</u>	<u>14</u>
7900	Profit Before Income Tax	3,555,267	28	5,378,663	30
7950	Income Tax Expenses (Notes 4, 5 and 26)	<u>1,032,707</u>	<u>8</u>	<u>1,450,006</u>	<u>8</u>
8200	Net Profit	<u>2,522,560</u>	<u>20</u>	<u>3,928,657</u>	<u>22</u>

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Code		January 1 to March 31, 2021		January 1 to March 31, 2020	
		Amount	%	Amount	%
	Other Comprehensive Profit or Loss (Note 23)				
8310	Items that will not be reclassified to profit or loss:				
8316	Unrealized profit or loss on valuation of equity instruments at fair value through profit or loss	(\$ 12,595)	-	\$ 1,660	-
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Financial statements translation differences of foreign operations	(35,227)	-	262,779	2
8300	Other comprehensive income (Net amount after tax)	(47,822)	-	264,439	2
8500	Total Comprehensive Income for the Year	<u>\$ 2,474,738</u>	<u>20</u>	<u>\$ 4,193,096</u>	<u>24</u>
	Net Income Attributable to:				
8610	Owners of the Company	\$ 2,513,102	20	\$ 3,922,663	22
8620	Non-controlling interest	<u>9,458</u>	<u>-</u>	<u>5,994</u>	<u>-</u>
8600		<u>\$ 2,522,560</u>	<u>20</u>	<u>\$ 3,928,657</u>	<u>22</u>
	Comprehensive Profit or Loss Attributable to:				
8710	Owners of the Company	\$ 2,465,848	20	\$ 4,188,087	24
8720	Non-controlling interest	<u>8,890</u>	<u>-</u>	<u>5,009</u>	<u>-</u>
8700		<u>\$ 2,474,738</u>	<u>20</u>	<u>\$ 4,193,096</u>	<u>24</u>
	Earnings Per Share (Note 27)				
9710	Basic	\$ 3.30		\$ 5.09	
9810	Diluted	3.28		5.06	

The accompanying notes are an integral part of the Consolidated Financial Statements.

Chairman: Shui-Shu Hung

President: Tien-Tzu Hung

Chief Accountant: Mei-Hsing Chen

Catcher Technology Co., Ltd. and Subsidiaries

Consolidated Statements of Changes in Equity

January 1 to March 31, 2021 and 2020

(Reviewed only, not audited in accordance with generally accepted auditing standards)

(In Thousands of New Taiwan Dollars)

Code		Equity Attributable to Owners of the Company										Non-controlling interest	Total Equity
		Retained earnings					Other equity items						
		Share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealized valuation profit or loss on financial assets at fair value through other comprehensive Income	Total	Treasury Stock	Total		
A1	Balance as of January 1, 2021	\$ 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
C17	Dividends that are not collected before the designated date	-	593	-	-	-	-	-	-	-	593	-	593
D1	Net Profit for the Three Months Ended March 31, 2021	-	-	-	-	2,513,102	-	-	-	-	2,513,102	9,458	2,522,560
D3	Other Comprehensive Income after Tax for the Three Months Ended March 31, 2021	-	-	-	-	-	(34,659)	(12,595)	(47,254)	-	(47,254)	(568)	(47,822)
D5	Total Comprehensive Income/(loss) for the Three Months Ended March 31, 2021	-	-	-	-	2,513,102	(34,659)	(12,595)	(47,254)	-	2,465,848	8,890	2,474,738
Z1	Balance as of March 31, 2021	\$ 7,616,181	\$ 20,008,824	\$ 19,532,131	\$ 12,188,506	\$ 115,537,428	(\$ 14,361,133)	(\$ 80,431)	(\$ 14,441,564)	\$ -	\$ 160,441,506	\$ 105,427	\$ 160,546,933
A1	Balance as of March 31, 2020	\$ 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
C17	Dividends That are not Collected Before the Designated Date	-	430	-	-	-	-	-	-	-	430	-	430
D1	Net Profit for the Three Months Ended March 31, 2020	-	-	-	-	3,922,663	-	-	-	-	3,922,663	5,994	3,928,657
D3	Other Comprehensive Income after Tax for the Three Months Ended March 31, 2020	-	-	-	-	-	263,764	1,660	265,424	-	265,424	(985)	264,439
D5	Total Comprehensive Income for the Three Months Ended March 31, 2020	-	-	-	-	3,922,663	263,764	1,660	265,424	-	4,188,087	5,009	4,193,096
L1	Treasury Shares Purchased (Note 23)	-	-	-	-	-	-	-	-	(685,856)	(685,856)	-	(685,856)
Z1	Balance as of March 31, 2020	\$ 7,703,911	\$ 20,238,221	\$ 18,404,919	\$ 7,410,317	\$ 110,816,944	(\$ 11,884,884)	(\$ 38,198)	(\$ 11,923,082)	(\$ 685,856)	\$ 151,965,374	\$ 130,803	\$ 152,096,177

The accompanying notes are an integral part of the Consolidated Financial Statements.

Chairman: Shui-Shu Hung

President: Tien-Tzu Hung

Chief Accountant: Mei-Hsing Chen

Catcher Technology Co., Ltd. and Subsidiaries

Consolidated Statements of Cash Flows

January 1 to March 31, 2021 and 2020

(Reviewed only, not audited in accordance with generally accepted auditing standards)

(In Thousands of New Taiwan Dollars)

Code		January 1 to March 31, 2021	January 1 to March 31, 2020
	Cash Flows from Operating Activities		
A10000	Profit before tax	\$ 3,555,267	\$ 5,378,663
A20010	Adjustments to reconcile profit (loss)		
A20100	Depreciation	1,405,009	2,794,993
A20200	Amortization expense	13,967	17,345
A20400	Profit (loss) of financial assets at fair value through profit or loss	(93,902)	91,852
A20900	Interest expense	113,348	175,040
A21200	Interest income	(207,760)	(758,107)
A22300	Share of gains of associates accounted for using the equity method	1,902	3,159
A22500	Gain on disposal of property, plant and equipment	(89,540)	(7,340)
A24100	Unrealized foreign exchange profit	(812,087)	(869,654)
	Changes in operating assets and liabilities, net		
A31130	Notes receivable	21	-
A31150	Accounts receivable	2,018,298	7,199,508
A31180	Other receivables	66,817	(1,082,524)
A31200	Inventories	1,415,641	993,287
A31240	Other current assets	(101,333)	374,842
A32125	Contract liabilities	31,615	(24)
A32130	Notes payable	-	(14,843)
A32150	Accounts payable	(2,869,320)	(3,391,645)
A32180	Other payables	(886,489)	(1,182,723)
A32230	Other current liabilities	687	(232,300)
A32240	Defined benefit liabilities, net	(9)	-
A32990	Other non-current liabilities	(10)	-
A33000	Cash generated from operations	3,562,122	9,489,529
A33500	Income tax paid	(4,131,291)	(1,482,180)
AAAA	Cash inflows (outflows) from operating activities, net	(569,169)	8,007,349
	Cash Flows from Investing Activities		
B00010	Purchase of financial assets at fair value through other comprehensive income	(144,556)	-
B00040	Acquisition of financial assets at amortized cost	(203,969,144)	(103,223,268)

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Code		January 1 to March 31, 2021	January 1 to March 31, 2020
B00050	Disposal of financial assets at amortized cost	\$ 114,285,358	\$ 141,996,032
B00100	Acquisition of financial assets at fair value through profit or loss	(76,588)	(413)
B02700	Acquisition of property, plant and equipment	(142,005)	(367,429)
B02800	Proceeds from disposal of property, plant, and equipment	97,334	8,041
B03700	Increase in refundable deposits	(43,785)	(15)
B03800	Decrease in refundable deposits	8,762	-
B04500	Acquisition of intangible assets	(26,382)	(7,518)
B05400	Acquisition of investment properties	(170)	(484)
B07500	Interest received	<u>189,137</u>	<u>813,053</u>
BBBB	Cash inflows (outflows) from investing activities, net	<u>(89,822,039)</u>	<u>39,217,999</u>
	Cash Flows from Financing Activities		
C00100	Increase in short-term loans	69,120,726	83,002,311
C00200	Decrease in short-term loans	(69,437,726)	(80,667,382)
C03000	Increase in guarantee deposits received	5,233	3,489
C03100	Decrease in guarantee deposits received	(838)	(4,440)
C04020	Repayments of principal portion of lease liabilities	(2,490)	(972)
C04900	Treasury shares purchased	-	(685,856)
C05600	Interest paid	(113,893)	(136,504)
C09900	Return of dividends that are not collected before the designated date	<u>593</u>	<u>430</u>
CCCC	Cash inflows (outflows) from financing activities, net	<u>(428,395)</u>	<u>1,511,076</u>
DDDD	Effect of Exchange Rate Changes on Cash and Cash Equivalents	<u>(406,049)</u>	<u>141,583</u>
EEEE	Increase (decrease) in Cash and Cash Equivalents, Net	(91,225,652)	48,878,007
E00100	Opening Cash and Cash Equivalents	<u>111,882,981</u>	<u>69,017,246</u>
E00200	Closing Cash and Cash Equivalents	<u>\$ 20,657,329</u>	<u>\$ 117,895,253</u>

The accompanying notes are an integral part of the Consolidated Financial Statements.

Chairman: Shui-Shu Hung

President: Tien-Tzu Hung

Chief Accountant: Mei-Hsing Chen

Catcher Technology Co., Ltd. and Subsidiaries

Notes to Consolidated Financial Statements

January 1 to March 31, 2021 and 2020

(Reviewed only, not audited in accordance with generally accepted auditing standards)

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

1. Company History

Catcher Technology Co., Ltd. (the "Company") was incorporated in November 1984. The Company is mainly engaged in the manufacturing, processing and sale of aluminum and magnesium alloy housings and molds, as well as the leasing of lands and plants.

The Company's ordinary shares were listed and traded on the Taipei Exchange in November 1999, which were then listed and traded on TWSE in September 2001.

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 are presented in the New Taiwan dollar, the Company's functional currency.

2. Date and Procedures of Authorization of Financial Statements

The consolidated financial statements were published after being approved by the Company's Board of Directors on May 5, 2021.

3. Application of New and Amended 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 application of the IFRSs recognized and issued into effect by the FSC should not result in major changes in the accounting policies of the Company and the entities controlled by the Company (the "Group"):

- b. IFRSs issued by the International Accounting Standards Board (IASB) but not yet endorsed and issued into effect by the FSC

<u>New/Revised/Amended Standards and Interpretations</u>	<u>Effective Date of Issuance by the IASB (Note 1)</u>
"Annual Improvements to IFRSs 2018-2020 Cycle"	January 1, 2022 (Note 2)
Amendment to IFRS 3 "Reference to the Conceptual Framework"	January 1, 2020 (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
Amendments to IFRS 16 "Covid-19-Related Rent Concessions After June 30, 2021"	April 1, 2021 (Note 8)
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IAS 1 "Classify Liabilities as Current or Non-current"	January 1, 2023
Amendments to IAS 1 "Disclosure of Accounting Policies"	January 1, 2023 (Note 6)
Amendment 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 otherwise specified, the aforementioned New/Amended/Revised Standards and Interpretations shall be effective for the annual reporting period after the specified dates.
- Note 2. The amendments to IFRS 9 are 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” are 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” are applied retrospectively for annual reporting periods beginning on or after January 1, 2022.
- Note 3. This amendment applies to the business combination that starts on the acquisition date after January 1, 2022 during the annual report period.
- 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. This amendment applies to contracts with all obligations outstanding as of January 1, 2022.
- Note 6. This amendment prospectively applies to annual reporting periods after January 1, 2023.
- Note 7. This amendment applies to changes in accounting estimates and changes in accounting policies that occur in annual reporting periods after January 1, 2023.
- Note 8. The amendment applies to the lessee in annual reporting periods after April 1, 2021, and the cumulative effect will be recognized at the beginning of the annual reporting period.

As of the date of issuance of the Consolidated Financial Statements, the Group has continued to assess the effects of amendments to other standards and interpretations on its financial conditions and performance. Related impacts will be disclosed upon completion of the assessment.

4. Summary of Significant Accounting Policies

a. Compliance Declaration

The Consolidated Financial Statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IAS 34 "Interim Financial Reporting" endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

b. Basis of Preparation

The Consolidated Financial Statements have been prepared on a historical cost basis, except for financial instruments measured at fair value and net defined benefit liabilities recognized at the present value of defined benefit obligations less fair value of plan assets.

The fair value measurement is classified into three levels based on the observability and importance of related input:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities on the measurement date.

- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. deduced from prices).
- 3) Level 3 inputs are unobservable inputs for the asset or liability.

c. Basis of Consolidation

The Consolidated Financial Statements include the financial statements of the Company and entities controlled by the Company (subsidiaries). The financial statements of the subsidiaries have been adjusted to bring their accounting policies in line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. A subsidiary's total comprehensive income is attributed to the owners of the Company and non-controlling interests, even if non-controlling interests become having deficit balances in the process.

When a change in the combined company's ownership interests in a subsidiary does not cause a loss of control over the subsidiary, it shall be treated as an equity transaction. The carrying amounts of the Group and its non-controlling interests have been adjusted to reflect the relative changes in the interest in the subsidiaries. The difference between the adjustment amount of non-controlling interests and the fair value of consideration paid or collected shall be directly recognized in equity attributable to the owners of the Company.

Please refer to Note 12 and Tables 7 and 8 for details, ownership, and operations of subsidiaries.

d. Other Significant Accounting Policies

Except for the following, refer to the summary statement on significant accounting policies in the consolidated financial statements for the year ended December 31, 2020.

1) Defined retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, adjusted for significant market fluctuations since that time and significant plan amendments, settlements, or other significant one-off events.

2) Income tax

Income tax expenses are the sum of the tax and deferred income tax in the current period. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. Primary Sources of Uncertainties in Material Accounting Judgments, Estimates, and Assumptions

When the Group adopts accounting policies, the management must make judgments, estimates, and assumptions based on historical experience and other critical factors for related information that are not readily available from other sources. Actual results may differ from these estimates.

The management shall continue to review the estimates and basic assumptions. If an amendment of estimates only affects the current period, it shall be recognized in the period of amendment; if an amendment of accounting estimates affects the current year and future periods, it shall be recognized in the period of amendment and future periods.

Primary Sources of Uncertainties in Estimates and Assumptions

a. Inventory impairment

The net realizable value of inventories is estimated as the estimated selling price in the

ordinary course of business minus estimated costs to completion and estimated costs necessary to make the sale. These estimates are based on the current market conditions and the historical experience of selling products of a similar nature. Changes in market conditions may significantly affect these estimates.

b. Income Tax

As of March 31, 2021 and December 31 and March 31, 2020, for the purpose of expanding the Group's scale of operation continuously and supporting operating fund needs of overseas reinvestment company, the Company's management resolved that the unappropriated retained earnings of overseas subsidiaries as of December 31, 2019 will be used for permanent investment, which 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 surplus is remitted in the future, it may give rise to significant deferred income tax liabilities, which will be recognized in profit or loss at the time of occurrence. Due to the government's regulations on the management and use of foreign capital repatriation and taxation, after evaluating the efficiency of the Group's use of capital and tax planning, the board of directors of its subsidiary, Gigamag Co., Ltd., approved the repatriation of earnings on July 28, 2020, which was also approved by the competent authority. The unappropriated earnings of other overseas subsidiaries are prioritized as permanent investments.

6. Cash and Cash Equivalents

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Cash on Hand and Petty Cash	\$ 3,774	\$ 3,330	\$ 6,930
Bank Call Deposit	4,706,662	34,838,700	5,799,431
Cash Equivalents (Investments with Original Maturity Date within 3 Months)			
Bank time deposit	15,342,780	76,439,595	111,460,682
Bonds with repurchase agreement	<u>604,113</u>	<u>601,356</u>	<u>628,210</u>
	<u>\$ 20,657,329</u>	<u>\$111,882,981</u>	<u>\$117,895,253</u>

The interest rate intervals of bank time deposit and bonds with repurchase agreement as of the balance sheet date are as follows:

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Bank Time Deposit	0.17%~2.8%	0.11%~3%	0.04%~2.5%
Bonds with Repurchase Agreement	1%	1.05%~1.1%	2.7%~2.9%

7. Financial Instruments at Fair Value through Profit or Loss

	March 31, 2021	December 31, 2020	March 31, 2020
<u>Financial Assets - Current</u>			
Mandatorily Measured at Fair Value Through Profit or Loss			
Non-derivative Financial Assets			
- Domestically Listed Stocks	\$ <u>443,703</u>	\$ <u>349,801</u>	\$ <u>232,941</u>
<u>Financial Assets - Non-current</u>			
Mandatorily Measured at Fair Value Through Profit or Loss			
Non-derivative Financial Assets			
— Simple Agreement for Future Equity (SAFE)	\$ <u>77,045</u>	\$ _____	\$ _____

8. Financial assets at fair value through other comprehensive income

Investments in equity instruments

	March 31, 2021	December 31, 2020	March 31, 2020
<u>Non-current</u>			
Domestic Investment			
Unlisted stocks			
Ordinary shares of Alpha Information Systems, Inc.	\$ 44,475	\$ 53,880	\$ 62,010
Ordinary shares of China Renewable Energy Fund	30,150	30,300	32,610
Foreign Investments			
Limited Partnership			
China Renewable Energy Fund, L.P.	<u>712,158</u>	<u>568,700</u>	<u>453,865</u>
	<u>\$ 786,783</u>	<u>\$ 652,880</u>	<u>\$ 548,485</u>

The Group invested in the above equity instruments for mid to long-term strategic purposes and is expected to profit through long-term investments. The management of the Group chose to designate these investments to be measured at fair value through other comprehensive income as they believed 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.

In February 2021 and October 2020, the Group increased its investment in China Renewable Energy Fund, L.P. by USD5,096 thousand and USD5,597 thousand, respectively. The proportion of the Group's investment was 23.51%. As the Group holds only one of the five members in the Operation Committee, the Group's management considered that it did not have significant influence on the investment and classified it as a financial asset at fair value through other comprehensive income - non-current.

9. Financial assets at amortized cost

	March 31, 2021	December 31, 2020	March 31, 2020
<u>Current</u>			
Domestic Investment			
Time deposits with original maturity over 3 months (I)	\$156,273,918	\$ 65,314,334	\$ 44,931,993
Refundable deposits	<u>54,204</u>	<u>19,555</u>	<u>10,686</u>
	<u>\$156,328,122</u>	<u>\$ 65,333,889</u>	<u>\$ 44,942,679</u>
<u>Non-current</u>			
Domestic Investment			
Restricted bank time deposits (I, II)	\$ 24,369,032	\$ 24,321,980	\$ -
Time deposits with original maturity over 1 year (I)	262,062	261,556	-
Refundable deposits	<u>1,870</u>	<u>1,870</u>	<u>994</u>
	<u>\$ 24,632,964</u>	<u>\$ 24,585,406</u>	<u>\$ 994</u>

- a. Interest rate intervals of time deposits on the balance sheet date

	March 31, 2021	December 31, 2020	March 31, 2020
Time Deposit	<u>0.16%~2.82%</u>	<u>0.28%~2.22%</u>	<u>0.66%~2.35%</u>

- b. Restricted demand deposits are funds that the Group shall deposit into the dedicated bank account in accordance with “The management, utilization, and taxation of repatriated offshore Funds Acts.”

10. Notes Receivables, Accounts Receivables, and Other Receivables

	March 31, 2021	December 31, 2020	March 31, 2020
<u>Notes Receivable</u>			
Measured at Amortized Cost			
Total carrying amount	\$ -	\$ 21	\$ -
Notes Receivable - Operating	<u>\$ -</u>	<u>\$ 21</u>	<u>\$ -</u>
<u>Accounts Receivable</u>			
Measured at Amortized Cost			
Total carrying amount	\$ 15,306,613	\$ 17,374,684	\$ 16,593,419
Less: loss allowance	(<u>57,183</u>)	(<u>57,183</u>)	(<u>57,182</u>)
	<u>\$ 15,249,430</u>	<u>\$ 17,317,501</u>	<u>\$ 16,536,237</u>
Other Receivables	<u>\$ 257,671</u>	<u>\$ 306,029</u>	<u>\$ 1,682,196</u>

- a. Notes receivable

Loss allowance was not provided because historical experience indicates that recovery is highly probable.

- b. Trade receivables

The average credit period for the Group's product sales is 30 to 180 days. Accounts receivable are not interest-bearing. 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 receivable on the balance sheet date to ensure that adequate allowances are made for possible irrecoverable amounts. In this regard, the Company's management believes that the Group's credit risk has been significantly reduced.

The Group recognizes loss allowance for accounts receivable according to the expected credit loss during the effective period. The expected credit losses on trade receivables are estimated using a provision matrix by reference to the past default record and the current financial position of the client, adjusted for economic conditions of the industry, while taking into account the GDP forecast and industry outlook. Due to the historical experience of credit losses of the Group, there is no significant difference in the loss patterns of different customer groups. Therefore, the provision matrix does not further distinguish the customer base, and only sets the expected credit loss rate based on the overdue days of accounts receivable.

The Group writes off a trade receivable when there is information indicating that the counterparty is in severe financial difficulty and the Group is unable to reasonably predict the recoverable amount, e.g., when the counterparty is under liquidation. However, the Group will continue to recover the receivables, which are recognized in profit or loss.

Loss allowances for accounts receivable of the Group based on the provision matrix are as follows:

March 31, 2021

	<u>Not Past Due</u>	<u>1 to 60 days past due</u>	<u>Over 180 days past due</u>	<u>Total</u>
Expected Credit Loss Rate	0%~0.392%	0%~2.291%	100%	
Total Carrying Amount	\$ 14,455,986	\$ 850,247	\$ 380	\$ 15,306,613
Allowance for Loss (Expected Credit Losses during the Period)	(56,616)	(187)	(380)	(57,183)
Amortized Cost	<u>\$ 14,399,370</u>	<u>\$ 850,060</u>	<u>\$ -</u>	<u>\$ 15,249,430</u>

December 31, 2020

	<u>Not Past Due</u>	<u>1 to 60 days past due</u>	<u>61 to 120 days past due</u>	<u>Total</u>
Expected Credit Loss Rate	0%~0.337%	0%~2.346%	0%~9.936%	
Total Carrying Amount	\$ 16,988,396	\$ 385,907	\$ 381	\$ 17,374,684
Allowance for Loss (Expected Credit Losses during the Period)	(57,165)	(17)	(1)	(57,183)
Amortized Cost	<u>\$ 16,931,231</u>	<u>\$ 385,890</u>	<u>\$ 380</u>	<u>\$ 17,317,501</u>

March 31, 2020

	<u>Not Past Due</u>	<u>1 to 60 days past due</u>	<u>61 to 120 days past due</u>	<u>121 to 180 days past due</u>	<u>Total</u>
Expected Credit Loss Rate	0%~0.376%	0%~0.058%	0%~0.015%	0%~0.71%	
Total Carrying Amount	\$15,082,830	\$ 1,509,912	\$ 552	\$ 125	\$16,593,419
Allowance for Loss (Expected Credit Losses during the Period)	(56,769)	(413)	-	-	(57,182)
Amortized Cost	<u>\$15,026,061</u>	<u>\$ 1,509,499</u>	<u>\$ 552</u>	<u>\$ 125</u>	<u>\$16,536,237</u>

Changes in loss allowances for receivables are as follows:

	<u>January 1 to March 31, 2021</u>	<u>January 1 to March 31, 2020</u>
Beginning Balance	\$ 57,183	\$ 57,183
Exchange Difference	-	(1)
Ending Balance	<u>\$ 57,183</u>	<u>\$ 57,182</u>

c. Other receivables

Loss allowance was not provided because historical experience indicates that recovery is highly probable.

11. Inventories

	March 31, 2021	December 31, 2020	March 31, 2020
Commodities	\$ 47,574	\$ 44,250	\$ 18,978
Finished Product	3,019,681	4,333,700	5,799,150
Work in Process and Semi-finished Products	1,143,272	1,279,262	6,093,743
Raw Materials	<u>342,358</u>	<u>346,595</u>	<u>1,194,338</u>
	<u>\$ 4,552,885</u>	<u>\$ 6,003,807</u>	<u>\$ 13,106,209</u>

The nature of cost of goods sold is as follows:

	January 1 to March 31, 2021	January 1 to March 31, 2020
Cost of Inventories Sold	\$ 8,688,093	\$ 13,320,922
Others	(<u>78,078</u>)	<u>4,656</u>
	<u>\$ 8,610,015</u>	<u>\$ 13,325,578</u>

12. Subsidiaries

Subsidiaries included in the consolidated financial statements

The entities involved in the preparation of the Consolidated Financial Statements are listed as follows:

Name of Investor	Name of Subsidiary	Business nature	Shareholding (%)			Description
			March 31, 2021	December 31, 2020	March 31, 2020	
Catcher Technology Co., Ltd.	Nanomag International Co., Ltd.	General investment	100	100	100	
	Gigamag Co., Ltd.	General investment	100	100	100	
	Ke Yue Co., Ltd.	General investment	100	100	100	
	Yi Sheng Co., Ltd.	General investment	100	100	100	
	Yi De Co., Ltd.	General investment	100	100	100	
Nanomag International Co., Ltd.	Castmate International Co., Ltd.	General investment	100	100	100	
	Stella International Co., Ltd.	General investment	100	100	100	
	Uranus International Co., Ltd.	General investment	100	100	100	
	Aquila International Co., Ltd.	General investment	75	75	75	
	Norma International Co., Ltd.	General investment	100	100	100	
	Next Level Ltd.	General investment	100	100	100	
	Cor Ventures Pte. Ltd.	General investment	100	100	-	Note 1
	Cygnus International Co., Ltd.	General investment	100	100	100	
Castmate International Co., Ltd.	Cygnus International Co., Ltd.	General investment	100	100	100	
	Meecca Technology (Suzhou Industrial Park) Co., Ltd.	Production, sales and development of alloys	100	100	100	
	Lyra International Co., Ltd.	General investment	100	100	100	
Lyra International Co., Ltd.	Topo Technology (Suzhou) Co., Ltd.	Production, sales and development of alloys	100	100	100	
	Topo Technology (Taizhou) Co., Ltd.	Production, sales and development of alloys	-	-	100	Note 2
	Meecca Technology (Taizhou) Co., Ltd.	Production, sales and development of alloys	-	-	100	Note 2
Uranus International Co., Ltd.	Catcher Technology (Suqian) Co., Ltd.	Production, sales and development of alloys	100	100	100	
	Vito Technology (Suqian) Co., Ltd.	Production, sales and development of alloys	100	100	100	
Aquila International Co., Ltd.	Cepheus International Co., Ltd.	General investment	100	100	100	
Cepheus International Co., Ltd.	Yachila Technology (Qiansu) Co., Ltd.	Production and sales of molds and electronic components	100	100	100	
Norma International Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Production, sales and development of alloys	100	100	100	
	Envio Technology (Suqian) Co., Ltd.	Production, sales and development of alloys	100	100	100	
Gigamag Co., Ltd.	Neat Co., Ltd.	International trade	100	100	100	

Note 1. Nanomag International Co., Ltd. established Cor Ventures Pte. Ltd in March 2020 and acquired 100% of the shares in September 2020.

Note 2. On October 5, 2020, the Group resolved at the extraordinary shareholders' meeting to sold all the shares of the subsidiary, which was completed in December 2020. Please refer to Note 28 to the 2020 consolidated financial statements of the Company.

13. Investments Accounted for Using the Equity Method

	March 31, 2021	December 31, 2020	March 31, 2020
<u>Investments in Associates</u>			
Individually insignificant associates	<u>\$ 9,681</u>	<u>\$ 11,583</u>	<u>\$ 9,136</u>

Information on individually insignificant associates is as follows:

	January 1 to March 31, 2021	January 1 to March 31, 2020
Share of the Group		
Net loss and total comprehensive income	(\$ 1,902)	(\$ 3,159)

14. Property, Plant, and Equipment

The Group's property, plant and equipment are for its own use.

Please refer to Table 10 for the Group's changes in property, plant and equipment from January 1 to March 31, 2021 and 2020.

Depreciation expenses are calculated on a straight-line basis according to the following durable years:

Buildings	
Factory main building	20~50 years
Mechanical and electrical power equipment	5 years
Engineering system	2~5 years
Machinery	2~10 years
Transportation Equipment	5 years
Office Equipment	2~5 years
Other Equipment	2~15 years
Lease Improvement	3~5 years

The Group's property, plant and equipment are not pledged.

15. Lease Agreement

a. Right-of-use assets

	March 31, 2021	December 31, 2020	March 31, 2020
Carrying Amount of Right-of-use Assets			
Land	\$1,212,022	\$1,225,208	\$1,948,182
Buildings	<u>15,359</u>	<u>20,016</u>	<u>11,390</u>
	<u>\$1,227,381</u>	<u>\$1,245,224</u>	<u>\$1,959,572</u>

	January 1 to March 31, 2021	January 1 to March 31, 2020
Depreciation Expense on Right-of-use Assets		
Land	\$ 7,871	\$ 11,686
Buildings	<u>3,100</u>	<u>2,190</u>
	<u>\$ 10,971</u>	<u>\$ 13,876</u>
Sublease Income of Right-to-use Asset (Recognized in Operating Income)	(\$ <u>556</u>)	(\$ <u>556</u>)

Other than the increase and recognition of depreciation expenses above, the Group's right-of-use assets did not undergo significant sublease and impairment as of January 1 to March 31, 2021 and 2020.

b. Lease liabilities

	March 31, 2021	December 31, 2020	March 31, 2020
Carrying Amount of Lease Liabilities			
Current	<u>\$ 14,448</u>	<u>\$ 17,584</u>	<u>\$ 29,658</u>
Non-current	<u>\$ 142,006</u>	<u>\$ 142,925</u>	<u>\$ 130,110</u>

Range of discount rate for lease liabilities was as follows:

	March 31, 2021	December 31, 2020	March 31, 2020
Land	0.71%	0.71%	0.71%
	0.71% and	0.71% and	0.71% and
Buildings	4.9%	4.9%	4.9%

c. Major lease 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. At the end of the lease term, the Group has no bargain purchase option over the land and building leased, and the Group may not sublease or transfer all or part of the leased items 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 its affiliate Yue-Kang Health Control Technology Inc. The total future lease payments to be received are as follows:

	March 31, 2021	December 31, 2020	March 31, 2020
Year 1	<u>\$ 1,112</u>	<u>\$ 1,669</u>	<u>\$ 1,115</u>

e. Other lease information

	January 1 to March 31, 2021	January 1 to March 31, 2020
Short-term Lease Expenses	<u>\$ 1,306</u>	<u>\$ 684</u>
Expenses Relating to Low-value Asset Leases	<u>\$ 239</u>	<u>\$ 404</u>
Expenses Relating to Variable Lease Payments Not Included in the Measurement of Lease Liabilities	<u>\$ 6,084</u>	<u>\$ 9,506</u>
Total Cash Flows on Lease	<u>\$ 20,377</u>	<u>\$ 12,661</u>

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

16. Investment Properties

	Land	Buildings	Total
<u>Cost</u>			
Balance as of March 31, 2020	\$ 203,363	\$ 893,370	\$1,096,733
Addition	-	484	484
Net exchange difference	<u>-</u>	<u>(5,380)</u>	<u>(5,380)</u>
Balance as of March 31, 2020	<u>\$ 203,363</u>	<u>\$ 888,474</u>	<u>\$1,091,837</u>
<u>Accumulated Depreciation</u>			
Balance as of March 31, 2020	\$ -	\$ 560,885	\$ 560,885
Depreciation	-	10,998	10,998
Net exchange difference	<u>-</u>	<u>(3,244)</u>	<u>(3,244)</u>
Balance as of March 31, 2020	<u>\$ -</u>	<u>\$ 568,639</u>	<u>\$ 568,639</u>
Net amount as of March 31, 2020	<u>\$ 203,363</u>	<u>\$ 319,835</u>	<u>\$ 523,198</u>
<u>Cost</u>			
Balance as of January 1, 2021	\$ 203,363	\$ 900,329	\$1,103,692
Addition	-	170	170
Net exchange difference	<u>-</u>	<u>(3,834)</u>	<u>(3,834)</u>
Balance as of March 31, 2021	<u>\$ 203,363</u>	<u>\$ 896,665</u>	<u>\$1,100,028</u>
<u>Accumulated Depreciation</u>			
Balance as of January 1, 2021	\$ -	\$ 603,393	\$ 603,393
Depreciation	-	11,039	11,039
Net exchange difference	<u>-</u>	<u>(2,504)</u>	<u>(2,504)</u>
Balance as of March 31, 2021	<u>\$ -</u>	<u>\$ 611,928</u>	<u>\$ 611,928</u>
Net amount as of January 1, 2021	<u>\$ 203,363</u>	<u>\$ 296,936</u>	<u>\$ 500,299</u>
Net amount as of March 31, 2021	<u>\$ 203,363</u>	<u>\$ 284,737</u>	<u>\$ 488,100</u>

Investment property is depreciated on a straight-line basis over the following useful lives:

Main Building	20 to 35 years
Elevator Equipment	15 years
Heat Dissipation System	5 years

The fair values of investment properties were \$2,334,976 thousand and \$1,926,116 thousand as of December 31, 2020 and 2019, respectively. As evaluated by the management of the Group, there was no significant change in fair value as of March 31, 2021 and 2020 compared to December 31, 2020 and 2019.

The Group's investment properties were not pledged.

The leasing period of investment properties was from February 2017 to March 2027. When exercising the right to renew the lease, the lessee shall agree to adjust the rent according to the market rent. Lessees have no preferential right to purchase the investment property at the end of the lease term.

The total amount of lease payments to be received in the future for investment property on operating lease is as follows:

	March 31, 2021	December 31, 2020	March 31, 2020
Year 1	\$ 65,162	\$ 63,166	\$ 63,665
Year 2	50,685	58,889	61,368
Year 3	7,560	13,309	49,679
Year 4	7,560	7,560	7,560
Year 5	7,560	7,560	7,560
Over 5 Years	<u>7,235</u>	<u>9,135</u>	<u>14,805</u>
	<u>\$ 145,762</u>	<u>\$ 159,619</u>	<u>\$ 204,637</u>

17. Intangible Assets

	March 31, 2021	December 31, 2020	March 31, 2020
Computer Software	\$ 54,769	\$ 38,004	\$ 82,876
Emission license	<u>-</u>	<u>-</u>	<u>9,997</u>
	<u>\$ 54,769</u>	<u>\$ 38,004</u>	<u>\$ 92,873</u>

Except for the recognition of amortization expense, there were no significant additions to, disposals of, or impairments of the Group's intangible assets from January 1 to March 31, 2021 and 2020. Amortization expenses are calculated on a straight-line basis over the following useful lives:

Computer Software	2~10 years
Emission license	5 years

18. Other Assets

	<u>March 31,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>	<u>March 31,</u> <u>2020</u>
<u>Current</u>			
Prepayment	\$ 307,842	\$ 114,465	\$ 177,262
Supplies Inventory	229,687	202,579	307,658
Tax Overpaid Retained for Offsetting the Future Tax Payable	145,165	271,331	635,500
Others	<u>7,351</u>	<u>4,628</u>	<u>9,413</u>
	<u>\$ 690,045</u>	<u>\$ 593,003</u>	<u>\$1,129,833</u>
 <u>Non-current</u>			
Prepayments for Equipment	\$ 83,614	\$ 77,196	\$ 230,591
Others	<u>543</u>	<u>900</u>	<u>1,026</u>
	<u>\$ 84,157</u>	<u>\$ 78,096</u>	<u>\$ 231,617</u>

19. Short-term Borrowings

	<u>March 31,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>	<u>March 31,</u> <u>2020</u>
<u>Unsecured Loans</u>			
Bank Credit Borrowings	<u>\$70,148,726</u>	<u>\$70,465,726</u>	<u>\$72,674,357</u>

The interest rates of short-term borrowings at the end of the reporting period were as follows:

	<u>March 31,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>	<u>March 31,</u> <u>2020</u>
Bank Credit Borrowings	0.59%~ <u>0.87%</u>	0.59%~ <u>0.87%</u>	0.59%~ <u>3.92%</u>

20. Notes Payable and Accounts Payable

The Group's notes payable and accounts payable incurred due to operation.

The Group has a financial risk management policy to ensure that all payables are repaid within the agreed credit terms.

21. Other Liabilities

	March 31, 2021	December 31, 2020	March 31, 2020
<u>Current</u>			
Other Payables			
Employee compensation payable	\$2,961,866	\$3,149,338	\$3,145,042
Salaries and bonuses payable	1,155,899	1,641,648	1,953,777
Technical service fees payable	440,354	424,678	700,675
Labor costs payable	219,596	313,657	12,593
Supplies inventory payable	171,403	179,285	197,873
Vacation payable	129,410	126,473	143,934
Tax payable	105,570	115,567	117,169
Heavy charges payable	90,364	90,364	90,364
Equipment payable	87,692	138,474	233,538
Utility payable	86,938	75,349	193,897
Maintenance costs payable	54,380	46,116	154,880
Meals payable	51,728	44,041	70,227
Warehousing and transportation fees payable	44,571	88,228	65,728
Interest payable	11,907	12,451	86,964
Others	375,164	478,989	507,464
	<u>\$5,986,842</u>	<u>\$6,924,658</u>	<u>\$7,674,125</u>
Other Liabilities			
Other prepayment	\$1,720,016	\$1,690,202	\$ 30,239
Deferred revenue	602,602	606,496	1,050,169
Guarantee deposits received	18,170	13,680	23,823
Value-added tax payable	3,798	20,183	13,645
Others	13,584	22,432	24,662
	<u>\$2,358,170</u>	<u>\$2,352,993</u>	<u>\$1,142,538</u>
<u>Non-current</u>			
Other Liabilities			
Guarantee deposits received	\$ 21,410	\$ 21,677	\$ 21,833
Others	-	10	20
	<u>\$ 21,410</u>	<u>\$ 21,687</u>	<u>\$ 21,853</u>

22. Retirement Benefit Plan

The pension expenses related to the defined benefit plan recognized from January 1 to March 31, 2021 and 2020, are calculated based on the pension cost rate determined on December 31, 2020 and 2019, and the amounts were NT\$485 thousand and NT\$500 thousand, respectively.

23. Equity

a. Share capital

1) Ordinary shares

	March 31, 2021	December 31, 2020	March 31, 2020
Number of Shares Authorized (in Thousands)	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Share Capital Authorized	<u>\$10,000,000</u>	<u>\$10,000,000</u>	<u>\$10,000,000</u>
Number of Shares Issued and Fully Paid (in Thousands)	<u>761,618</u>	<u>761,618</u>	<u>770,391</u>
Share Capital Issued	<u>\$ 7,616,181</u>	<u>\$ 7,616,181</u>	<u>\$ 7,703,911</u>

The holders of issued ordinary shares with a par value of \$10 are entitled to the right to one vote and to receive dividends.

On May 18, 2020, the Board of Directors resolved to cancel 8,773 thousand shares of treasury stock on June 30, 2020 as the base date for the capital reduction, and the Company's paid-in capital was \$7,616,181 thousand after the capital reduction.

The share capital of authorized share capital reserved for issuance of the employee share options was 23,000 thousand shares.

2) Issuance of overseas depository receipts

In June 2011, the Company issued 6,700 thousand units of Global Depository Receipts (GDRs, each of which was US\$32.84 and represented 5 ordinary shares of the Company. A total of 33,500 thousand shares were issued.

As of March 31, 2021 and December 31 and March 31, 2020, there were 833 thousand units, 805 thousand units and 846 thousand units of outstanding GDRs, equivalent to 4,163 thousand, 4,024 thousand and 4,230 thousand ordinary shares, respectively.

b. Capital surplus

	March 31, 2021	December 31, 2020	March 31, 2020
<u>May Be Used to Offset A Deficit, Distributed As Cash Dividends, or Transferred to Share Capital (Note)</u>			
Premium on Issuance of Shares	\$ 7,229,828	\$ 7,229,828	\$ 7,460,295
Premium on Conversion of Corporate Bonds	12,775,052	12,775,052	12,775,052
May Only Be Used to Offset Deficits Dividends That Are Not Collected Before the Designated Date	<u>3,944</u>	<u>3,351</u>	<u>2,874</u>
	<u>\$20,008,824</u>	<u>\$20,008,231</u>	<u>\$20,238,221</u>

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 dividend policy

Under the earnings distribution policy as set forth in the Company's Articles of Incorporation, the earnings distribution or loss allowance shall be made at the end of each six months of the fiscal year. The distribution of earnings, if any, in the first half of the year is as follows:

- 1) Pay taxes;
- 2) Offset accumulated losses;
- 3) Estimate compensation of employees and remuneration of directors;
- 4) Appropriate 10% of the remaining profit as legal reserve, unless the accumulated legal reserve exceeds the Company's paid-in capital;
- 5) Set aside or reverse special reserve according to the Company's operational needs and regulations;
- 6) If there are any unappropriated earnings, the Board of Directors shall prepare a distribution proposal by adding the accumulated undistributed earnings of the previous period and adjusting the undistributed earnings for the current period. If the proposal is made by issuing new shares, the proposal shall be approved by the shareholders' meeting. Distribution in the form of cash shall be approved by the Board of Directors.

Where the Company has a profit at the end of each fiscal year, the Company shall distribute the earnings in the following order:

- 1) Pay taxes;
- 2) Offset accumulated losses;
- 3) Appropriate 10% of the remaining profit as legal reserve, unless the accumulated legal reserve exceeds the Company's paid-in capital;
- 4) Set aside or reverse special reserve according to the Company's operational needs and regulations;
- 5) If there are
- 6) any unappropriated earnings, the Board of Directors shall prepare a distribution proposal by adding the accumulated undistributed earnings of the previous period and adjusting the undistributed earnings for the current period. If the proposal is made by issuing new shares, the proposal shall be approved by the shareholders' meeting. Distribution in the form of cash shall be approved by the Board of Directors.

The Company is still operating in a growing environment and will take advantage of the economic environment to achieve sustainable operation and long-term development. The Board of Directors will pay attention to the stability and growth of dividends when preparing the earnings distribution plan. The cash portion of the shareholders' bonus will be no less than 10% of the shareholders' distribution. However, if cash dividends are less than NT\$0.50 per share, stock dividends may still be distributed.

For the distribution of employees' and directors' compensation prescribed in the Company's Articles of Incorporation, please refer to Employee's compensation and directors' compensation in Note 25 (g).

The legal reserve may be used to make up for losses. When the Company has no loss, the portion of the legal reserve exceeding 25% of the total paid-in capital may be

appropriated in the form of cash, in addition to being transferred to share capital.

The Company's 2020 and 2019 earnings distribution are as follows:

	<u>2020</u>	<u>2019</u>
Legal Reserve	\$ 1,965,163	\$ 1,127,212
Special Reserve	\$ 2,205,804	\$ 4,778,189
Cash Dividends	\$ 9,139,417	\$ 7,616,181
Dividends Per Share (NT\$)	\$ 12	\$ 10

The above earnings distribution was approved by the Board of Directors on April 20, 2021 and the shareholders' meeting on June 30, 2020, respectively. In 2020, it is scheduled to be approved at the shareholders' meeting on May 31, 2021.

d. Other equity items

1) Exchange differences on translation of financial statements of foreign operations

	<u>January 1 to March 31, 2021</u>	<u>January 1 to March 31, 2020</u>
Beginning Balance	(\$ 14,326,474)	(\$ 12,148,648)
Exchange Differences on Translation of Foreign Operations	(34,659)	263,764
Ending Balance	(\$ 14,361,133)	(\$ 11,884,884)

2) Unrealized valuation profit or loss on financial assets at fair value through other comprehensive income

	<u>January 1 to March 31, 2021</u>	<u>January 1 to March 31, 2020</u>
Beginning Balance	(\$ 67,836)	(\$ 39,858)
Unrealized Gains (Losses) Equity instruments	(12,595)	1,660
Ending Balance	(\$ 80,431)	(\$ 38,198)

e. Non-controlling interests

	<u>January 1 to March 31, 2021</u>	<u>January 1 to March 31, 2020</u>
Beginning Balance	\$ 96,537	\$ 125,794
Net Profit	9,458	5,994
Other Comprehensive Income (Loss) for the Year		
Financial statements translation differences of foreign operations	(568)	(985)
Ending Balance	\$ 105,427	\$ 130,803

f. Treasury shares

	<u>Reason for buy back Repurchase for cancellation (in thousand shares)</u>
Number of Shares as of January 1, 2020	-
Addition	3,594
Number of Shares as of March 31, 2020	<u>3,594</u>

On March 17, 2020, the Board of Directors resolved to repurchase 25,000 thousand shares of the Company at prices ranging from \$132 to \$354.2 per share from March 18 to May 17, 2020 to safeguard the Company's credit and shareholders' equity, and will continue to repurchase the Company's shares when the market price is below the lower limit of the original price range. By the end of the execution period of treasury stock, the Company repurchased 8,773 thousand shares at a total cost of \$1,796,390 thousand. On May 18, 2020, the Board of Directors resolved to cancel 8,773 thousand shares of treasury stock on June 30, 2010 as the base date for capital reduction.

The Securities and Exchange Act stipulates that the number of stocks bought back as treasury stock should not exceed 10% of the number of the Company's issued and outstanding stocks and the amount bought back should not exceed the sum of retained earnings, paid-in capital in excess of par value and realized capital surplus.

Treasury shares held by the Company may be neither pledged nor assigned rights such as dividend appropriation and voting rights in accordance with the Securities and Exchange Act.

24. Revenue

	January 1 to March 31, 2021	January 1 to March 31, 2020
Revenue from Contracts with Customers		
Sale of Casings and Interior Components	\$ 12,612,410	\$ 17,602,145
Rental Revenue	<u>16,968</u>	<u>14,229</u>
	<u>\$ 12,629,378</u>	<u>\$ 17,616,374</u>

a. Customer contract information

The Company sells casings and interior components to brand factories. All goods are sold at fixed amounts as agreed in the contracts.

b. Contract balance

	March 31, 2021	December 31, 2020	March 31, 2020	January 1, 2020
Accounts Receivable				
Total carrying amount	\$15,306,613	\$17,374,684	\$16,593,419	\$23,661,147
Less: loss allowance	(57,183)	(57,183)	(57,182)	(57,183)
	<u>\$15,249,430</u>	<u>\$17,317,501</u>	<u>\$16,536,237</u>	<u>\$23,603,964</u>
Current Contract Liabilities				
Sales of goods	\$ 44,160	\$ 12,545	\$ 25,590	\$ 25,614

25. Net Profit

a. Interest income

	January 1 to March 31, 2021	January 1 to March 31, 2020
Bank Deposit	\$ 206,236	\$ 753,772
Bonds with Repurchase Agreement	<u>1,524</u>	<u>4,335</u>
	<u>\$ 207,760</u>	<u>\$ 758,107</u>

b. Other income

	January 1 to March 31, 2021	January 1 to March 31, 2020
Subsidy Income	\$ 226,094	\$ 56,882
Recycle Income	27,217	7,736
Tax Refund Income (Note)	-	1,230,600
Other Income	17,395	3,604
	<u>\$ 270,706</u>	<u>\$ 1,298,822</u>

Note: Tax refund income refers to the application for refund of overpayment of business tax filed by the Group to the National Taxation Bureau

c. Other profit and loss

	January 1 to March 31, 2021	January 1 to March 31, 2020
Profit and Loss of Financial Assets at Fair Value Through Profit or Loss	\$ 93,902	(\$ 91,852)
Others	(11,802)	28,283
	<u>\$ 82,100</u>	<u>(\$ 63,569)</u>

d. Interest expense

	January 1 to March 31, 2021	January 1 to March 31, 2020
Interest on Bank Loans	\$ 113,025	\$ 174,714
Interest of Lease Liabilities	323	326
	<u>\$ 113,348</u>	<u>\$ 175,040</u>

e. Depreciation and amortization

	January 1 to March 31, 2021	January 1 to March 31, 2020
Depreciation Expenses by Function		
Operating costs	\$ 1,248,694	\$ 2,543,939
Operating expenses	156,315	251,054
	<u>\$ 1,405,009</u>	<u>\$ 2,794,993</u>
Amortization Expenses by Function		
Operating costs	\$ 8,496	\$ 10,305
Operating expenses	5,471	7,040
	<u>\$ 13,967</u>	<u>\$ 17,345</u>

f. Direct operating expenses of investment property

	January 1 to March 31, 2021	January 1 to March 31, 2020
Incurred Rental Income	<u>\$ 11,462</u>	<u>\$ 11,996</u>

g. Employee benefit expenses

	January 1 to March 31, 2021	January 1 to March 31, 2020
Short-term Employee Benefits	\$ 3,021,998	\$ 3,625,766
Post-employment Benefits		
Defined contribution plan	139,792	179,161
Defined benefit plan (Note 22)	485	500
	<u>140,277</u>	<u>179,661</u>
	<u>\$ 3,162,275</u>	<u>\$ 3,805,427</u>
By Function		
Operating costs	\$ 2,488,270	\$ 3,031,285
Operating expenses	674,005	774,142
	<u>\$ 3,162,275</u>	<u>\$ 3,805,427</u>

h. Employee's compensation and directors' remuneration

In accordance with the Company's Articles of Incorporation, the Company contributes no less than 1% and no more than 1% of the profit before tax before deducting the distribution of employees' and directors' compensation to employees' and directors' compensation, respectively. Employee's compensation and directors' compensation as of January 1 to March 31, 2021 and 2020 are as follows:

Estimated percentage

	January 1 to March 31, 2021	January 1 to March 31, 2020
Employee Compensation	4.84%	4.37%
Director' remuneration	0.15%	0.09%

Amount

	January 1 to March 31, 2021	January 1 to March 31, 2020
Employee Compensation	\$ 139,528	\$ 198,636
Director' remuneration	4,250	4,206

If there is still any change in the amount after the annual consolidated financial statements are authorized for issue, the differences shall be treated as a change in accounting estimates in the following year.

Employees' and directors' compensation for 2020 and 2019 were resolved by the Board of Directors on March 10, 2021 and March 10, 2020 respectively as follows:

	2020		2019	
	Cash	Stock	Cash	Stock
Employee Compensation	\$1,164,883	\$ -	\$ 950,847	\$ -
Director' Compensation	15,523	-	16,444	-

There was no difference between the actual amount of employees' compensation and directors' compensation distributed in 2020 and 2019 and the amount recognized in the consolidated financial statements in 2020 and 2019.

For information on the Company's employees' compensation and directors' compensation as resolved by the Board of Directors, please visit the "Market Observation Post System" of Taiwan Stock Exchange.

i. Foreign exchange profit or loss

	January 1 to March 31, 2021	January 1 to March 31, 2020
Total Foreign Exchange Profit	\$ 2,161,761	\$ 2,382,380
Total Foreign Exchange Loss	(<u>1,855,174</u>)	(<u>1,653,084</u>)
Net Profit or Loss	<u>\$ 306,587</u>	<u>\$ 729,296</u>

26. Income Tax

a. Income tax recognized in profit or Loss

Major components of income tax expenses are as follows:

	January 1 to March 31, 2021	January 1 to March 31, 2020
Current Income Tax		
Incurred during the period	\$ 561,085	\$ 900,311
Adjustments for previous years	<u>-</u>	<u>308,646</u>
	<u>561,085</u>	<u>1,208,957</u>
Deferred Tax		
Incurred during the period	<u>471,622</u>	<u>241,049</u>
	<u>\$ 1,032,707</u>	<u>\$ 1,450,006</u>

The tax rate applicable to the Group is 20% according to the Income Tax Act of the R.O.C.; the tax rate applicable to the subsidiaries in mainland China is 25%, and the tax rates arising in other jurisdictions are based on the tax rates applicable in the respective jurisdictions.

b. Income tax approved circumstances

The Company's income tax returns have been examined and approved by the tax authorities until 2017. The income tax returns of Ku Yue, Yi Sheng and Yi De have been examined by the tax authorities until 2019.

27. Earnings Per Share

Net income and weighted average number of ordinary shares used for calculation of earnings per share are as follows:

Net Profit

	January 1 to March 31, 2021	January 1 to March 31, 2020
Net income Attributable to Owners of the Company	<u>\$ 2,513,102</u>	<u>\$ 3,922,663</u>

Number of Shares

	January 1 to March 31, 2021	Unit: Thousand shares January 1 to March 31, 2020
Weighted Average Number of Ordinary Shares Used for Calculation of Basic Earnings Per Share	761,618	770,300
Effect of Potentially Dilutive Ordinary Shares:		
Employee compensation	<u>5,263</u>	<u>4,260</u>
Weighted Average Number of Ordinary Shares Used for Calculation of Diluted Earnings Per Share	<u>766,881</u>	<u>774,560</u>

If the Group chooses to offer employee compensation or share profits in the form of cash or stock, while calculating diluted earnings per share, and assuming that the compensation is paid in the form of stock, the dilutive potential ordinary shares will be included in the weighted average number of outstanding shares to calculate diluted earnings per share. The dilutive effect of such potential ordinary shares shall continue to be considered when calculating diluted earnings per share before the number of shares to be distributed as employee compensation is approved in the following year.

28. Financial Instrument

a. Information on fair value - financial instruments not measured at fair value

The carrying amounts of financial instruments that are not measured at fair value, including 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, are the reasonable approximate value of their fair value.

b. Information on fair value - financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

March 31, 2021

	Level 1	Level 2	Level 3	Total
<u>Financial Assets at Fair Value</u> <u>Through Profit or Loss</u>				
Domestically listed stocks	\$443,703	\$ -	\$ -	\$443,703
Simple Agreement for Future Equity (SAFE)	-	-	77,045	77,045
	<u>\$443,703</u>	<u>\$ -</u>	<u>\$ 77,045</u>	<u>\$520,748</u>
 <u>Financial Assets at Fair Value</u> <u>Through Other Comprehensive</u> <u>Income</u>				
Investments in equity instruments				
- Domestically unlisted stocks	\$ -	\$ -	\$ 74,625	\$ 74,625
- Limited Partnership	-	-	712,158	712,158
	<u>\$ -</u>	<u>\$ -</u>	<u>\$786,783</u>	<u>\$786,783</u>

December 31, 2020

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial Assets at Fair Value</u>				
<u>Through Profit or Loss</u>				
Domestically listed stocks	<u>\$349,801</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$349,801</u>
<u>Financial Assets at Fair Value</u>				
<u>Through Other Comprehensive</u>				
<u>Income</u>				
Investments in equity instruments				
- Domestically unlisted stocks	\$ -	\$ -	\$ 84,180	\$ 84,180
- Limited Partnership	<u>-</u>	<u>-</u>	<u>568,700</u>	<u>568,700</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$652,880</u>	<u>\$652,880</u>

March 31, 2020

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial Assets at Fair Value</u>				
<u>Through Profit or Loss</u>				
Domestically listed stocks	<u>\$232,941</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$232,941</u>
<u>Financial Assets at Fair Value</u>				
<u>Through Other Comprehensive</u>				
<u>Income</u>				
Investments in equity instruments				
- Domestically unlisted stocks	\$ -	\$ -	\$ 94,620	\$ 94,620
- Limited Partnership	<u>-</u>	<u>-</u>	<u>453,865</u>	<u>453,865</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$548,485</u>	<u>\$548,485</u>

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

January 1 to March 31, 2021

<u>Financial assets</u>	<u>Measured at fair value through profit or loss</u>	<u>Measured at fair value through other comprehensive income</u>	<u>Total</u>
Beginning Balance	\$ -	\$ 652,880	\$ 652,880
Purchase	76,588	144,556	221,144
Recognized in Other Comprehensive Income (Unrealized Valuation Profit or Loss on Financial Assets at Fair Value Through Other Comprehensive Income)	-	(12,595)	(12,595)
Exchange Difference	<u>457</u>	<u>1,942</u>	<u>2,399</u>
Ending Balance	<u>\$ 77,045</u>	<u>\$ 786,783</u>	<u>\$ 863,828</u>

January 1 to March 31, 2020

<u>Financial assets</u>	Measured at fair value through other comprehensive income
Beginning Balance	\$ 543,130
Recognized in Other Comprehensive Income (Unrealized Valuation Profit or Loss on Financial Assets at Fair Value Through Other Comprehensive Income)	1,660
Exchange Difference	<u>3,695</u>
Ending Balance	<u>\$ 548,485</u>

3) Valuation techniques and inputs of Level 3 fair value measurement

The fair value of domestically unlisted stocks was estimated using the market method and based on the recent net value of invested companies. In the market approach, the price of comparable companies was used to estimate the value of the target asset through comparison, analysis, and adjustments. The fair value of limited partnerships was estimated based on the recent net value. The fair value of SAFE investments was estimated using a valuation model.

c. Category of financial instruments

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
<u>Financial Assets</u>			
Measured at fair value through profit or loss			
Mandatorily measured at fair value through profit or loss			
	\$ 520,748	\$ 349,801	\$ 232,941
Financial Assets at Amortized Cost (Note 1)	217,125,516	219,425,827	181,057,359
Financial assets at fair value through other comprehensive income			
Investments in equity instruments	786,783	652,880	548,485
<u>Financial Liabilities</u>			
Measured at amortized cost (Note 2)	80,971,155	85,117,709	88,175,786

Note 1. The balance includes financial assets at amortized cost, including cash and cash equivalents, debt instrument investments, notes receivable, trade receivables, other receivables, and refundable deposits.

Note 2. The balance includes financial liabilities measured at amortized cost, including short-term loans, notes payable, 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 financial management department of the Group provides services for the business units, coordinates the operation of the domestic and international financial market, and supervises and manages financial risks related to the operation of the Group by analyzing the internal risk reports of the risks according to the level and scope of risks. Such risks include market risk (foreign exchange risk, interest rate risk, and other price risks), credit risk, and liquidity risk.

Material financial activities of the Group are reviewed by the Board of Directors in accordance with relevant regulations and internal control systems. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Group did not perform any financial instruments (including derivative financial instruments) transaction for speculative purposes.

1) Market risk

The Group's operating activities are primarily exposed to the financial risks of changes in foreign currency exchange rates (see (1) below), interest rates (see (2) below), and other price risks (see (3) below).

Market risk in relation to the Group's financial instruments and its management and measurement approaches remain unchanged.

a) Foreign exchange risk

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

For the monetary assets and liabilities of the Group denominated in non-functional currencies on the balance sheet date (including those written off in the consolidated financial statements), please refer to Note 31.

Sensitivity analysis

The Group is exposed mainly to RMB and USD fluctuations.

The following table is the Group's sensitivity analysis when there is a 1% increase and decrease in the functional currency against foreign currencies. The sensitivity analysis included only outstanding foreign-currency denominated monetary items. A positive figure in the table below indicates the amount of increase in profit before tax when the functional currency depreciates by 1% against each relevant foreign currency. When the functional currency appreciates by 1% against each relevant foreign currency, the impact on the net profit will be the negative sum of the same amount.

	Impact of USD	
	January 1 to March 31, 2021	January 1 to March 31, 2020
Profit or Loss	\$ 976,331	\$ 746,414

	Effect of RMB	
	January 1 to March 31, 2021	January 1 to March 31, 2020
Profit or Loss	\$ 29,115	(\$ 933)

The above foreign currency monetary assets or liabilities were mainly attributable to the cash and cash equivalents, financial assets at amortized cost, and receivables and payables denominated in USD and RMB, which were outstanding and not hedged on the balance sheet date.

The Group's sensitivity to USD and RMB exchange rates increased during the period primarily due to the increase in USD and RMB net assets. The management is of the view that the sensitivity analysis cannot represent the inherent risk of exchange rates because foreign currency exposures at the date of the consolidated balance sheet do not reflect the mid-period exposures. In addition, sales denominated in USD fluctuate with customer orders and asset investments.

b) Interest rate risk

The Group is exposed to interest rate risk because entities in the combined company borrow 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 financial assets and financial liabilities of the Group exposed to interest rate risk on the balance sheet date are as follows:

	March 31, 2021	December 31, 2020	March 31, 2020
Fair Value Interest Rate Risk			
Financial assets	\$196,851,905	\$166,938,821	\$157,020,885
Financial liabilities	156,454	160,509	3,676,399
Cash Flow Interest Rate Risk			
Financial assets	4,706,662	34,838,700	5,799,431
Financial liabilities	70,148,726	70,465,726	69,157,726

Sensitivity analysis

The sensitivity analysis below is prepared based on the risk exposure of non-derivative instruments to the interest rates at the balance sheet date. For liabilities at floating interest rates, the analysis assumes they are outstanding throughout the reporting period if they are outstanding at the balance sheet date.

If interest rates had been 10 basis points higher/lower and all other variables were held constant, the Group's profit before tax as of January 1 to March 31, 2021 and 2020 would have decreased/increased by NT\$16,361 thousand and NT\$15,840 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.

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 is carried out based on the exposure to equity price risk on the balance sheet date.

If equity prices had been 1% higher/lower, the profit before tax as of January 1 to March 31, 2021 and 2020 would have increased/decreased by NT\$4,437 thousand and NT\$2,329 thousand respectively, as a result of the changes in fair value of financial assets at fair value through profit or loss.

2) Credit risk

Credit risk refers to the risk that causes the financial loss of the Group due to a counterparty's delay in performing contractual obligations. As of the balance sheet date, the Group's largest credit risk exposure from a counterparty's failure to fulfill obligations came from the carrying amount of financial assets recognized in the consolidated balance sheets.

As counterparties of the Group are all companies and organizations with good credit ratings, there is no anticipated material credit risk. The Group also continues to evaluate the financial conditions of clients with whom the Group has accounts receivable.

The amounts of accounts receivable with a significant concentration of credit risk of the Group are as follows:

	March 31, 2021		December 31, 2020		March 31, 2020	
	Amount	%	Amount	%	Amount	%
Company A	\$6,171,671	40	\$6,742,116	39	\$6,296,455	38
Company B	4,123,422	27	3,501,534	20	2,792,405	17
Company C	1,669,290	11	1,685,265	10	1,445,833	9
Company D	1,326,234	9	3,539,126	20	4,991,012	30

3) Liquidity risk

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

The Group's working capital and the bank facilities acquired are sufficient to meet its demand for future operations; therefore, there is no liquidity risk relating to the incapability of raising funds for performing contractual obligations.

a) Table of liquidity and interest risks of non-derivative liabilities

The analysis of the remaining contractual maturities of non-derivative financial liabilities is prepared on the basis of the undiscounted cash flows (including principal and estimated interest) of financial liabilities based on the earliest possible date on which the Group can be required to make repayment. Therefore, bank loans for which the Group may be required to repay immediately are listed by the earliest period in the table below disregard the probability of exercising such right immediately by the banks. The analysis of the maturity of other non-derivative financial liabilities is prepared in accordance with the agreed repayment date.

The amount of undiscounted interests relating to cash flow paid from floating rate payments is extrapolated based on the interest rate yield curve at the end of the reporting period.

March 31, 2021

	Below 3 months	3 to 12 months	1 to 5 year(s)	Over 5 years
<u>Non-derivative Financial Liabilities</u>				
Zero-interest-bearing liabilities	\$8,089,671	\$2,711,348	\$ 21,410	\$ -
Lease liabilities	9,758	5,713	24,191	132,023
Variable-rate instruments	<u>60,642,490</u>	<u>9,592,957</u>	<u>-</u>	<u>-</u>
	<u>\$68,741,919</u>	<u>\$12,310,018</u>	<u>\$ 45,601</u>	<u>\$ 132,023</u>

Additional information about the maturity analysis for lease liabilities:

	Lower than 1 year	1~5 years	5~10 years	10~15 years	15~20 years	Over 20 years
Lease Liabilities	<u>\$15,471</u>	<u>\$24,191</u>	<u>\$22,918</u>	<u>\$22,918</u>	<u>\$44,935</u>	<u>\$41,252</u>

December 31, 2020

	Below 3 months	3 to 12 months	1 to 5 year(s)	Over 5 years
<u>Non-derivative Financial Liabilities</u>				
Zero-interest-bearing liabilities	\$10,897,975	\$3,732,331	\$ 21,677	\$ -
Lease liabilities	3,445	15,185	25,363	132,023
Variable-rate instruments	<u>47,104,357</u>	<u>23,496,032</u>	<u>-</u>	<u>-</u>
	<u>\$58,005,777</u>	<u>\$27,243,548</u>	<u>\$ 47,040</u>	<u>\$ 132,023</u>

Additional information about the maturity analysis for lease liabilities:

	Lower than 1 year	1~5 years	5~10 years	10~15 years	15~20 years	Over 20 years
Lease Liabilities	<u>\$18,630</u>	<u>\$25,363</u>	<u>\$22,918</u>	<u>\$22,918</u>	<u>\$44,935</u>	<u>\$41,252</u>

March 31, 2020

	Below 3 months	3 to 12 months	1 to 5 year(s)	Over 5 years
<u>Non-derivative Financial Liabilities</u>				
Zero-interest-bearing liabilities	\$11,786,502	\$3,693,094	\$ 21,833	\$ -
Lease liabilities	26,741	3,858	22,003	121,382
Variable-rate instruments	51,313,716	17,958,487	-	-
Instruments with fixed interest rates	<u>2,930,069</u>	<u>605,099</u>	<u>-</u>	<u>-</u>
	<u>\$66,057,028</u>	<u>\$22,260,538</u>	<u>\$ 43,836</u>	<u>\$ 121,382</u>

Additional information about the maturity analysis for lease liabilities:

	Lower than 1 year	1~5 years	5~10 years	10~15 years	15~20 years	Over 20 years
Lease Liabilities	<u>\$30,599</u>	<u>\$22,003</u>	<u>\$22,478</u>	<u>\$22,478</u>	<u>\$22,478</u>	<u>\$53,948</u>

The above amounts of non-derivative financial asset and liability instruments with floating interest rates are subject to change due to differences between the floating rates and the interest rates estimated as of the balance sheet date.

b) Financing facilities

	March 31, 2021	December 31, 2020	March 31, 2020
Unsecured Bank Borrowing Limit			
Used amount	\$ 70,158,726	\$ 70,475,726	\$ 72,712,126
Unused amount	<u>17,825,096</u>	<u>17,427,286</u>	<u>29,753,865</u>
	<u>\$ 87,983,822</u>	<u>\$ 87,903,012</u>	<u>\$ 102,465,991</u>

29. Related Party Transaction

All transactions between the Company and its subsidiaries (related parties of the Company), account balances, income, and expenses are eliminated upon consolidation and therefore are not shown in the note. In addition to those disclosed in other notes, the transactions between the Group and related parties are as follows:

Remuneration of key management

	January 1 to March 31, 2021	January 1 to March 31, 2020
Short-term Employee Benefits	\$ 85,777	\$ 29,134
Post-employment Benefits	<u>7,486</u>	<u>8,843</u>
	<u>\$ 93,263</u>	<u>\$ 37,977</u>

The remuneration of directors and key management is determined by the Remuneration Committee according to the relationship and reasonableness of the general industry standards, performance of individuals, the performance of the Company, and future risk.

30. Significant Contingent Liabilities and Unrecognized Contract Commitments

Except for those disclosed in other notes, significant commitments and contingent liabilities of the Group on the balance sheet date are as follows:

The Group's unrecognized contractual commitments are as follows:

	March 31, 2021	December 31, 2020	March 31, 2020
Acquisition of Property, Plant, and Equipment	\$ 173,208	\$ 369,672	\$ 397,206
Inventories Purchased	\$ 68,913	\$ 47,947	\$ 53,851

31. Information on Foreign Currency-denominated Assets and Liabilities of Significant Influence

The following summary is presented in foreign currencies other than the functional currency of the Group. The exchange rate disclosed in the summary refers to the exchange rate of a foreign currency to the functional currency. Assets and liabilities recognized in foreign currencies with significant impact are as follows:

Unit: Foreign currencies and NTD are in thousands

March 31, 2021

<u>Foreign currency assets</u>	<u>Foreign Currency</u>	<u>Exchange Rate</u>	<u>Carrying amount</u>
<u>Monetary Items</u>			
USD	\$ 2,749,805	28.485 (USD:NTD)	\$ 78,328,191
USD	815,408	6.5713 (USD:RMB)	23,267,676
RMB	223,793	4.319 (RMB:NTD)	966,564
RMB	473,554	0.1522 (RMB:USD)	2,056,660
<u>Foreign currency liabilities</u>			
<u>Monetary Items</u>			
USD	54,093	28.585 (USD:NTD)	1,546,240
USD	84,687	6.5713 (USD:RMB)	2,416,533
RMB	25,572	4.369 (RMB:NTD)	111,724

December 31, 2020

<u>Foreign currency assets</u>	<u>Foreign Currency</u>	<u>Exchange Rate</u>	<u>Carrying amount</u>
<u>Monetary Items</u>			
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
RMB	1,136,042	0.1533 (RMB:USD)	4,959,942

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<u>Foreign currency liabilities</u>	<u>Foreign Currency</u>	<u>Exchange Rate</u>	<u>Carrying amount</u>
<u>Monetary Items</u>			
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

March 31, 2020

<u>Foreign currency assets</u>	<u>Foreign Currency</u>	<u>Exchange Rate</u>	<u>Carrying amount</u>
<u>Monetary Items</u>			
USD	\$ 2,123,411	30.175 (USD:NTD)	\$ 64,073,914
USD	1,136,046	7.0851 (USD:RMB)	34,336,981
RMB	179	4.2300 (RMB:NTD)	759

<u>Foreign currency liabilities</u>			
<u>Monetary Items</u>			
USD	193,278	30.275 (USD:NTD)	5,851,498
USD	592,820	7.0851 (USD:RMB)	17,917,994
RMB	21,975	4.2800 (RMB:NTD)	94,053

The Group is mainly exposed to the foreign currency risks related to USD. The following information is an aggregation of the functional currencies of the entities holding foreign currencies. The currency rates disclosed were the rates used to translate such functional currencies into the presentation currency. Foreign currency translation gains and losses (realized and unrealized) with significant impact are as follows:

<u>Functional Currency</u>	<u>January 1 to March 31, 2021</u>		<u>January 1 to March 31, 2020</u>	
	<u>Exchange rate</u>	<u>Net exchange profit (loss)</u>	<u>Exchange rate</u>	<u>Net exchange profit (loss)</u>
USD	28.366 (USD:NTD)	(\$ 5,754)	30.106(USD:NTD)	\$ -
NTD	1 (NTD:NTD)	185,045	1 (NTD:NTD)	481,585
RMB	4.3766 (RMB:NTD)	127,296	4.317 (RMB:NTD)	247,711
		<u>\$ 306,587</u>		<u>\$ 729,296</u>

32. Supplementary Disclosures

- a. Material transactions:
 - 1) Loaning Provided to Others. (Table 1)
 - 2) Endorsements/Guarantees Provided for Others. (Table 2)
 - 3) Marketable Securities Held at the End of the Period (Excluding investment in Subsidiaries and Associates). (Table 3)
 - 4) Marketable Securities Acquired and Disposed of Amounting to NT\$300 million or 20% of the Paid-in Capital or More: (None)
 - 5) Acquisition of Real Estate Amounting to NT\$300 million or 20% of the Paid-in Capital or More. (Table 4)
 - 6) Disposal of Real Estate Amounting to NT\$300 million or 20% of the Paid-in Capital or More: (None)
 - 7) Purchases from or Sales to Related Parties Amounting to NT\$100 million or 20% of the Paid-in Capital or More. (Table 5)
 - 8) Receivables from Related Parties Amounting to NT\$100 million or 20% of the Paid-in Capital or More. (Table 6)
 - 9) Engaging in Derivatives Trading. (None)
 - 10) Other: Business Relationships and Significant Transactions and Amounts Between the Parent Company and Subsidiaries. (Table 9)
- b. Information on invested companies. (Table 7)
- c. Information on investments in mainland China:
 - 1) Information on invested companies in mainland China, including the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, shareholding, profit or loss for the period and recognized gain or loss on investments, carrying amount of investment at the end of the period, profit or loss on repatriated investment and ceiling of investments in mainland China. (Table 8)
 - 2) Major transactions with any investee company in mainland China directly or indirectly through a third region, and their prices, payment terms, unrealized profit or loss. (Tables 1, 2, 5, 7, and 9)
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
 - c) The amount of property transactions and the amount of the resultant gains or losses.
 - d) Ending balances and purposes of endorsements/guarantees or collateral provided.
 - e) 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 transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.
- d. Information of major shareholder: List of all shareholders with ownership of 5 % or greater showing the names and the number of shares and percentage of ownership held by each shareholder. (None)

33. Segment Information

For the purpose of resources allocation and performance assessment, the Group's 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 a 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. In addition, the segment information provided by the Group to the operating decision makers for review is measured on the same basis as the consolidated financial statements. The segment revenue and operating results and the measurement of assets that should be reported from January 1 to March 31, 2021 and 2020 can be referred to the Consolidated balance sheets as of January 1 to March 31, 2021 and 2020 and the consolidated balance sheets as of March 31, 2021 and 2020.

Catcher Technology Co., Ltd. and Subsidiaries

Loaning Provided to Others
January 1 to March 31, 2021
(In Thousands of New Taiwan Dollars)

No.	Financing company	Lender	Transactions	Whether they are related parties	Highest balance	Ending balance	Actual amount drawn	Range of interest rate (%)	Nature of Financing	Amount of business transaction	Reason for Financing	Allowance for Doubtful Debts	Collateral		Limit on amount loaned to single party (Note 1)	Total Loan Limit (Note 2)
													Name	Value		
1	Catcher Technology (Suqian) Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Other receivables - related party	Yes	\$ 1,367,856	<u>\$ 1,367,856</u>	\$ 1,367,856	1.5	Short-term financing	\$ -	Business turnover	\$ -	-	\$ -	\$802,207,530	<u>\$802,207,530</u>
2	Vito Technology (Suqian) Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Other receivables - related party	Yes	1,042,176	<u>\$ 1,042,176</u>	1,042,176	1.5	Short-term financing	-	Business turnover	-	-	-	802,207,530	<u>\$802,207,530</u>
3	Envio Technology (Suqian) Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Other receivables - related party	Yes	1,820,730	<u>\$ 759,920</u>	759,920	1.5	Short-term financing	-	Business turnover	-	-	-	802,207,530	<u>\$802,207,530</u>
4	Lyra International Co., Ltd.	Next Level Ltd.	Other receivables - related party	Yes	570,700	<u>\$ 570,700</u>	-	-	Short-term financing	-	Business turnover	-	-	-	802,207,530	<u>\$802,207,530</u>
5	Norma International Co., Ltd.	Cygnus International Co., Ltd.	Other receivables - related party	Yes	570,700	<u>\$ 570,700</u>	570,700	-	Short-term financing	-	Business turnover	-	-	-	802,207,530	<u>\$802,207,530</u>
6	Uranus International Co., Ltd.	Lyra International Co., Ltd.	Other receivables - related party	Yes	142,675	\$ 142,675	-	-	Short-term financing	-	Business turnover	-	-	-	802,207,530	
		Next Level Ltd.	Same as above	Yes	856,050	856,050	-	-	Same as above	-	Same as above	-	-	-	802,207,530	
		Cygnus International Co., Ltd.	Same as above	Yes	2,282,800	<u>2,282,800</u>	2,282,800	-	Same as above	-	Same as above	-	-	-	802,207,530	
					<u>\$ 3,281,525</u>										<u>\$802,207,530</u>	

Note 1. The Regulations Governing Loaning of Funds stipulates that the limit for foreign companies in which the Company holds 100% of the shares directly or indirectly is 500% of the Company's net worth at the end of the period. The limit for the domestic subsidiaries of the Company is 40% of the closing net worth of the subsidiaries. In addition, business transactions are limited to the amount of business transactions between the two parties in the most recent year.

Note 2. The Regulations Governing Loaning of Funds stipulates that the limit for foreign companies in which the Company holds 100% of the shares directly or indirectly is 500% of the Company's net worth at the end of the period. The limit for domestic subsidiaries of the Company is 40% of the net worth at the end of the period.

Note 3. The above net worth refers to the equity attributable to the owners of the Company in the consolidated balance sheet.

Catcher Technology Co., Ltd. and Subsidiaries

Endorsements/Guarantees Provided for Others
January 1 to March 31, 2021
(In Thousands of New Taiwan Dollars)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsements/Guarantees Provided for Single Entity (Note 1)	Maximum Endorsement/Guarantee Balance	Ending Balance	Actual amount drawn	Amount of Endorsements/Guarantees Collateralized by Property	Ratio of Accumulated Endorsements/Guarantees to Net Worth per Latest Financial Statements (%)	Endorsement/Guarantee Ceiling (Note 2)	Endorsements/Guarantees Provided by Parent for Subsidiary	Endorsements/Guarantees Provided by Subsidiary for Parent	Endorsements/Guarantees Provided for Subsidiary in Mainland China
		Name of Company	Relationship										
0	Catcher Technology Co., Ltd.	Catcher Technology Co., Ltd.	Companies with business dealings	\$ 80,220,753	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	0.01	\$ 160,441,506	N	N	N
1	Catcher Technology (Suqian) Co., Ltd.	Catcher Technology (Suqian) Co., Ltd.	Companies with business dealings	80,220,753	21,937	\$ 21,712	\$ 21,712	\$ -	0.01	\$ 160,441,506	N	N	Y
2	Vito Technology (Suqian) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	Companies with business dealings	80,220,753	21,937	\$ 21,712	\$ 21,712	\$ -	0.01	\$ 160,441,506	N	N	Y
3	Arcadia Technology (Suqian) Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Companies with business dealings	80,220,753	50,806	\$ 50,806	\$ 50,806	\$ -	0.03	\$ 160,441,506	N	N	Y
4	Envio Technology (Suqian) Co., Ltd.	Envio Technology (Suqian) Co., Ltd.	Companies with business dealings	80,220,753	13,162	\$ 13,027	\$ 13,027	\$ -	0.01	\$ 160,441,506	N	N	Y
5	Yachila Technology (Qiansu) Co., Ltd.	Yachila Technology (Qiansu) Co., Ltd.	Companies with business dealings	80,220,753	19,975	\$ 19,975	\$ 19,975	\$ -	0.01	\$ 160,441,506	N	N	Y

Note 1. The limit of the Company's and foreign subsidiaries' endorsement and guarantee to a single enterprise is 50% of the Company's net worth at the end of the period.

Note 2. The maximum amount of endorsement and guarantee by the Company and its foreign subsidiaries is 100% of the Company's net worth at the end of the period.

Note 3. The above net worth refers to the equity attributable to the owners of the Company in the consolidated balance sheet.

Catcher Technology Co., Ltd. and Subsidiaries

Marketable Securities Held at the End of the Period

March 31, 2021

(In Thousands of New Taiwan Dollars)

Securities Holding Company	Type and Name of Securities	Relationship with Issuer of Securities	Ledger Account	Ending Balance			Note	
				Unit/Number of Shares	Carrying amount	Percentage (%)		Fair Value
The Company	Non-public offering shares - Alpha Information Systems, Inc.	None	Financial assets at fair value through other comprehensive income - non-current	1,500,000	\$ 44,475	10	\$ 44,475	
	Non-public offering shares - CDIB Capital Innovation Accelerator Co., Ltd.	None	Same as above	3,000,000	30,150	3.57	30,150	
					<u>\$ 74,625</u>		<u>\$ 74,625</u>	
	Public offering shares - Sinher Technology Co., Ltd.	None	Financial assets at fair value through profit or loss - current	7,439,917	<u>\$ 442,675</u>	9.998	<u>\$ 442,675</u>	
Ke Yue Co., Ltd.	Public offering shares - Chia Shih Ta Technology Co., Ltd.	None	Financial assets at fair value through profit or loss - current	30,000	<u>\$ 1,028</u>	0.002	<u>\$ 1,028</u>	
Nanomag International Co., Ltd.	<u>Limited Partnership</u>							
	China Renewable Energy Fund, L.P.	None	Financial assets at fair value through other comprehensive income - non-current	-	<u>\$ 712,158</u>	23.51	<u>\$ 712,158</u>	Note 3
Cor Ventures Pte. Ltd.	<u>Simple Agreement for Future Equity (SAFE)</u> Via Surgical Ltd.	None	Financial assets at fair value through profit or loss - non-current	-	\$ 48,510	-	\$ 48,510	
	Vyisoner Inc.	None	Same as above	-	<u>28,535</u>	-	<u>28,535</u>	
					<u>\$ 77,045</u>		<u>\$ 77,045</u>	

Note 1. The securities mentioned in this table refer to stocks, bonds, beneficiary certificates, and securities derived from the items above that fall within the scope of IFRS 9 "Financial Instruments".

Note 2. For information on investment in subsidiaries and affiliates, please refer to Table VII and Table VIII.

Note 3. Shareholding represents the percentage of capital contribution.

Catcher Technology Co., Ltd. and Subsidiaries

Acquisition of Real Estate Amounting to NT\$300 Million or 20% of the Paid-in Capital or More
January 1 to March 31, 2021
(In Thousands of New Taiwan Dollars)

Acquisition of property	Name of property	Date of occurrence	Transaction amount	Payment status	Counterparty	Relationship	Information on prior transaction if the counterparty is a related party				Reference of pricing	Purpose of acquisition and usage status	Other agreement
							Owner	Relationship with the issuer	Date of transfer	Amount			
Envio Technology (Suqian) Co., Ltd.	Production plant	August 18, 2017 ~ March 31, 2021	The contract price is \$751,738 thousand (RMB173,116 thousand) and \$740,462 thousand has been invested.	Payment according to the contract terms and progress	Self-constructed assets (the main contractor is Zhongxing Construction Co., Ltd.)	-	-	-	\$ -	Price comparison or negotiation	Operating and production	-	

Catcher Technology Co., Ltd. and Subsidiaries

Purchases from or Sales to Related Parties Amounting to NT\$100 million or 20% of the Paid-in Capital or More.

January 1 to March 31, 2021

(In Thousands of New Taiwan Dollars)

Company	Counter-party	Relationship	Transaction Situation				Unusual Transaction Terms and Reasons		Notes and Accounts Receivable (Payable)		Note
			Purchases (Sales)	Amount	Percentage of Total Purchases (Sales) (%)	Credit Period	Unit price	Credit Period	Balance	Percentage of Accounts Receivable (Payable) (%)	
Catcher Technology (Suqian) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	Same ultimate parent company	Sales	(\$ 348,982)	6	30 to 90 days after month end close	Equivalent to market price	Equivalent to market price	\$ 1,034,422	12	
			Purchases	202,707	92	30 to 90 days after month end close	Equivalent to market price	Equivalent to market price	(607,710)	23	
Vito Technology (Suqian) Co., Ltd.	Next Level Ltd.	Same ultimate parent company	Sales	(828,822)	26	30 to 90 days after month end close	No comparable sales prices of similar products	Equivalent to market price	1,881,719	29	
Envio Technology (Suqian) Co., Ltd.	Next Level Ltd.	Same ultimate parent company	Sales	(1,460,449)	15	30 to 90 days after month end close	No comparable sales prices of similar products	Equivalent to market price	2,993,849	98	
Next Level Ltd.	The Company	Ultimate parent company	Sales	(2,337,392)	98	30 to 120 days after month end close	No comparable sales prices of similar products	Equivalent to market price	995,903	96	
Lyra International Co., Ltd.	The Company	Ultimate parent company	Sales	(544,356)	100	30 to 120 days after month end close	No comparable sales prices of similar products	Equivalent to market price	-	-	

Catcher Technology Co., Ltd. and Subsidiaries

Receivables from Related Parties Amounting to NT\$100 Million or 20% of the Paid-in Capital or More.

March 31, 2021

(In Thousands of New Taiwan Dollars)

Company that records such transactions as receivables	Counter-party	Relationship	Balance Dues from Related Parties	Turnover Ratio %	Overdue Amounts from Related Parties		Subsequently Recovered Amount from Related Party	Allowance for Doubtful Debts
					Amount	Handling Method		
Catcher Technology (Suqian) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	Same ultimate parent company	\$ 787,460	-	\$ -	N/A	\$ 125,837	\$ -
			1,034,422	1.23	-	N/A	165,724	-
	Arcadia Technology (Suqian) Co., Ltd.	Same as above	1,367,856	-	-	N/A	-	-
				(Note 1)				
Vito Technology (Suqian) Co., Ltd.	Envio Technology (Suqian) Co., Ltd.	Same as above	179,016	0.48	-	N/A	44,747	-
	Catcher Technology (Suqian) Co., Ltd.	Same ultimate parent company	607,710	1.27	-	N/A	105,622	-
			236,338	-	-	N/A	25,859	-
				(Notes 2 and 3)				
	Arcadia Technology (Suqian) Co., Ltd.	Same as above	1,042,176	-	-	N/A	-	-
				(Note 1)				
	Envio Technology (Suqian) Co., Ltd.	Same as above	198,709	-	-	N/A	36,070	-
				(Note 3)				
Arcadia Technology (Suqian) Co., Ltd.	Next Level Ltd.	Same as above	1,881,719	1.98	-	N/A	22,226	-
	Catcher Technology (Suqian) Co., Ltd.	Same ultimate parent company	112,167	1.77	-	N/A	11,053	-
			149,982	2.15	-	N/A	6,458	-
Envio Technology (Suqian) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	Same as above	759,920	-	-	N/A	-	-
	Arcadia Technology (Suqian) Co., Ltd.	Same ultimate parent company		(Note 1)				
	Next Level Ltd.	Same as above	2,993,849	2.14	-	N/A	179,759	-
Yachila Technology (Qiansu) Co., Ltd	Catcher Technology (Suqian) Co., Ltd.	Same ultimate parent company	130,907	1.66	-	N/A	73,151	-
Next Level Ltd.	The Company	Ultimate parent company	995,903	5.09	-	N/A	995,903	-
Nanomag International Co., Ltd.	Stella International Co., Ltd.	Same ultimate parent company	669,339	-	-	N/A	669,339	-
				(Note 4)				
Stella International Co., Ltd.	Lyra International Co., Ltd.	Same ultimate parent company	669,339	-	-	N/A	669,339	-
				(Note 4)				
Norma International Co., Ltd.	Cygnus International Co., Ltd.	Same ultimate parent company	570,700	-	-	N/A	-	-
				(Note 1)				
Uranus International Co., Ltd.	Cygnus International Co., Ltd.	Same ultimate parent company	2,282,800	-	-	N/A	-	-
				(Note 1)				
The Company	Next Level Ltd.	Subsidiary	120,986	0.53	-	N/A	-	-
	Lyra International Co., Ltd.	Same as above	2,934,940	-	-	N/A	-	-

Note 1. Refer to the ending loan balance, which is not applicable in the calculation of the turnover rate.

Note 2. Refer to the ending balance of property, plant, and equipment purchased, which is not applicable in the calculation of the turnover rate.

Note 3. Refer to the ending balance of processing income receivables, which is not applicable in the calculation of the turnover rate.

Note 4. Refer to the receivable remitted from earnings, which is not applicable in the calculation of the turnover rate.

Catcher Technology Co., Ltd. and Subsidiaries

Information on Investee Companies

January 1 to March 31, 2021

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

Name of Investor	Name of Investee	Location	Main Business Activities	Initial Investment Amount		Ending Balance			Profit (Loss) of Invested Company	Investment Profit (Loss) Recognized (Note 1)	Note
				Ending Balance for the Current Period	End of the previous year	Number of Shares	Shareholding (%)	Carrying amount			
The Company	Gigamag Co., Ltd.	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	General investment	\$ 484,941	\$ 484,941	14,377,642	100	\$ 1,097,865	\$ 4,202	\$ 4,192	
	Nanomag International Co., Ltd.	P.O. Box31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands	Same as above	1	1	30	100	146,241,898	2,295,765	2,388,087	
	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	9,681	(4,227)	(1,902)	
	Ke Yue Co., Ltd.	1F, No. 10, Ln. 138, Renai St., Yongkang Dist., Tainan City 710, Taiwan (ROC)	General investment	1,129,000	1,129,000	11,290,000	100	1,116,535	(3,239)	(3,239)	
	Icheng Co., Ltd.	1F, No. 10, Ln. 138, Renai St., Yongkang Dist., Tainan City 710, Taiwan (ROC)	Same as above	298,000	298,000	3,070,000	100	299,167	610	610	
	Ite Co., Ltd.	1F, No. 10, Ln. 138, Renai St., Yongkang Dist., Tainan City 710, Taiwan (ROC)	Same as above	298,000	298,000	3,070,000	100	299,167	610	610	
Gigamag Co., Ltd.	Neat Co., Ltd.	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	International trade	285 (USD 10,000)	285 (USD 10,000)	10,000	100	250	-	-	
Nanomag International Co., Ltd.	Castmate International Co., Ltd.	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	General investment	28,809 (USD 1,009,592)	28,809 (USD 1,009,592)	1,009,592	100	3,233,802	(22,863)	(22,863)	
	Stella International Co., Ltd.	P.O. Box31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands	Same as above	9,475,878 (USD 332,079,144)	9,475,878 (USD 332,079,144)	332,079,144	100	35,280,058	(2,907,532)	(2,907,532)	
	Aquila International Co., Ltd.	P.O. Box31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands	Same as above	31,959 (USD 1,120,000)	31,959 (USD 1,120,000)	1,050,000	75	316,281	37,832	37,832	
	Uranus International Co., Ltd.	Room 1907, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Same as above	11,385,733 (USD 399,009,383)	11,385,733 (USD 399,009,383)	399,009,383	100	38,537,737	1,919,772	1,919,772	
	Norma International Co., Ltd.	Room 1907, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Same as above	8,547,194 (USD 299,533,691)	8,547,194 (USD 299,533,691)	299,533,691	100	7,965,190	113,962	113,962	
	Next Level Ltd.	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	Same as above	285 (USD 10,000)	285 (USD 10,000)	10,000	100	152,016	3,771	3,771	
	Cor Ventures Pte. Ltd.	160 Robinson Road, #14-04 Singapore Business Federation Centre, Singapore 068914	Same as above	261,546 (USD 9,165,797)	261,546 (SGD 12,118,100)	12,118,100	100	255,673	(890)	(890)	
Castmate International Co., Ltd.	Cygnus International Co., Ltd.	Room 1907, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	General investment	285,500 (USD 10,005,259)	285,500 (USD 10,005,259)	10,005,259	100	2,950,401	(23,382)	(23,382)	
Stella International Co., Ltd.	Lyra International Co., Ltd.	Room 1907, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	General investment	9,475,144 (USD 332,053,412)	9,475,144 (USD 332,053,412)	332,053,412	100	35,468,343	(2,907,532)	(2,907,532)	
Aquila International Co., Ltd.	Cepheus International Co., Ltd.	Room 1907, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	General investment	39,949 (USD 1,400,000)	39,949 (USD 1,400,000)	1,400,000	100	421,155	37,965	37,965	

Note 1. The Company is only required to list the amount of profit and loss of each of the subsidiaries and each investee accounted for using the equity method. The rest of the information can be exempted.

Note 2. Please refer to Table 8 for information on investments in Mainland China.

Catcher Technology Co., Ltd. and Subsidiaries

Information on Investments in Mainland China

January 1 to March 31, 2021

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

Investee Company	Main Business Activities	Paid-in Capital (Note 13)	Method of Investments (Note 1)	Accumulated Amount of Investments Remitted from Taiwan at Beginning of Period (Note 13)	Amount of Investments Remitted or Repatriated for the Period		Accumulated Amount of Investments Remitted from Taiwan at End of Period (Note 13)	Profit (Loss) of Invested Company	The Company's Direct or Indirect Ownership (%)	Investment Profit (Loss) Recognized (Note 2)	Carrying Amount of Investments at End of Period	Accumulated Investment Income Repatriated at End of Period
					Remitted	Repatriated						
Catcher Technology (Suzhou) Co., Ltd.	Production, sales and development of alloys	\$ -	(2)Cygnus International Co., Ltd. (Note 8)	\$ 951,357 (USD 33,340,000)	\$ -	\$ -	\$ 951,357 (USD 33,340,000)	\$ -	-	\$ -	\$ -	\$ -
Topo Technology (Suzhou) Co., Ltd.	Same as above	285,635 (USD 10,010,000)	(2)Lyra International Co., Ltd. (Notes 4 and 5)	1,151,102 (USD 40,340,000)	-	-	1,151,102 (USD 40,340,000)	(24,890)	100	(24,890) (2)A.	895,552	-
Topo Technology (Taizhou) Co., Ltd.	Same as above	-	(2)Lyra International Co., Ltd. (Note 9)	-	-	-	-	-	-	-	-	5,482,243
Meecca Technology (Taizhou) Co., Ltd.	Same as above	-	(2)Lyra International Co., Ltd. (Note 12)	-	-	-	-	-	-	-	-	-
Meecca Technology (Suzhou Industrial Park) Co., Ltd.	Same as above	285,350 (USD 10,000,000)	(2)Cygnus International Co., Ltd. (Note 6)	-	-	-	-	(27,660)	100	(27,660) (2)A.	978,148	-
Catcher Technology (Suqian) Co., Ltd.	Same as above	5,707,000 (USD 200,000,000)	(2)Uranus International Co., Ltd. (Note 7)	2,710,796 (USD 94,999,000)	-	-	2,710,796 (USD 94,999,000)	1,501,731	100	1,501,731 (2)A.	17,335,337	10,597,814
Vito Technology (Suqian) Co., Ltd.	Same as above	5,553,095 (RMB 409,431,280) (USD 132,300,000)	(2)Uranus International Co., Ltd. (Note 10)	-	-	-	-	414,032	100	414,032 (2)A.	13,418,804	-
Arcadia Technology (Suqian) Co., Ltd.	Same as above	5,691,202 (RMB 398,499,193) (USD 138,803,527)	(2)Norma International Co., Ltd. (Note 11)	-	-	-	-	10,145	100	10,145 (2)A.	2,082,723	-
Envio Technology (Suqian) Co., Ltd.	Same as above	2,846,796 (RMB 188,956,820) (USD 71,010,000)	(2)Norma International Co., Ltd. (Note 16)	-	-	-	-	103,815	100	103,815 (2)A.	5,523,542	-
Yachila Technology (Qiansu) Co., Ltd.	Production and sales of molds and electronic components	39,949 (USD 1,400,000)	(2)Cepheus International Co., Ltd.	31,959 (USD 1,120,000)	-	-	31,959 (USD 1,120,000)	37,964	75	28,473 (2)A.	420,328	169,684
WIT Technology (Taizhou) Co., Ltd. (Note 14)	Research, development and manufacturing electronic components	-	(2)Cetus International Co., Ltd.	-	-	-	-	-	-	-	-	-
Chaohu Yunhai Magnesium Co., Ltd. (Note 15)	Manufacture and sales of dolomite, aluminum, magnesium alloy and other alkaline-earth metals	-	(2)Sagitta International Co., Ltd.	630,108 (USD 22,081,923)	-	-	630,108 (USD 22,081,923)	-	-	-	-	-

Accumulated Outward Remittance for Investment in Mainland China for the Period (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)
\$ 5,475,322 (USD 191,880,923)	\$ 40,568,723 (USD 1,019,767,660) (RMB 2,641,316,560)	\$ 96,328,160

Note 1. Investing methods are categorized as follows, please indicate the category:

- (1) Direct investment in mainland China
- (2) Invest in Mainland China through companies in a third-party regional (please specify the investment company in the third-party region).
- (3) Other methods.

Note 2. In the investment profit or loss recognized for the period:

- (1) Indicate if no investment profit or loss is recognized as an investee is under preparation.
- (2) Indicate if investment profit or loss is recognized on the following basis.
 - A. Financial statements reviewed by international accounting firms cooperating with accounting firms in the Republic of China.
 - B. Financial statements reviewed by the parent company's CPAs in Taiwan.
 - C. Others.

Note 3. The investment limit of the Company in Mainland China is calculated as follows:
\$160,546,933*60%=\$96,328,160

Note 4. The paid-in capital of USD6,670,000, 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 USD33,300,000 is earnings distributed in the third quarter of 2011. Thereafter, the amount of USD33,300,000 is returned by capital reduction in the fourth quarter of 2014.

Note 5. The paid-in capital of USD30,000,000 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 USD67,000,000 was returned by capital reduction in the first quarter of 2016.

Note 6. The paid-in capital of USD106,000,000 is earnings distributed from Catcher Technology (Suzhou) Co., Ltd. to Castmate International Co., Ltd., which were then invested in Meecca Technology (Suzhou Industrial Park) Co., Ltd., and the paid-in capital of USD16,670,000 is earnings distributed in the third quarter of 2011. The amount of USD16,670,000 was returned by capital reduction in the fourth quarter of 2014 and the amount of USD32,000,000 in the third quarter of 2016. Thereafter, the amount of USD32,000,000 was returned by capital reduction in the second quarter of 2017, and the amount of USD32,000,000 was returned by capital reduction in the third quarter of 2017.

Note 7. The paid-in capital of USD5,001,000 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 USD100,000,000 is earnings distributed from Topo Technology (Suzhou) Co., Ltd. to Stella International Co., Ltd., which were then invested in Catcher Technology (Suqian) Co., Ltd. through Uranus International Co., Ltd.

Note 8. The paid-in capital of USD16,670,000 is earnings distributed in the third quarter of 2011. Thereafter, the amount of USD40,000,000 was returned by capital reduction in the second quarter of 2014, and due to dissolution, USD10,010,000 of capital was 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, USD65,979,240 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. Lyra International Co., Ltd. sold all of its equity in December 2020, but the investment amount has not yet been remitted to Taiwan and therefore has not been deducted from the investment amount approved by Investment Commission, MOEA.

Note 10. The paid-in capital of USD99,000,000 is earnings distributed from Catcher Technology (Suzhou) Co., Ltd. to Nanomag International Co., Ltd., which were then invested in Vito Technology (Suqian) Co., Ltd. through Uranus International Co., Ltd.

Note 11. The paid-in capital of USD27,332,360 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 USD89,970,000, which is the proceeds arising from the capital reduction of Catcher Technology (Suzhou) Co., Ltd., Topo Technology (Suzhou) Co., Ltd., and Meecca Technology (Suzhou Industrial Park) Co., Ltd., was invested in Arcadia Technology (Suqian) Co., Ltd. through Norma International Co., Ltd. The paid-in capital of USD21,501,167 is 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.

Note 12. The paid-in capital of USD17,610,861 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 Meecca Technology (Taizhou) Co., Ltd. through Lyra International Co., Ltd. The paid-in capital of USD20,000,000 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 Meecca Technology (Suzhou Industrial Park) Co., Ltd. to Nanomag International Co., Ltd., which were then invested in Meecca Technology (Taizhou) Co., Ltd. through Lyra International Co., Ltd. The paid-in capital of USD18,000,000 is earnings distributed from Lyra International Co., Ltd. to Topo Technology (Taizhou) Co., Ltd., which were then invested in Meecca Technology (Taizhou) Co., Ltd. Lyra International Co., Ltd. sold all of its equity in December 2020, but the investment amount has not yet been remitted to Taiwan and therefore has not been deducted from the investment amount approved by Investment Commission, MOEA.

Note 13. The exchange rate was USD1:NT\$28.535.

The exchange rate was RMB1:NT\$4.3424.

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 and therefore has not been deducted from the investment amount approved by Investment Commission, MOEA.

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 and therefore has not been deducted from the investment amount approved by Investment Commission, MOEA.

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 Meecca Technology (Suzhou Industrial Park) Co., Ltd., is invested in Envio Technology (Suqian) Co., Ltd. through Norma International Co., Ltd.

Catcher Technology Co., Ltd. and Subsidiaries

Business Relationships and Significant Transactions and Amounts Between the Parent Company and Subsidiaries

January 1 to March 31, 2021

(In Thousands of New Taiwan Dollars)

No.	Company	Counterparty	Relationship with the Related Party (Note 1)	Description of Transactions			Ratio to Total Revenue or Total Assets %		
				Ledger Account	Amount (Note 2)	Transaction Term			
0	The Company	Next Level Ltd.	1	Purchases	\$ 2,337,392	The comparable purchase prices of similar products, payment from 30 to 120 days after month end close	18.51		
				Accounts receivable - related parties	120,986		0.05		
		Lyra International Co., Ltd.	1	Accounts payable - related parties	995,903		0.40		
				Purchases	544,356	The comparable purchase prices of similar products, payment from 30 to 120 days after month end close	4.31		
1	Catcher Technology (Suqian) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	1	Accounts receivable - related parties	2,934,940		1.17		
				Accounts payable - related parties	77,650		0.03		
		Vito Technology (Suqian) Co., Ltd.	3	Other payables - related party	75,957		0.03		
				Sales revenue	348,982	The price is based on normal transaction price, receivable from 30 to 90 days after month end close.	2.76		
						Purchases	202,707	The price is based on normal transaction price, payable from 30 to 90 days after month end close.	1.61
						Processing income	246,582	The price is based on normal transaction price, receivable from 30 to 90 days after month end close.	1.95
						Processing expenses	86,083	The price is based on normal transaction price, payable from 30 to 90 days after month end close.	0.68
						Accounts receivable - related parties	1,034,422		0.41
						Accounts payable - related parties	607,710		0.24
						Other receivables - related party	787,460		0.31
						Other payables - related party	236,338		0.09
		2	Vito Technology (Suqian) Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	3	Other receivables - related party	66,360		0.03
Other receivables - related party	1,367,856						0.55		
						Other payables - related party	92,779		0.04
						Accounts payable - related parties	112,167		0.04
						Accounts payable - related parties	56,797		0.02
						Accounts receivable - related parties	179,016		0.07
						Accounts payable - related parties	130,907		0.05
						Sales revenue	828,822	No comparable sales prices of similar products, receivable from 30 to 90 days after month end close.	6.56
						Accounts receivable - related parties	1,881,719		0.75
						Sales revenue	60,434	The price is based on normal transaction price, receivable from 30 to 90 days after month end close.	0.48
				Purchases	65,101	The price is based on normal transaction price, payable from 30 to 90 days after month end close.	0.52		
				Accounts receivable - related parties	74,911		0.03		
				Accounts payable - related parties	149,982		0.06		

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No.	Company	Counterparty	Relationship with the Related Party (Note 1)	Description of Transactions			
				Ledger Account	Amount (Note 2)	Transaction Term	Ratio to Total Revenue or Total Assets %
3	Envio Technology (Suqian) Co., Ltd.	Envio Technology (Suqian) Co., Ltd.	3	Other receivables - related party	\$ 83,745	The price is based on normal transaction price, receivable from 30 to 90 days after month end close.	0.03
				Other receivables - related party	1,042,176		0.42
				Processing income	66,367		0.53
		Yachila Technology (Qiansu) Co., Ltd Next Level Ltd.	3 3	Other receivables - related party	198,709		0.08
				Accounts payable - related parties	85,940		0.03
				Sales revenue	1,460,449		11.56
4	Stella International Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd. Nanomag International Co., Ltd.	3 3	Accounts receivable - related parties	2,993,849	No comparable sales prices of similar products, receivable from 30 to 90 days after month end close.	1.19
				Other receivables - related party	759,920		0.30
				Other payables - related party	669,339		0.27
5	Norma International Co., Ltd.	Lyra International Co., Ltd. Cygnus International Co., Ltd.	3 3	Other receivables - related party	669,339		0.27
				Other receivables - related party	570,700		0.23
6	Uranus International Co., Ltd.	Cygnus International Co., Ltd.	3	Other receivables - related party	2,282,800		0.91

Note 1. Related parties are categorized as follows, please indicate the category as follows:

1. The parent company to subsidiaries.
2. Subsidiaries to the parent company.
3. Subsidiaries to subsidiaries.

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

Catcher Technology Co., Ltd. and Subsidiaries

Statement of Changes in Property, Plant and Equipment
January 1 to March 31, 2021 and 2020
(In Thousands of New Taiwan Dollars)

	Land	Buildings	Machinery	Transportation Equipment	Office Equipment	Other equipment	Lease improvement	Construction in Progress and Machinery in Transit	Total
Cost									
Balance as of March 31, 2020	\$ 2,179,324	\$ 24,926,841	\$ 74,545,095	\$ 198,829	\$ 2,739,991	\$ 4,955,537	\$ 266	\$ 264,777	\$ 109,810,660
Addition	-	3,735	3,573	1,738	2,312	283,115	-	1,627	296,100
Disposal	-	-	(43,509)	-	(125)	(25,115)	-	-	(68,749)
Reclassification	-	3,813	193,095	-	2,196	5,490	-	(3,813)	200,781
Net exchange difference	-	(161,634)	(697,313)	(1,023)	(17,454)	(31,613)	(2)	(989)	(910,028)
Balance as of March 31, 2020	<u>\$ 2,179,324</u>	<u>\$ 24,772,755</u>	<u>\$ 74,000,941</u>	<u>\$ 199,544</u>	<u>\$ 2,726,920</u>	<u>\$ 5,187,414</u>	<u>\$ 264</u>	<u>\$ 261,602</u>	<u>\$ 109,328,764</u>
Accumulated depreciation and impairment									
Balance as of March 31, 2020	\$ -	\$ 8,070,421	\$ 55,335,227	\$ 130,033	\$ 1,998,637	\$ 2,979,637	\$ 191	\$ -	\$ 68,514,146
Depreciation	-	379,364	2,050,459	6,732	94,812	238,739	13	-	2,770,119
Disposal	-	-	(42,808)	-	(125)	(25,115)	-	-	(68,048)
Net exchange difference	-	(59,717)	(579,763)	(649)	(12,585)	(17,718)	(1)	-	(670,433)
Balance as of March 31, 2020	<u>\$ -</u>	<u>\$ 8,390,068</u>	<u>\$ 56,763,115</u>	<u>\$ 136,116</u>	<u>\$ 2,080,739</u>	<u>\$ 3,175,543</u>	<u>\$ 203</u>	<u>\$ -</u>	<u>\$ 70,545,784</u>
Net amount as of March 31, 2020	<u>\$ 2,179,324</u>	<u>\$ 16,382,687</u>	<u>\$ 17,237,826</u>	<u>\$ 63,428</u>	<u>\$ 646,181</u>	<u>\$ 2,011,871</u>	<u>\$ 61</u>	<u>\$ 261,602</u>	<u>\$ 38,782,980</u>
Cost									
Balance as of January 1, 2021	\$ 2,179,324	\$ 18,944,392	\$ 54,185,876	\$ 157,114	\$ 2,207,868	\$ 3,615,781	\$ 271	\$ 132,738	\$ 81,423,364
Addition	-	2,343	23,613	143	2,617	9,008	-	853	38,577
Disposal	-	-	(296,666)	(124)	(798)	(3,133)	-	-	(300,721)
Reclassification	-	6,309	40,300	-	-	5,900	-	(6,309)	46,200
Net exchange difference	-	(82,601)	(224,062)	(513)	(7,717)	(12,071)	(2)	15	(326,951)
Balance as of March 31, 2021	<u>\$ 2,179,324</u>	<u>\$ 18,870,443</u>	<u>\$ 53,729,061</u>	<u>\$ 156,620</u>	<u>\$ 2,201,970</u>	<u>\$ 3,615,485</u>	<u>\$ 269</u>	<u>\$ 127,297</u>	<u>\$ 80,880,469</u>
Accumulated depreciation and impairment									
Balance as of January 1, 2021	\$ -	\$ 7,706,082	\$ 46,120,913	\$ 126,284	\$ 1,982,490	\$ 2,919,641	\$ 248	\$ -	\$ 58,855,658
Depreciation	-	256,599	963,433	4,729	53,974	104,250	14	-	1,382,999
Disposal	-	-	(288,872)	(124)	(798)	(3,133)	-	-	(292,927)
Net exchange difference	-	(38,500)	(196,876)	(408)	(6,386)	(9,880)	(2)	-	(252,052)
Balance as of March 31, 2021	<u>\$ -</u>	<u>\$ 7,924,181</u>	<u>\$ 46,598,598</u>	<u>\$ 130,481</u>	<u>\$ 2,029,280</u>	<u>\$ 3,010,878</u>	<u>\$ 260</u>	<u>\$ -</u>	<u>\$ 59,693,678</u>
Net amount as of January 1, 2021	<u>\$ 2,179,324</u>	<u>\$ 11,238,310</u>	<u>\$ 8,064,963</u>	<u>\$ 30,830</u>	<u>\$ 225,378</u>	<u>\$ 696,140</u>	<u>\$ 23</u>	<u>\$ 132,738</u>	<u>\$ 22,567,706</u>
Net amount as of March 31, 2021	<u>\$ 2,179,324</u>	<u>\$ 10,946,262</u>	<u>\$ 7,130,463</u>	<u>\$ 26,139</u>	<u>\$ 172,690</u>	<u>\$ 604,607</u>	<u>\$ 9</u>	<u>\$ 127,297</u>	<u>\$ 21,186,791</u>