

Catcher Technology Co., Ltd.
and Subsidiaries

Consolidated Financial Statements
for the Six Months Ended June 30, 2021 and 2020 and
Independent Auditor's Review Report

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Independent Auditors' Review Report

To the Board of Directors and Shareholders of Catcher Technology Co., Ltd.

Introduction

We have reviewed Catcher Technology Co., Ltd. and its subsidiaries (Catcher Group) Consolidated Balance Sheets as of June 30, 2021 and 2020, in addition to the Consolidated Statements of Comprehensive Income for the three months ended June 30, 2021 and 2020 and for the six months ended June 30, 2021 and 2020, Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows for the six months ended Jun 30, 2021 and 2020, and Notes to the Consolidated Financial Statements (including a summary of significant accounting policies). 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 of Review

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 June 30, 2021 and 2020, and the consolidated financial results and consolidated cash flows for the six months ended June 30, 2021 and 2020.

Other Matter

The subsidiaries Ke Yue Co., Ltd., Yi Sheng Co., Ltd. and Yi De Co., Ltd. were included in the consolidated financial report of the Group for the second quarter of 2021. Their financial reports of were not been reviewed by CPAs of this firm but by other CPAs. Thus, the conclusion on the consolidated financial report mentioned above, particularly regarding the amounts listed in the financial reports of Ke Yue Co., Ltd., Yi Sheng Co., Ltd. and Yi De Co., Ltd. are based on the review reports of other CPAs. The total asset of Ke Yue Co., Ltd., Yi Sheng Co., Ltd. and Yi De Co., Ltd. as of June 30, 2021 accounted for 2% of the consolidated total assets. The comprehensive income of Ke Yue

Co., Ltd., Yi Sheng Co., Ltd. and Yi De Co., Ltd. for the three months ended June 30, 2021 and for the six months ended June 30, 2021 accounted for 2% and (13%) of the consolidated comprehensive income respectively.

Deloitte & Touche

CPA Hong-Ju, Liao

CPA Chi-Chen, Li

Financial Supervisory Commission
Approval No.
Jin-Guan-Zheng-Shen-Zi No.
0990031652

Securities and Futures Commission,
Ministry of Finance
Approval No.
Taiwan-Finance-Securities(6) No.
0920123784

August 6, 2021

Catcher Technology Co., Ltd. and Subsidiaries
Consolidated Balance Sheets
June 30, 2021, December 31, 2020, and June 30, 2020

(In Thousands of New Taiwan Dollars)

Code	Asset	June 30, 2021 (Reviewed)		December 31, 2020 (Audited)		June 30, 2020 (Reviewed)	
		Amount	%	Amount	%	Amount	%
	Current assets						
1100	Cash and cash equivalents (Note 6)	\$ 27,475,645	11	\$ 111,882,981	44	\$ 119,353,752	49
1110	Financial assets at fair value through profit or loss - current (Note 7)	5,242,010	2	349,801	-	317,098	-
1120	Financial assets at fair value through other comprehensive income - current (Note 8)	73,567	-	-	-	-	-
1136	Financial assets at amortized cost - current (Note 9)	148,289,987	59	65,333,889	26	46,807,709	19
1150	Notes receivable (Note 10)	-	-	21	-	-	-
1170	Accounts receivable (Note 10)	14,634,961	6	17,317,501	7	19,266,487	8
1200	Other receivables (Note 10)	406,624	-	306,029	-	322,439	-
1220	Current income tax assets (Note 4)	88,686	-	90,318	-	68,603	-
130X	Inventories (Note 11)	3,619,866	2	6,003,807	2	9,170,053	4
1470	Other current assets (Note 18)	424,745	-	593,003	-	1,025,120	1
11XX	Total current assets	<u>200,256,091</u>	<u>80</u>	<u>201,877,350</u>	<u>79</u>	<u>196,331,261</u>	<u>81</u>
	Non-current assets						
1510	Financial assets at fair value through profit or loss - non-current (Note 7)	503,483	-	-	-	-	-
1517	Financial assets at fair value through other comprehensive income - non current (Note 8)	732,056	-	652,880	-	522,927	-
1535	Financial assets at amortized cost - non-current (Note 9)	21,648,307	9	24,585,406	10	1,814	-
1550	Investments accounted for using equity method (Note 13)	9,185	-	11,583	-	8,063	-
1600	Property, plant and equipment (Note 14)	20,197,794	8	22,567,706	9	35,987,473	15
1755	Right-of-use assets (Note 15)	1,197,480	1	1,245,224	-	1,954,474	1
1760	Investment properties (Note 16)	475,642	-	500,299	-	507,048	-
1780	Intangible assets (Note 17)	48,354	-	38,004	-	76,289	-
1840	Deferred income tax assets (Note 4)	4,327,659	2	4,346,647	2	6,408,719	3
1990	Other non-current assets (Note 18)	104,779	-	78,096	-	152,566	-
15XX	Total non-current assets	<u>49,244,739</u>	<u>20</u>	<u>54,025,845</u>	<u>21</u>	<u>45,619,373</u>	<u>19</u>
1XXX	Total Assets	<u>\$ 249,500,830</u>	<u>100</u>	<u>\$ 255,903,195</u>	<u>100</u>	<u>\$ 241,950,634</u>	<u>100</u>
	Liabilities and Equity						
	Current liabilities						
2100	Short-term loans (Note 19)	\$ 71,798,726	29	\$ 70,465,726	27	\$ 72,120,869	30
2130	Contract liabilities - current (Note 24)	52,105	-	12,545	-	43,467	-
2150	Notes payable (Note 20)	-	-	-	-	3,431	-
2170	Accounts payable (Note 20)	3,626,035	1	7,691,968	3	7,362,701	3
2200	Other payables (Note 21)	5,801,790	2	6,924,658	3	7,227,870	3
2216	Dividends payable	9,139,417	4	-	-	7,616,181	3
2230	Income tax payable (Note 4)	867,199	-	3,997,201	2	1,528,848	1
2280	Lease liabilities - current (Note 15)	10,076	-	17,584	-	12,514	-
2300	Other current liabilities (Note 21)	2,138,826	1	2,352,993	1	991,320	-
21XX	Total current liabilities	<u>93,434,174</u>	<u>37</u>	<u>91,462,675</u>	<u>36</u>	<u>96,907,201</u>	<u>40</u>
	Non-current liabilities						
2570	Deferred income tax liabilities (Note 4)	6,692,618	3	6,197,748	2	1,712,727	1
2580	Lease liabilities - non-current (Note 15)	125,253	-	142,925	-	138,464	-
2640	Net defined benefit liabilities - non-current (Note 4)	6,571	-	6,558	-	6,556	-
2670	Other non-current liabilities (Note 21)	21,321	-	21,687	-	21,802	-
25XX	Total non-current liabilities	<u>6,845,763</u>	<u>3</u>	<u>6,368,918</u>	<u>2</u>	<u>1,879,549</u>	<u>1</u>
2XXX	Total liabilities	<u>100,279,937</u>	<u>40</u>	<u>97,831,593</u>	<u>38</u>	<u>98,786,750</u>	<u>41</u>
	Equity Attributable to Shareholders of the Parent (Note 23)						
	Share capital						
3110	Common stock	7,616,181	3	7,616,181	3	7,616,181	3
3200	Capital surplus	20,008,824	8	20,008,231	8	20,008,232	8
	Retained earnings						
3310	Legal reserve	21,497,294	9	19,532,131	8	19,532,131	8
3320	Special reserve	14,394,310	6	12,188,506	5	12,188,506	5
3350	Unappropriated retained earnings	102,908,473	41	113,024,326	44	98,583,098	41
3300	Total retained earnings	138,800,077	56	144,744,963	57	130,303,735	54
3400	Other equity interest	(17,316,245)	(7)	(14,394,310)	(6)	(14,901,172)	(6)
31XX	Total equity attributable to shareholder of the parent	149,108,837	60	157,975,065	62	143,026,976	59
36XX	Non-controlling interests	112,056	-	96,537	-	136,908	-
3XXX	Total Equity	<u>149,220,893</u>	<u>60</u>	<u>158,071,602</u>	<u>62</u>	<u>143,163,884</u>	<u>59</u>
	Total Liabilities and Equity	<u>\$ 249,500,830</u>	<u>100</u>	<u>\$ 255,903,195</u>	<u>100</u>	<u>\$ 241,950,634</u>	<u>100</u>

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

(Please refer to the review report issued by Deloitte & Touche in August 6, 2021)

Catcher Technology Co., Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income
For the six-month periods ended June 30, 2021 and 2020
(Reviewed, not audited)

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

Code		For the Three Months Ended				For the Six Months Ended			
		2021		2020		2021		2020	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating Income, Net (Notes 15 and 24)	\$ 10,401,910	100	\$ 22,538,006	100	\$ 23,031,288	100	\$ 40,154,380	100
5000	Operating Costs (Notes 11 and 25)	<u>7,057,898</u>	<u>68</u>	<u>17,372,674</u>	<u>77</u>	<u>15,667,913</u>	<u>68</u>	<u>30,698,252</u>	<u>76</u>
5900	Gross profit	<u>3,344,012</u>	<u>32</u>	<u>5,165,332</u>	<u>23</u>	<u>7,363,375</u>	<u>32</u>	<u>9,456,128</u>	<u>24</u>
	Operating Expenses (Note 25)								
6100	Selling expenses	94,687	1	131,370	1	205,101	1	233,806	1
6200	General and administrative expenses	704,111	6	1,080,066	5	1,456,587	6	2,048,932	5
6300	Research and development expenses	<u>425,553</u>	<u>4</u>	<u>570,380</u>	<u>2</u>	<u>778,662</u>	<u>4</u>	<u>955,668</u>	<u>2</u>
6000	Total operating expenses	<u>1,224,351</u>	<u>11</u>	<u>1,781,816</u>	<u>8</u>	<u>2,440,350</u>	<u>11</u>	<u>3,238,406</u>	<u>8</u>
6900	Profit From Operations	<u>2,119,661</u>	<u>21</u>	<u>3,383,516</u>	<u>15</u>	<u>4,923,025</u>	<u>21</u>	<u>6,217,722</u>	<u>16</u>
	Non-operating Income and Expenses (Notes 13 and 25)								
7100	Interest income	199,597	2	677,507	3	407,357	2	1,435,614	4
7190	Other income	1,513,569	15	1,670,771	7	1,784,275	8	2,969,593	7
7230	Foreign exchange losses, net	(2,146,680)	(21)	(1,083,440)	(5)	(1,840,093)	(8)	(354,144)	(1)
7590	Other gains and losses, net	46,946	-	119,626	1	129,046	-	56,057	-
7510	Interest expense	(115,939)	(1)	(151,803)	(1)	(229,287)	(1)	(326,843)	(1)
7060	Share of loss of associates accounted for under the equity method	(<u>496</u>)	<u>-</u>	(<u>1,073</u>)	<u>-</u>	(<u>2,398</u>)	<u>-</u>	(<u>4,232</u>)	<u>-</u>
7000	Total non-operating income and expenses	(<u>503,003</u>)	(<u>5</u>)	<u>1,231,588</u>	<u>5</u>	<u>248,900</u>	<u>1</u>	<u>3,776,045</u>	<u>9</u>
7900	Profit Before Income Tax	1,616,658	16	4,615,104	20	5,171,925	22	9,993,767	25
7950	Income Tax Expense (Notes 4 and 26)	<u>927,839</u>	<u>9</u>	<u>1,840,526</u>	<u>8</u>	<u>1,960,546</u>	<u>8</u>	<u>3,290,532</u>	<u>8</u>
8200	Net Profit for the Period	<u>688,819</u>	<u>7</u>	<u>2,774,578</u>	<u>12</u>	<u>3,211,379</u>	<u>14</u>	<u>6,703,235</u>	<u>17</u>
	Other Comprehensive Income (Loss) (Note 23)								
8310	Items that will not be reclassified to profit or loss:								
8316	Unrealized gains and losses on investments in equity instruments at fair value through other comprehensive income	(37,433)	(1)	(16,734)	-	(50,028)	-	(15,074)	-
8360	Items that may be reclassified subsequently to profit or loss:								
8361	Exchange differences on translating the financial statements of foreign operations	(<u>2,838,009</u>)	(<u>27</u>)	(<u>2,963,900</u>)	(<u>13</u>)	(<u>2,873,236</u>)	(<u>13</u>)	(<u>2,701,121</u>)	(<u>7</u>)
8300	Other comprehensive loss for the period, net of income tax	(<u>2,875,442</u>)	(<u>28</u>)	(<u>2,980,634</u>)	(<u>13</u>)	(<u>2,923,264</u>)	(<u>13</u>)	(<u>2,716,195</u>)	(<u>7</u>)
8500	Total Comprehensive Income (Loss) for the Period	(<u>\$ 2,186,623</u>)	(<u>21</u>)	(<u>\$ 206,056</u>)	(<u>1</u>)	<u>\$ 288,115</u>	<u>1</u>	<u>\$ 3,987,040</u>	<u>10</u>
	Net Income Attributable to:								
8610	Shareholders of the parent	\$ 681,429	7	\$ 2,765,929	12	\$ 3,194,531	14	\$ 6,688,592	17
8620	Non-controlling interests	<u>7,390</u>	<u>-</u>	<u>8,649</u>	<u>-</u>	<u>16,848</u>	<u>-</u>	<u>14,643</u>	<u>-</u>
8600		<u>\$ 688,819</u>	<u>7</u>	<u>\$ 2,774,578</u>	<u>12</u>	<u>\$ 3,211,379</u>	<u>14</u>	<u>\$ 6,703,235</u>	<u>17</u>
	Total Comprehensive Income (Loss) Attributable to:								
8710	Shareholders of the parent	(\$ 2,193,252)	(21)	(\$ 212,161)	(1)	\$ 272,596	1	\$ 3,975,926	10
8720	Non-controlling interests	<u>6,629</u>	<u>-</u>	<u>6,105</u>	<u>-</u>	<u>15,519</u>	<u>-</u>	<u>11,114</u>	<u>-</u>
8700		(<u>\$ 2,186,623</u>)	(<u>21</u>)	(<u>\$ 206,056</u>)	(<u>1</u>)	<u>\$ 288,115</u>	<u>1</u>	<u>\$ 3,987,040</u>	<u>10</u>
	Earnings Per Share (Note 27)								
9710	Basic earnings per share	\$ 0.89		\$ 3.63		\$ 4.19		\$ 8.72	
9810	Diluted earnings per share	0.89		3.62		4.17		8.68	

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

(Please refer to the review report issued by Deloitte & Touche in August 6, 2021)

Catcher Technology Co., Ltd. and Subsidiaries
Consolidated Statements of Changes in Equity
For the six-month periods ended June 30, 2021 and 2020
(Reviewed, not audited)

(In Thousands of New Taiwan Dollars)

		Equity Attributable to Shareholders of the Parent											
		Retained earnings					Other equity		Total Other Equity	Treasury stock	Total	Non-controlling interests	Total Equity
Code		Share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translating the financial statements of foreign operations	Unrealized valuation loss on financial assets at fair value through other comprehensive Income					
A1	Balance at 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
	Appropriation of 2020 earnings (Note 23)												
B1	Legal reserve	-	-	1,965,163	-	(1,965,163)	-	-	-	-	-	-	-
B3	Special reserve	-	-	-	2,205,804	(2,205,804)	-	-	-	-	-	-	-
B5	Cash Dividends to Shareholders - 120%	-	-	-	-	(9,139,417)	-	-	-	-	(9,139,417)	-	(9,139,417)
C17	Dividends that are not collected before the designated date	-	593	-	-	-	-	-	-	-	593	-	593
D1	Net Profit for the Six Months Ended June 30, 2021	-	-	-	-	3,194,531	-	-	-	-	3,194,531	16,848	3,211,379
D3	Other Comprehensive Income (loss) for the Six Months Ended June 30, 2021, net of Income Tax	-	-	-	-	-	(2,871,907)	(50,028)	(2,921,935)	-	(2,921,935)	(1,329)	(2,923,264)
D5	Total Comprehensive Income (loss) for the Six Months Ended June 30, 2021	-	-	-	-	3,194,531	(2,871,907)	(50,028)	(2,921,935)	-	272,596	15,519	288,115
Z1	Balance at June 30, 2021	<u>\$ 7,616,181</u>	<u>\$ 20,008,824</u>	<u>\$ 21,497,294</u>	<u>\$ 14,394,310</u>	<u>\$ 102,908,473</u>	<u>(\$ 17,198,381)</u>	<u>(\$ 117,864)</u>	<u>(\$ 17,316,245)</u>	<u>\$ -</u>	<u>\$ 149,108,837</u>	<u>\$ 112,056</u>	<u>\$ 149,220,893</u>
A1	Balance at January 1, 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
	Appropriation of 2019 earnings (Note 23)												
B1	Legal reserve	-	-	1,127,212	-	(1,127,212)	-	-	-	-	-	-	-
B3	Special reserve	-	-	-	4,778,189	(4,778,189)	-	-	-	-	-	-	-
B5	Cash Dividends to Shareholders - 100%	-	-	-	-	(7,616,181)	-	-	-	-	(7,616,181)	-	(7,616,181)
C17	Dividends that are not collected before the designated date	-	908	-	-	-	-	-	-	-	908	-	908
D1	Net Profit for the Six Months Ended June 30, 2020	-	-	-	-	6,688,592	-	-	-	-	6,688,592	14,643	6,703,235
D3	Other Comprehensive Income (loss) for the Six Months Ended June 30, 2020, net of Income Tax	-	-	-	-	-	(2,697,592)	(15,074)	(2,712,666)	-	(2,712,666)	(3,529)	(2,716,195)
D5	Total comprehensive income (loss) for the six months ended June 30, 2020	-	-	-	-	6,688,592	(2,697,592)	(15,074)	(2,712,666)	-	3,975,926	11,114	3,987,040
L1	Treasury Shares Acquired (Note 23)	-	-	-	-	-	-	-	-	(1,796,390)	(1,796,390)	-	(1,796,390)
L3	Treasury Shares retired (Note 23)	(87,730)	(230,467)	-	-	(1,478,193)	-	-	-	1,796,390	-	-	-
Z1	Balance at June 30, 2020	<u>\$ 7,616,181</u>	<u>\$ 20,008,232</u>	<u>\$ 19,532,131</u>	<u>\$ 12,188,506</u>	<u>\$ 98,583,098</u>	<u>(\$ 14,846,240)</u>	<u>(\$ 54,932)</u>	<u>(\$ 14,901,172)</u>	<u>\$ -</u>	<u>\$ 143,026,976</u>	<u>\$ 136,908</u>	<u>\$ 143,163,884</u>

The accompanying notes are an integral part of the Consolidated Financial Statements.
(Please refer to the review report issued by Deloitte & Touche in August 6, 2021)

Catcher Technology Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
For the six-month periods ended June 30, 2021 and 2020
(Reviewed, not audited)

(In Thousands of New Taiwan Dollars)

Code		2021	2020
	Cash Flows from Operating Activities		
A10000	Profit before income tax	\$ 5,171,925	\$ 9,993,767
A20010	Adjustments for:		
A20100	Depreciation expense	2,704,237	5,462,244
A20200	Amortization expense	26,697	34,596
A20400	Loss (gain) on financial assets at fair value through profit or loss	(125,068)	7,696
A20900	Interest expense	229,287	326,843
A21200	Interest income	(407,357)	(1,435,614)
A22300	Share of loss of associates accounted for under the equity method	2,398	4,232
A22500	Gain on disposal of property, plant and equipment	(206,208)	(40,714)
A22700	Loss on disposal of investment properties	-	22
A23700	Provision for loss on inventories	-	794,620
A24100	Unrealized foreign exchange	264,752	(654,134)
	Loss (gain) on changes in operating assets and liabilities		
A31130	Notes receivable	21	-
A31150	Accounts receivable	2,536,176	4,237,522
A31180	Other receivables	(18,337)	15,387
A31200	Inventories	2,432,944	4,000,324
A31240	Other current assets	159,920	478,310
A32125	Contract liabilities	39,560	17,853
A32130	Notes payable	-	(20,393)
A32150	Accounts payable	(4,039,292)	(3,635,429)
A32180	Other payables	(1,095,673)	(1,575,991)
A32230	Other current liabilities	(226,726)	(385,796)
A32240	Defined benefit liabilities, net	13	(2)
A32990	Other non-current liabilities	(10)	(10)
A33000	Cash generated from operations	7,449,259	17,625,333
A33500	Income tax paid	(4,557,103)	(2,710,288)
AAAA	Net cash generated from operating activities	<u>2,892,156</u>	<u>14,915,045</u>
	Cash Flows from Investing Activities		
B00010	Acquisitions of financial assets at fair value through other comprehensive income	(185,416)	-

(Continued on the next page)

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Code		2021	2020
B00040	Acquisition of financial assets at amortized cost	(\$ 362,221,542)	(\$ 189,774,720)
B00050	Disposal of financial assets at amortized cost	280,282,917	225,739,088
B00100	Acquisition of financial assets at fair value through profit or loss	(5,753,206)	(414)
B00200	Proceeds from disposal of financial assets at fair value through profit or loss	465,713	-
B02700	Acquisition of property, plant and equipment	(568,273)	(712,245)
B02800	Proceeds from disposal of property, plant, and equipment	222,047	41,682
B03700	Increase in refundable deposits	(43,828)	(16,700)
B03800	Decrease in refundable deposits	33,610	43
B04500	Acquisition of intangible assets	(28,590)	(7,649)
B05400	Acquisition of investment properties	(410)	(641)
B07500	Interest received	<u>344,068</u>	<u>1,757,471</u>
BBBB	Net cash generated from (used in) investing activities	(<u>87,452,910</u>)	<u>37,025,915</u>
Cash Flows from Financing Activities			
C00100	Increase in short-term loans	155,264,726	165,293,454
C00200	Decrease in short-term loans	(153,931,726)	(163,435,408)
C03000	Increase in guarantee deposits received	13,481	6,865
C03100	Decrease in guarantee deposits received	(835)	(4,797)
C04020	Repayment of principal portion of lease liabilities	(11,544)	(52,455)
C04900	Treasury shares acquired	-	(1,796,390)
C05600	Interest paid	(229,025)	(363,291)
C09900	Return of dividends that are not collected before the designated date	<u>593</u>	<u>908</u>
CCCC	Net cash generated from (used in) financing activities	<u>1,105,670</u>	(<u>351,114</u>)
DDDD	Effect of Exchange Rate Changes on Cash and Cash Equivalents	(<u>952,252</u>)	(<u>1,253,340</u>)
EEEE	Increase (decrease) in Cash and Cash Equivalents, Net	(84,407,336)	50,336,506
E00100	Cash and Cash Equivalents, beginning of Period	<u>111,882,981</u>	<u>69,017,246</u>
E00200	Cash and Cash Equivalents, ended of Period	<u>\$ 27,475,645</u>	<u>\$ 119,353,752</u>

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

(Please refer to the review report issued by Deloitte & Touche in August 6, 2021)

Catcher Technology Co., Ltd. and Subsidiaries
Notes to Consolidated Financial Statements
January 1 to June 30, 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 Common stocks 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. The Authorization of the Financial Statements

The consolidated financial statements were published after being approved by the Company’s Board of Directors on August 6, 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 endorsed and issued into effect by the FSC beginning 2022

<u>New/Revised/Amended Standards and Interpretations</u>	<u>Effective Date of Issuance by the IASB</u>
"Annual Improvements to IFRSs 2018-2020 Cycle"	January 1, 2022 (Note 1)
Amendment to IFRS 3 "Reference to the Conceptual Framework"	January 1, 2022 (Note 2)
Amendments to IAS 16 "Property, Plant and Equipment – Proceeds before Intended Use"	January 1, 2022 (Note 3)
Amendments to IAS 37 "Onerous Contracts– Cost of Fulfilling a Contract"	January 1, 2022 (Note 4)

Note 1. 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 2. This amendment applies to the business combination that starts on the acquisition date after January 1, 2022 during the annual report period.

Note 3. 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 4. This amendment applies to contracts with all obligations outstanding at January 1, 2022.

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.

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

New/Revised/Amended Standards and Interpretations	Effective Date of Issuance by the IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture"	To be determined
IFRS17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2023
Amendments to IAS 1 "Disclosure of Accounting Policies"	January 1, 2023 (Note 2)
Amendment to IAS 8 "Definition of Accounting Estimates"	January 1, 2023 (Note 3)
Amendment to IAS 12 "Deferred income Tax Related to Assets and Liabilities Arising from a Single Transaction"	January 1, 2023 (Note 4)

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. This amendment prospectively applies to annual reporting periods after January 1, 2023.

Note 3. This amendment applies to changes in accounting estimates and changes in accounting policies that

occur in annual reporting periods after January 1, 2023.

Note 4: Except for the temporary discrepancy in deferred income tax caused by the recognition of leases and the decommission obligations on January 1, 2022, the amendment is applicable to transactions that occur after January 1, 2022.

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 shareholders of the parent 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 shareholders of the parent.

Please refer to Note 12 and Tables 8 and 9 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 expense is 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. Critical Accounting Judgments and Key Sources of Estimation and Uncertainty

Please refer to the "Critical Accounting Judgments and Key Sources of Estimation and Uncertainty" section of the 2020 Consolidated Financial Statements.

6. Cash and Cash Equivalents

	June 30, 2021	December 31, 2020	June 30, 2020
Cash on Hand and Petty Cash	\$ 3,013	\$ 3,330	\$ 4,766
Bank Call Deposit	12,704,227	34,838,700	4,343,143
Cash Equivalents (Investments with Original Maturity Date within 3 Months)			
Bank time deposit	14,379,429	76,439,595	114,523,434
Bonds with repurchase agreement	388,976	601,356	482,409
	<u>\$ 27,475,645</u>	<u>\$111,882,981</u>	<u>\$119,353,752</u>

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

	June 30, 2021	December 31, 2020	June 30, 2020
Bank time deposit	0.14%~2.67%	0.11%~3%	0.04%~1.92%
Bonds with repurchase agreement	1%	1.05%~1.1%	2%~2.3%

7. Financial Instruments at Fair Value through Profit or Loss

	June 30, 2021	December 31, 2020	June 30, 2020
<u>Financial Assets - Current</u>			
Mandatorily Measured at Fair Value Through Profit or Loss			
Non-derivative Financial Assets			
- Fund Beneficiary Certificate	\$3,895,490	\$ -	\$ -
- Domestically Listed Stocks	1,346,520	349,801	317,098
	<u>\$5,242,010</u>	<u>\$ 349,801</u>	<u>\$ 317,098</u>
<u>Financial Assets - Non-current</u>			
Mandatorily Measured at Fair Value Through Profit or Loss			
Non-derivative Financial Assets			
- Private Fund	\$ 328,261	\$ -	\$ -
- Limited Partnership	100,000	\$ -	\$ -
- Simple Agreement for Future Equity (SAFE)	75,222	-	-
	<u>\$ 503,483</u>	<u>\$ -</u>	<u>\$ -</u>

8. Financial assets at fair value through other comprehensive income

Investments in equity instruments

	June 30, 2021	December 31, 2020	June 30, 2020
<u>Current</u>			
Domestically Listed Stocks	<u>\$ 73,567</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Non-current</u>			
Unlisted stocks	\$ 33,900	\$ 84,180	\$ 90,375
Limited Partnership	698,156	568,700	432,552
	<u>\$ 732,056</u>	<u>\$ 652,880</u>	<u>\$ 522,927</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

	June 30, 2021	December 31, 2020	June 30, 2020
<u>Current</u>			
Domestic Investment			
Time deposits with original maturity over 3 months (I)	\$148,058,256	\$ 65,314,334	\$ 46,644,177
Bonds with repurchase agreement (I)	202,289	-	137,534
Refundable deposits	29,442	19,555	25,998
	<u>\$148,289,987</u>	<u>\$ 65,333,889</u>	<u>\$ 46,807,709</u>
<u>Non-current</u>			
Domestic Investment			
Restricted bank time deposits (I, II)	\$ 21,390,585	\$ 24,321,980	\$ -
Time deposits with original maturity over 1 year (I)	255,852	261,556	-
Refundable deposits	1,870	1,870	1,814
	<u>\$ 21,648,307</u>	<u>\$ 24,585,406</u>	<u>\$ 1,814</u>

a. Interest rate intervals of time deposits and bonds with repurchase agreement on the balance sheet date

	June 30, 2021	December 31, 2020	December 31, 2020
Time deposit	0.15%~2.82%	0.28%~2.22%	0.45%~2.23%
Bonds with repurchase agreement	1%	-	2.1%~2.5%

- b. Restricted deposits are time deposits and tender deposits for 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

	June 30, 2021	December 31, 2020	June 30, 2020
<u>Notes receivable</u>			
Measured at Amortized Cost			
Total carrying amount	\$ -	\$ 21	\$ -
Notes Receivable - Operating	\$ -	\$ 21	\$ -
<u>Accounts receivable</u>			
Measured at Amortized Cost			
Total carrying amount	\$ 14,692,144	\$ 17,374,684	\$ 19,323,670
Less: loss allowance	(57,183)	(57,183)	(57,183)
	<u>\$ 14,634,961</u>	<u>\$ 17,317,501</u>	<u>\$ 19,266,487</u>
Other receivables	<u>\$ 406,624</u>	<u>\$ 306,029</u>	<u>\$ 322,439</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:

June 30, 2021

	Not past due	1 to 60 days past due	Total
Expected Credit Loss Rate	0%~0.497%	0%~2.733%	
Total carrying amount	\$11,394,185	\$3,297,959	\$14,692,144
Allowance for Loss (Expected Credit Losses during the Period)	(56,591)	(592)	(57,183)
Amortized Cost	<u>\$11,337,594</u>	<u>\$3,297,367</u>	<u>\$14,634,961</u>

December 31, 2020

	Not past due	1 to 60 days past due	61 to 120 days past due	Total
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>

June 30, 2020

	Not past due	1 to 60 days past due	61 to 120 days past due	151 to 180 days past due	Total
Expected Credit Loss Rate	0%~0.323%	0%~2.346%	0%~9.936%	0%~4.348%	
Total carrying amount	\$17,664,912	\$ 1,658,251	\$ 267	\$ 240	\$19,323,670
Allowance for Loss (Expected Credit Losses during the Period)	(57,012)	(171)	-	-	(57,183)
Amortized Cost	<u>\$17,607,900</u>	<u>\$ 1,658,080</u>	<u>\$ 267</u>	<u>\$ 240</u>	<u>\$19,266,487</u>

No change occurred in loss allowances for receivables from January 1 to June 30, 2021 and 2020.

c. Other receivables

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

11. Inventories

	June 30, 2021	December 31, 2020	June 30, 2020
Commodities	\$ 11,160	\$ 44,250	\$ 47,585
Finished Product	2,268,770	4,333,700	4,156,089
Work in Process and Semi-finished Products	1,064,448	1,279,262	4,077,927
Raw Materials	275,488	346,595	888,452
	<u>\$ 3,619,866</u>	<u>\$ 6,003,807</u>	<u>\$ 9,170,053</u>

The nature of cost of goods sold is as follows:

	April 1 to June 30, 2021	April 1 to June 30, 2020	January 1 to June 30, 2021	January 1 to June 30, 2020
Cost of Inventories Sold	\$ 7,163,195	\$ 16,599,862	\$ 15,851,288	\$ 29,920,784
Loss from inventory devaluation	-	794,620	-	794,620
Others	(105,297)	(21,808)	(183,375)	(17,152)
	<u>\$ 7,057,898</u>	<u>\$ 17,372,674</u>	<u>\$ 15,667,913</u>	<u>\$ 30,698,252</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
			June 30, 2021	December 31, 2020	June 30, 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
	Castmate International Co., Ltd.	Cygnus International Co., Ltd.	General investment	100	100	100
Cygnus International Co., Ltd.	Meecca Technology (Suzhou Industrial Park) Co., Ltd.	Production, sales and development of alloys	100	100	100	
Stella International Co., Ltd.	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 for the 2020 consolidated financial statements of the Company.

13. Investments Accounted for Under the equity method

	June 30, 2021	December 31, 2020	June 30, 2020
<u>Investments in Associates</u>			
Individually insignificant associates	\$ 9,185	\$ 11,583	\$ 8,063

Information on individually insignificant associates is as follows:

	April 1 to June 30, 2021	April 1 to June 30, 2020	January 1 to June 30, 2021	January 1 to June 30, 2020
Share of the Group				
Net loss and total comprehensive income of the period	(\$ 496)	(\$ 1,073)	(\$ 2,398)	(\$ 4,232)

As of June 30, 2021, investments, the profit or loss and the comprehensive income of the share held by the Group from April 1 to June 30 and January 1 to June 30, 2021 accounted for under the equity method are calculated based on the financial report was no reviewed by CPAs. However, the management of the Group believes that fact that the above-mentioned investees' financial reports have not been reviewed by CPAs will not have a significant impact.

14. Property, Plant, and Equipment

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

Please refer to Table 11 for the Group's changes in property, plant and equipment from January 1 to June 30, 2021 and 2020.

No reversal of impairment loss was recognized from January 1 to June 30, 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

		June 30, 2021	December 31, 2020	June 30, 2020
Carrying Amount of Right-of-use Assets				
Land		\$ 1,185,230	\$ 1,225,208	\$ 1,941,730
Buildings		<u>12,250</u>	<u>20,016</u>	<u>12,744</u>
		<u>\$ 1,197,480</u>	<u>\$ 1,245,224</u>	<u>\$ 1,954,474</u>
		April 1 to June 30, 2021	April 1 to June 30, 2020	January 1 to June 30, 2021
Increase of Right-of-use Assets		<u>\$ -</u>	<u>\$ 42,777</u>	<u>\$ -</u>
Depreciation Expense on Right-of-use Assets				<u>\$ 42,777</u>
Land		\$ 7,699	\$ 11,780	\$ 15,570
Building		<u>3,093</u>	<u>2,048</u>	<u>6,193</u>
		<u>\$ 10,972</u>	<u>\$ 13,828</u>	<u>\$ 21,763</u>
Sublease Income of Right-to-use Asset (Recognized in Operating Income)		<u>\$ 556</u>	<u>\$ 556</u>	<u>\$ 1,112</u>
				<u>\$ 1,112</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 at January 1 to June 30, 2021 and 2020.

b. Lease liabilities

	June 30, 2021	December 31, 2020	June 30, 2020
Carrying Amount of Lease Liabilities			
Current	\$ 10,076	\$ 17,584	\$ 12,514
Non-current	\$ 125,253	\$ 142,925	\$ 138,464

Range of discount rate for lease liabilities was as follows:

	June 30, 2021	December 31, 2020	June 30, 2020
Land	0.71%	0.71%	0.71%
Buildings	0.71% & 4.9%	0.71% & 4.9%	0.71% & 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:

	June 30, 2021	December 31, 2020	June 30, 2020
Year 1	<u>\$ 556</u>	<u>\$ 1,669</u>	<u>\$ 556</u>

e. Other lease information

	April 1 to June 30, 2021	April 1 to June 30, 2020	January 1 to June 30, 2021	January 1 to June 30, 2020
Short-term Lease Expenses	<u>\$ 1,037</u>	<u>\$ 1,676</u>	<u>\$ 2,343</u>	<u>\$ 2,360</u>
Expenses Relating to Low-value Asset Leases	<u>\$ 216</u>	<u>\$ 397</u>	<u>\$ 455</u>	<u>\$ 801</u>
Expenses Relating to Variable Lease Payments Not Included in the Measurement of Lease Liabilities	<u>\$ 8,042</u>	<u>\$ 6,021</u>	<u>\$ 14,126</u>	<u>\$ 15,527</u>
Total Cash Flows on Lease			<u>\$ 30,905</u>	<u>\$ 82,554</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 at January 1, 2021	\$ 203,363	\$ 900,329	\$ 1,103,692
Addition	-	410	410
Net exchange difference	-	(8,914)	(8,914)
Balance at June 30, 2021	<u>\$ 203,363</u>	<u>\$ 891,825</u>	<u>\$ 1,095,188</u>
<u>Accumulated Depreciation</u>			
Balance at January 1, 2021	\$ -	\$ 603,393	\$ 603,393
Depreciation expense	-	21,982	21,982
Net exchange difference	-	(5,829)	(5,829)
Balance at June 30, 2020	<u>\$ -</u>	<u>\$ 619,546</u>	<u>\$ 619,546</u>
Net amount at January 1, 2021	<u>\$ 203,363</u>	<u>\$ 296,936</u>	<u>\$ 500,299</u>
Net amount at June 30, 2021	<u>\$ 203,363</u>	<u>\$ 272,279</u>	<u>\$ 475,642</u>
<u>Cost</u>			
Balance at January 1, 2020	\$ 203,363	\$ 893,370	\$ 1,096,733
Addition	-	641	641
Disposal	-	(157)	(157)
Net exchange difference	-	(19,159)	(19,159)
Balance at June 30, 2020	<u>\$ 203,363</u>	<u>\$ 874,695</u>	<u>\$ 1,078,058</u>
	Land	Buildings	Total
<u>Accumulated Depreciation</u>			
Balance at January 1, 2020	\$ -	\$ 560,885	\$ 560,885
Disposal	-	(135)	(135)

Depreciation expense	-	21,778	21,778
Net exchange difference	-	(11,518)	(11,518)
Balance at June 30, 2020	<u>\$ -</u>	<u>\$ 571,010</u>	<u>\$ 571,010</u>

Net amount at June 30, 2020	<u>\$ 203,363</u>	<u>\$ 303,685</u>	<u>\$ 507,048</u>
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Investment property is depreciated on a straight-line basis over the following useful lives:

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

The 2021 COVID-19 pandemic had a significant effect on the market, the Group agreed to unconditionally postpone rent on part of the leases between the period from June 5 to December 5, 2021 to June 5, 2022.

The fair values of investment properties were \$2,334,976 thousand and \$1,926,116 thousand at December 31, 2020 and 2019. As evaluated by the management of the Group, there was no significant change in fair value at June 30, 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:

	June 30, 2021	December 31, 2020	June 30, 2020
Year 1	\$ 63,174	\$ 63,166	\$ 62,630
Year 2	37,709	58,889	59,553
Year 3	7,560	13,309	35,757
Year 4	7,560	7,560	7,560
Year 5	7,560	7,560	7,560
Over 5 years	<u>5,345</u>	<u>9,135</u>	<u>12,915</u>
	<u>\$ 128,908</u>	<u>\$ 159,619</u>	<u>\$ 185,975</u>

17. Intangible Assets

	June 30, 2021	December 31, 2020	June 30, 2020
Computer Software	\$ 48,354	\$ 38,004	\$ 67,299
Emission license	-	-	8,990
	<u>\$ 48,354</u>	<u>\$ 38,004</u>	<u>\$ 76,289</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 June 30, 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

	June 30, 2021	December 31, 2020	June 30, 2020
<u>Current</u>			
Prepayment	\$ 191,230	\$ 202,579	\$ 221,824
Supplies Inventories	156,678	114,465	139,684
Tax Overpaid Retained for Offsetting the Future Tax Payable	75,302	271,331	652,651
Others	1,535	4,628	10,961
	<u>\$ 424,745</u>	<u>\$ 593,003</u>	<u>\$ 1,025,120</u>
<u>Non-current</u>			
Prepayments for Equipment	\$ 104,591	\$ 77,196	\$ 151,751
Others	188	900	815
	<u>\$ 104,779</u>	<u>\$ 78,096</u>	<u>\$ 152,566</u>

19. Short-term Borrowings

	June 30, 2021	December 31, 2020	June 30, 2020
<u>Unsecured Loans</u>			
Bank Credit Borrowings	<u>\$71,798,726</u>	<u>\$70,465,726</u>	<u>\$72,120,869</u>

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

	June 30, 2021	December 31, 2020	June 30, 2020
Bank Credit Borrowings	0.59%~0.88%	0.59%~0.87%	0.59%~1.92%

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 term

21. Other Liabilities

	June 30, 2021	December 31, 2020	June 30, 2020
<u>Current</u>			
Other payables			
Employee compensation payable	\$ 2,841,488	\$ 3,149,338	\$ 3,165,433
Salaries and bonuses payable	1,155,004	1,641,648	1,868,195
Technical service fees payable	480,714	424,678	492,335
Supplies Inventories payable	140,532	179,285	178,190
Vacation payable	136,048	126,473	149,448
Utility payable	95,715	75,349	169,115
Tax payable	91,470	115,567	110,553
Heavy charges payable	90,364	90,364	90,364
Equipment payable	75,616	138,474	256,968
Meals payable	50,448	44,041	98,490
Maintenance costs payable	44,892	46,116	86,366
Warehousing and transportation			
fees payable	41,590	88,228	80,674
Labor costs payable	40,462	313,657	17,766
Interest payable	11,410	12,451	31,127
Others	506,037	478,989	432,846
	<u>\$ 5,801,790</u>	<u>\$ 6,924,658</u>	<u>\$ 7,227,870</u>
Other Liabilities			
Other prepayment	\$ 1,507,751	\$ 1,690,202	\$ 103,740
Deferred revenue	588,347	606,496	834,876
Guarantee deposits received	26,239	13,680	26,101
Value-added tax payable	8,681	20,183	6,557
Others	7,808	22,432	20,046
	<u>\$ 2,138,826</u>	<u>\$ 2,352,993</u>	<u>\$ 991,320</u>

Non-current

Other Liabilities

Guarantee deposits received	\$ 21,321	\$ 21,677	\$ 21,792
Others	<u>-</u>	<u>10</u>	<u>10</u>
	<u>\$ 21,321</u>	<u>\$ 21,687</u>	<u>\$ 21,802</u>

22. Retirement Benefit Plan

The pension expenses related to the defined benefit plan recognized from April 1 to June 30, 2021 and 2020 and January 1 to June 30, 2021 and 2020, are calculated based on the pension cost rate determined on December 31, 2020 and 2019, and the amounts were NT\$548 thousand, NT\$499 thousand, NT\$1,033 thousand and NT\$999 thousand, respectively.

23. Equity

a. Share capital

1) Common stock

	<u>June 30, 2021</u>	<u>December 31, 2020</u>	<u>June 30, 2020</u>
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>761,618</u>
Share Capital Issued	<u>\$ 7,616,181</u>	<u>\$ 7,616,181</u>	<u>\$ 7,616,181</u>

The holders of issued common stock 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 Depositary Receipts (GDRs, each of which was US\$32.84 and represented 5 common stocks of the Company. A total of 33,500 thousand shares were issued.

According to the regulations of the competent authority, holders of depository receipts may request for redemption and circulation in the domestic securities exchange market. In addition, foreign investors may request reissue of depository receipts within the scope of the original issuance limit. As of June 30, 2021 and December 31 and June 30, 2020, there were 464 thousand units, 805 thousand units and 865 thousand units of outstanding GDRs, equivalent to 2,319 thousand, 4,024 thousand and 4,324 thousand common stocks, respectively.

b. Capital surplus

	June 30, 2021	December 31, 2020	June 30, 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	\$ 7,229,828
Premium on Conversion of Corporate Bonds	12,775,052	12,775,052	12,775,052
<u>May Only Be Used to Offset Deficits</u>			
Dividends that are not collected before the designated date	3,944	3,351	3,352
	<u>\$ 20,008,824</u>	<u>\$ 20,008,231</u>	<u>\$ 20,008,232</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 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.

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 to shareholders 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:

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

The above cash dividend distribution was approved by the Board of Directors on April 20, 2021 and May 18, 2020. The 2019 earnings distribution was approved by the shareholders' meeting on June 30, 2020. In response to the "Related Measures for the Postponement of the Shareholders' Meeting of Public Companies Due to the Pandemic" announced by the FSC, the Group postponed the original shareholders' meeting to August 27, 2021. However, the votes casted through electronic voting regarding the 2020 earnings distribution items have reached the statutory threshold, and the Group had treated it as a change in accounting estimates.

d. Other equity items

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

	Six Months Ended June 30	
	2021	2020
Beginning Balance	(\$ 14,326,474)	(\$ 12,148,648)
Exchange Differences on Translation of Foreign Operations	(<u>2,871,907</u>)	(<u>2,697,592</u>)
Ending Balance	(<u>\$ 17,198,381</u>)	(<u>\$ 14,846,240</u>)

2) Unrealized gains and losses on investments in financial assets at fair value through other comprehensive income

	Six Months Ended June 30	
	2021	2020
Beginning Balance	(\$ 67,836)	(\$ 39,858)
Unrealized Gains (Losses)		
Equity instruments	(50,028)	(15,074)
Ending Balance	(\$ 117,864)	(\$ 54,932)

e. Non-controlling interests

	Six Months Ended June 30	
	2021	2020
Beginning Balance	\$ 96,537	\$ 125,794
Net Profit of the Period	16,848	14,643
Other comprehensive loss for the period		
Exchange differences on translating the financial statements of foreign operations	(1,329)	(3,529)
Ending Balance	<u>\$ 112,056</u>	<u>\$ 136,908</u>

f. Treasury shares

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, 2020 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

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2021</u>
Revenue from				
Contracts with				
Customers				
Sale of Casings				
and Interior				
Components	\$ 10,385,068	\$ 22,522,11	\$ 22,997,4	\$ 40,124,2
Rental Revenue		<u>15,89</u>	<u>33,8</u>	<u>30,1</u>
	<u>\$ 10,401,910</u>	<u>\$ 22,538,00</u>	<u>\$ 23,031,2</u>	<u>\$ 40,154,2</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

	<u>June 30, 2021</u>	<u>December 31, 2020</u>	<u>June 30, 2020</u>	<u>January 1, 2020</u>
Accounts receivable				
Total carrying amount	\$ 14,692,144	\$ 17,374,684	\$ 19,323,670	\$ 23,661,147
Less: loss allowance	<u>(57,183)</u>	<u>(57,183)</u>	<u>(57,183)</u>	<u>(57,183)</u>
	<u>\$ 14,634,961</u>	<u>\$ 17,317,501</u>	<u>\$ 19,266,487</u>	<u>\$ 23,603,964</u>
Current Contract Liabilities				
Sales of goods	<u>\$ 52,105</u>	<u>\$ 12,545</u>	<u>\$ 43,467</u>	<u>\$ 25,614</u>

25. Net Profit of the Period

a. Interest income

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Bank Deposit	\$ 198,109	\$ 673,675	\$ 404,345	\$ 1,427,447
Bonds with repurchase agreement	<u>1,488</u>	<u>3,832</u>	<u>3,012</u>	<u>8,167</u>
	<u>\$ 199,597</u>	<u>\$ 677,507</u>	<u>\$ 407,357</u>	<u>\$ 1,435,614</u>

b. Other income

<u>Three Months Ended June 30</u>	<u>Six Months Ended June 30</u>
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	2021	2020	2021	2020
Subsidy Income	\$ 1,424,517	\$ 1,649,759	\$ 1,650,611	\$ 1,706,641
Recycle Income	84,622	18,398	111,839	26,134
Tax Refund Income (Note)	-	-	-	1,230,578
Other income	<u>4,430</u>	<u>2,614</u>	<u>21,825</u>	<u>6,240</u>
	<u>\$ 1,513,569</u>	<u>\$ 1,670,771</u>	<u>\$ 1,784,275</u>	<u>\$ 2,969,593</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

	Three Months Ended June 30		Six Months Ended June 30	
	2021	2020	2021	2020
Profit and Loss of Financial Assets at Fair Value Through Profit or Loss	\$ 31,166	\$ 84,156	\$ 125,068	(\$ 7,696)
Others	<u>15,780</u>	<u>35,470</u>	<u>3,978</u>	<u>63,753</u>
	<u>\$ 46,946</u>	<u>\$ 119,626</u>	<u>\$ 129,046</u>	<u>\$ 56,057</u>

d. Interest expense

	Three Months Ended June 30		Six Months Ended June 30	
	2021	2020	2021	2020
Interest on Bank Loans	\$ 115,673	\$ 151,473	\$ 228,698	\$ 326,187
Interest of Lease Liabilities	<u>266</u>	<u>330</u>	<u>589</u>	<u>656</u>
	<u>\$ 115,939</u>	<u>\$ 151,803</u>	<u>\$ 229,287</u>	<u>\$ 326,843</u>

e. Depreciation and amortization

	Three Months Ended June 30		Six Months Ended June 30	
	2021	2020	2021	2020
Depreciation Expenses by Function	\$ 1,138,790	\$ 2,425,317	\$ 2,387,484	\$ 4,969,256
Operating costs	<u>160,438</u>	<u>241,934</u>	<u>316,753</u>	<u>492,988</u>
Operating expenses	<u>\$ 1,299,228</u>	<u>\$ 2,667,251</u>	<u>\$ 2,704,237</u>	<u>\$ 5462,244</u>
Amortization Expenses by Function	\$ 6,924	\$ 10,351	\$ 15,420	\$ 20,656
Operating costs	<u>5,806</u>	<u>6,900</u>	<u>11,277</u>	<u>13,940</u>
Operating expenses	<u>\$ 12,730</u>	<u>\$ 17,251</u>	<u>\$ 26,697</u>	<u>\$ 34,596</u>

f. Direct operating expenses of investment property

	Three Months Ended June 30		Six Months Ended June 30	
	2021	2020	2021	2020
Depreciation and other expenses	<u>\$ 11,371</u>	<u>\$ 11,544</u>	<u>\$ 22,833</u>	<u>\$ 23,540</u>

g. Employee benefit expenses

	Three Months Ended June 30		Six Months Ended June 30	
	2021	2020	2021	2020
Short-term Employee Benefits	\$ 2,631,757	\$ 4,402,501	\$ 5,653,755	\$ 8,028,267
Post-employment Benefits				
Defined contribution plan	141,334	148,194	281,126	327,355
Defined benefit plan (Note 22)	<u>548</u>	<u>499</u>	<u>1,033</u>	<u>999</u>
	<u>141,882</u>	<u>148,693</u>	<u>282,159</u>	<u>328,354</u>
	<u>\$ 2,773,639</u>	<u>\$ 4,551,194</u>	<u>\$ 5,935,914</u>	<u>\$ 8,356,621</u>

By Function				
Operating costs	\$ 2,138,864	\$ 3,651,541	\$ 4,627,134	\$ 6,682,826
Operating expenses	<u>634,775</u>	<u>899,653</u>	<u>1,308,780</u>	<u>1,673,795</u>
	<u>\$ 2,773,639</u>	<u>\$ 4,551,194</u>	<u>\$ 5,935,914</u>	<u>\$ 8,356,621</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 at April 1 to June 30, 2021, and 2020, and January 1 to June 30, 2021, and 2020 are as follows:

Estimated percentage

	Six Months Ended June 30	
	2021	2020
Employee compensation	8.00%	6.62%
Director's remuneration	0.22%	0.09%

Amount

	Three Months Ended June 30		Six Months Ended June 30	
	2021	2020	2021	2020
Employee compensation	<u>\$ 149,997</u>	<u>\$ 305,525</u>	<u>\$ 289,525</u>	<u>\$ 504,161</u>
Director's remuneration	<u>\$ 3,650</u>	<u>\$ 2,817</u>	<u>\$ 7,900</u>	<u>\$ 7,023</u>

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's Remuneration	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

	Three Months Ended June 30		Six Months Ended June 30	
	2021	2020	2021	2020
Total Foreign Exchange Profit	\$ 356,045	\$ 1,258,969	\$ 2,517,806	\$ 3,641,349
Total Foreign Exchange Loss	(2,502,725)	(2,342,409)	(4,357,899)	(3,995,493)
Net Profit or Loss	(<u>\$ 2,146,680</u>)	(<u>\$ 1,083,440</u>)	(<u>\$ 1,840,093</u>)	(<u>\$ 354,144</u>)

26. Income Tax

a. Income tax recognized in profit or loss

Major components of income tax expenses are as follows:

	Three Months Ended June 30		Six Months Ended June 30	
	2021	2020	2021	2020
Current Income Tax Incurred during the Period	\$ 560,955	\$ 1,478,700	\$ 1,122,040	\$ 2,379,011
Additional Unappropriated Earnings Tax	340,681	-	340,681	-
Adjustments for Previous Years	(21,795)	91,793	(21,795)	400,439
	<u>879,841</u>	<u>1,570,493</u>	<u>1,440,926</u>	<u>2,779,450</u>
Deferred Income Tax Incurred during the Period	<u>47,998</u>	<u>270,033</u>	<u>519,620</u>	<u>511,082</u>
Income Tax Recognized in Profit	<u>\$ 927,839</u>	<u>\$ 1,840,526</u>	<u>\$ 1,960,546</u>	<u>\$ 3,290,532</u>

or Loss Expenses

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 income tax returns of the Company and the subsidiaries, Ke Yue, Yi Sheng and Yi De, have been examined and approved by the tax authorities until 2019. However, the income tax returns of the Company in 2018 have not been approved.

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 of the Period

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	2021	2020	2021	2020
Net income Attributable to Shareholders of the parent	\$ 681,429	\$ 2,765,929	\$ 3,194,531	\$ 6,688,592

Number of shares

Unit: Thousand shares

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	2021	2020	2021	2020
Weighted Average Number of Ordinary Shares Used for Calculation of Basic Earnings Per Share	761,618	762,927	761,618	766,614
Effect of Potentially Dilutive Ordinary Shares:				
Employee Compensation	1,591	1,376	3,880	3,893
Weighted Average Number of Ordinary Shares Used for	763,209	764,303	765,498	770,507

Calculation of Diluted
Earnings Per Share

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 are distributed as employee compensation is approved in the following year.

28. Disposal of Subsidiaries

The Group signed an agreement to dispose of Topo Technology (Taizhou) Co., Ltd. and Meeca Technology (Taizhou) Co., Ltd. (hereinafter referred to as the “Taizhou Subsidiaries”) on August 18, 2020. The Taizhou Subsidiaries are responsible for smartphone casing production for the Group. The Group completed such disposal on December 31, 2020, and has since lost control of the subsidiaries.

a. The Amount Collected

	<u>Taizhou Subsidiaries</u>
Cash and Cash Equivalents	<u>\$41,029,007</u>

b. Analysis of Assets and Liabilities for the Taizhou Subsidiaries

	<u>Taizhou Subsidiaries</u>
Current Assets	
Cash and Cash Equivalents	\$ 735,979
Financial Assets at Amortized Cost	1,273
Accounts Receivable	2,111,820

Other Receivables	3,823,085
Inventories	8,174,890
Current Income Tax Assets	54,949
Other Current Assets	649,882
Non-current Assets	
Property, Plant and Equipment	12,239,757
Right-of-use Assets	774,755
Intangible Assets	23,314
Other Non-current Assets	23,717
Current Liabilities	
Short-term Loans	(3,835,547)
Contract Liabilities	(4,484)
Accounts Payable	(4,909,828)
Other Payables	(5,442,490)
Income Tax Payable	(62,289)
Other Current Liabilities	(30,166)
Disposed Net Assets	<u>\$ 14,328,617</u>

c. Profit from Disposal of Subsidiaries

	Taizhou Subsidiaries
Collected Amount	<u>\$ 41,029,007</u>
Disposed Net Assets	(14,328,617)
Translation Differences Cause by Reclassification from Equity to Profit or Loss due to the Disposal of Subsidiaries	(571,027)
Expenses and Taxes Related to the Disposal	(178,171)
Profit from Disposal (Listed under Other Profit or Loss)	25,951,192
Less: Capital Gains Tax (Listed under Income Tax Expense)	2,984,368
Net Profit from Disposal	<u>\$ 22,966,824</u>

d. Net Cash Generated from Disposal of Subsidiaries

	Taizhou Subsidiaries
Amount Collected in Cash or Cash Equivalents	<u>\$ 41,029,007</u>
Less: Balance of Cash and Cash Equivalents from Disposal	(735,979)
	<u>\$ 40,293,028</u>

29. 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 that include cash and cash equivalents, financial assets at amortized cost, accounts receivable, other receivables, refundable deposits, short-term loans, accounts payable, other payables, dividends payable 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

June 30, 2021

	Level 1	Level 2	Level 3	Total
<u>Financial Assets at Fair Value Through Profit or Loss</u>				
Domestically listed stocks	\$1,346,520	\$ -	\$ -	\$1,346,520
Fund Beneficiary Certificate	3,895,490	-	-	3,895,490
Simple Agreement for Future Equity (SAFE)	-	-	75,222	75,222
Private Fund	-	-	328,261	328,261
Limited Partnership	-	-	100,000	100,000
	<u>\$5,242,010</u>	<u>\$ -</u>	<u>\$ 503,483</u>	<u>\$5,745,493</u>
<u>Financial Assets at Fair Value Through Other Comprehensive Income</u>				
Investments in equity instruments				
- Domestically listed stocks	\$ 73,567	\$ -	\$ -	\$ 73,567
- Domestically unlisted stocks	-	-	33,900	33,900
- Limited partnership	-	-	698,156	698,156
	<u>\$ 73,567</u>	<u>\$ -</u>	<u>\$ 732,056</u>	<u>\$ 805,623</u>

December 31, 2020

	Level 1	Level 2	Level 3	Total
<u>Financial Assets at Fair Value Through Profit or Loss</u>				
Domestically listed	<u>\$ 349,801</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 349,801</u>

stocks

Financial Assets at Fair
Value Through Other
Comprehensive
Income

Investments in equity
instruments

- Domestically unlisted stocks	\$ -	\$ -	\$ 84,180	\$ 84,180
- Limited partnership	-	-	568,700	568,700
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 652,880</u>	<u>\$ 652,880</u>

June 30, 2020

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial Assets at Fair Value Through Profit or Loss</u>				
Domestically listed stocks	<u>\$ 317,098</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 317,098</u>

Financial Assets at Fair
Value Through Other
Comprehensive
Income

Investments in equity
instruments

- Domestically unlisted stocks	\$ -	\$ -	\$ 90,375	\$ 90,375
- Limited partnership	-	-	432,552	432,552
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 522,927</u>	<u>\$ 522,927</u>

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

Six months ended June 30, 2021

	<u>Measured at fair value through profit or loss</u>	<u>Measured at fair value through other comprehensive income</u>	
<u>Financial Assets</u>	<u>Equity instruments</u>	<u>Equity instruments</u>	<u>Total</u>
Beginning Balance	\$ -	\$ 652,880	\$ 652,880
Purchase	506,227	144,556	650,783
Recognized in Other Comprehensive Income (Unrealized gains and losses on	-	(50,465)	(50,465)

investments in financial assets at fair value through other comprehensive income)			
Exchange Difference	(2,744)	(14,915)	(17,659)
Ending Balance	<u>\$ 503,483</u>	<u>\$ 732,056</u>	<u>\$1,235,539</u>

Six months ended June 30, 2020

	Measured at fair value through other comprehensive income
	<u>Equity instruments</u>
<u>Financial Assets</u>	
Beginning Balance	\$ 543,130
Recognized in Other Comprehensive Income (Unrealized gains and losses on investments in financial assets at fair value through other comprehensive income)	(15,074)
Exchange Difference	(5,129)
Ending Balance	<u>\$ 522,927</u>

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

The fair value of domestically unlisted stocks, limited partnership and private fund 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

	June 30, 2021	December 31, 2020	June 30, 2020
<u>Financial Assets</u>			
Measured at air value through profit or loss			
Mandatorily measured at fair value through profit or loss	\$ 5,745,493	\$ 349,801	\$ 317,098
Financial assets at amortized cost (Note 1)	212,455,524	219,425,827	185,752,201
Financial assets at fair value through other comprehensive income			
Investments in equity instruments	805,623	652,880	522,927
<u>Financial Liabilities</u>			
Measured at amortized cost (Note 2)	81,274,111	85,117,709	86,762,764

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 operations of the domestic and international financial markets, and supervises and manages financial risks related to the operations 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 instrument (including derivative financial instruments) transactions 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 a) below), interest rates (see b) below), and other price risks (see c) 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 32.

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	
	Six Months Ended June 30	
	2021	2020
Profit or Loss	\$ 929,328	\$ 789,302

	Impact of RMB	
	Six Months Ended June 30	
	2021	2020
Profit or Loss	\$ 28,952	(\$ 960)

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 Group 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:

	June 30, 2021	December 31, 2020	June 30, 2020
Fair Value Interest			
Rate Risk			
Financial Assets	\$184,653,210	\$166,938,821	\$161,787,554
Financial			
Liabilities	135,329	160,509	2,188,194
Cash Flow Interest			
Rate Risk			
Financial Assets	12,704,227	34,838,700	4,343,143
Financial			
Liabilities	71,798,726	70,465,726	70,083,653

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 at January 1 to June 30, 2021 and 2020 would have decreased/increased by NT\$29,547 thousand and NT\$32,870 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 listed equity securities and fund beneficiary certificate. The Group manages this exposure by maintaining a portfolio of investments and asset allocation 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 at January 1 to June 30, 2021 and 2020 would have increased/decreased by NT\$52,420 thousand and NT\$3,171 thousand respectively, as a result of the changes in fair value of financial assets at fair value through profit or loss. If equity prices had been 1% higher/lower, the profit before tax at January 1 to June 30, 2021 and 2020 would have increased/decreased by NT\$736 thousand and NT\$0 thousand respectively, as a result of the changes in fair value of financial assets at fair value through other comprehensive income.

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:

	June 30, 2021		December 31, 2020		June 30, 2020	
	Amount	%	Amount	%	Amount	%
Company A	\$ 6,249,206	43	\$ 6,742,116	39	\$ 6,746,471	35
Company B	4,202,565	29	3,501,534	20	4,402,980	23
Company C	1,719,900	12	1,685,265	10	1,888,360	10
Company D	434,111	3	3,539,126	20	4,760,220	25

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 is 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 disregarding 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.

June 30, 2021

	Less than 3 months	3 ~ 12 months	1~5 years	More than 5 years
<u>Non-derivative</u>				
<u>Financial Liabilities</u>				
Zero-interest-bearing liabilities	\$ 16,440,904	\$ 2,152,577	\$ 21,321	\$ -
Lease liabilities	2,015	8,985	21,186	116,896
Variable-rate instruments	<u>27,412,939</u>	<u>44,594,690</u>	<u>-</u>	<u>-</u>
	<u>\$ 43,855,858</u>	<u>\$ 46,756,252</u>	<u>\$ 42,507</u>	<u>\$ 116,896</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 year	1~5 years	5~10 years	10~15 years	15~20 years	More than 20 years
Lease liabilities	<u>\$ 11,000</u>	<u>\$ 21,186</u>	<u>\$ 20,626</u>	<u>\$ 20,626</u>	<u>\$ 42,643</u>	<u>\$ 33,001</u>

December 31, 2020

	Less than 3 months	3 ~ 12 months	1~5 years	More than 5 years
<u>Non-derivative</u>				
<u>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:

	Less than 1 year	1~5 years	5~10 years	10~15 years	15~20 years	More than 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>

June 30, 2020

	Less than 3 months	3 ~12 months	1~5 years	More than 5 years
<u>Non-derivative</u>				
<u>Financial Liabilities</u>				
Zero-interest-bearing liabilities	\$ 17,062,891	\$ 5,173,393	\$ 21,792	\$ -
Lease liabilities	1,236	12,290	21,349	132,023
Variable-rate instruments	46,325,586	23,891,889	-	-
Instruments with fixed interest rates	<u>2,046,555</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 65,436,268</u>	<u>\$ 29,077,572</u>	<u>\$ 43,141</u>	<u>\$ 132,023</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 year	1~5 years	5~10 years	10~15 years	15~20 years	More than 20 years
Lease liabilities	<u>\$ 13,526</u>	<u>\$ 21,349</u>	<u>\$ 22,918</u>	<u>\$ 22,918</u>	<u>\$ 44,935</u>	<u>\$ 41,252</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 at the balance sheet date.

b) Financing facilities

	June 30, 2021	December 31, 2020	June 30, 2020
Unsecured Bank Borrowing Limit			
Used amount	\$ 71,814,733	\$ 70,475,726	\$ 72,134,300
Unused amount	<u>15,113,219</u>	<u>17,427,286</u>	<u>27,350,990</u>
	<u>\$ 86,927,952</u>	<u>\$ 87,903,012</u>	<u>\$ 99,485,290</u>

30. Related Party Transactions

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

		Three Months Ended June 30		Six Months Ended June 30	
		2021	2020	2021	2020
Short-term	Employee				
Benefits		\$ 85,777	\$ 29,135	\$ 171,554	\$ 58,269
Post-employment					
Benefits		<u>7,486</u>	<u>8,843</u>	<u>14,972</u>	<u>\$ 17,686</u>
		<u>\$ 93,263</u>	<u>\$ 37,978</u>	<u>\$ 186,526</u>	<u>\$ 75,955</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.

31. 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:

	June 30, 2021	December 31, 2020	June 30, 2020
Acquisition of Property, Plant, and Equipment	<u>\$ 204,841</u>	<u>\$ 369,672</u>	<u>\$ 309,506</u>
Inventories Purchased	<u>\$ 50,722</u>	<u>\$ 47,947</u>	<u>\$ 88,375</u>

32. 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

June 30, 2021

<u>Foreign currency assets</u>	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>Carrying amount</u>
<u>Monetary Items</u>			
USD	\$ 2,540,643	27.81 (USD:NTD)	\$ 70,655,290
USD	893,411	6.4601 (USD:RMB)	24,890,422
RMB	202,845	4.2840 (RMB:NTD)	868,990
RMB	475,854	0.1548 (RMB:USD)	2,052,229
<u>Foreign currency liabilities</u>			
<u>Monetary Items</u>			
USD	31,350	27.91 (USD:NTD)	874,970
USD	62,381	6.4601 (USD:RMB)	1,737,924
RMB	6,002	4.3340 (RMB:NTD)	26,014

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

<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

June 30, 2020

<u>Foreign currency assets</u>	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>Carrying amount</u>
<u>Monetary Items</u>			
USD	\$ 2,166,355	29.58 (USD:NTD)	\$ 64,080,772
USD	1,171,153	7.0795 (USD:RMB)	34,701,273

<u>Foreign currency liabilities</u>			
<u>Monetary Items</u>			
USD	172,861	29.68 (USD:NTD)	5,130,528
USD	496,838	7.0795 (USD:RMB)	14,721,305
RMB	22,781	4.2160 (RMB:NTD)	96,044

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:

Three Months Ended June 30				
Functional Currency	2021		2020	
	Exchange rate	Net exchange profit (loss)	Exchange rate	Net exchange profit (loss)
USD	27.977 (USD:NTD)	(\$ 35,244)	29.895 (USD:NTD)	\$ -
NTD	1 (NTD:NTD)	(1,768,211)	1 (NTD:NTD)	(1,093,500)
RMB	4.3319 (RMB:NTD)	(343,225)	4.2197 (RMB:NTD)	10,060
		(\$ 2,146,680)		(\$ 1,083,440)

Six Months Ended June 30				
Functional Currency	2021		2020	
	Exchange rate	Net exchange profit (loss)	Exchange rate	Net exchange profit (loss)
USD	28.172 (USD:NTD)	(\$ 40,998)	30.106 (USD:NTD)	\$ -
NTD	1 (NTD:NTD)	(1,583,166)	1 (NTD:NTD)	(611,915)
RMB	4.3543 (RMB:NTD)	(215,929)	4.317 (RMB:NTD)	257,771
		(\$ 1,840,093)		(\$ 354,144)

33. Supplementary Disclosures

a. Material transactions:

- 1) Loans 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. (Table 4)
- 5) Acquisition of Real Estate Amounting to NT\$300 million or 20% of the Paid-in Capital or More. (Table 5)
- 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 6)
- 8) Receivables from Related Parties Amounting to NT\$100

- million or 20% of the Paid-in Capital or More. (Table 7)
- 9) Engaging in Derivatives Trading. (None)
 - 10) Others: Business Relationships and Significant Transactions and Amounts Between the Parent Company and Subsidiaries. (Table 10)
- b. Information on Investees. (Table 8)
 - c. Information on investments in mainland China:
 - 1) Information on Investees 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 gains or losses 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 9)
 - 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, 6, 7, and 10)
 - 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 shareholders: 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)

34. 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 centralized sales function, the Group's operating segments are aggregated into a single reportable division. 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 April 1 to June 30 and January 1 to June 30, 2021 and 2020, can be referred to the Consolidated balance sheets at April 1 to June 30 and January 1 to June 30, 2021 and 2020 and the consolidated balance sheets at June 30, 2021 and 2020.

Catcher Technology Co., Ltd. and Subsidiaries
Loaning Provided to Others
Six Months Ended June 30, 2021

TABLE 1

(In Thousands of New Taiwan Dollars)

No.	Lender	Loan receiver	Transactions	Whether they are related parties	Highest balance	Ending balance	Actual amount used	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>\$ 1,358,469</u>	\$ 1,358,469	1.5	Short-term financing	\$ -	Business turnover	\$ -	-	\$ -	\$745,544,185	<u>\$745,544,185</u>
2	Vito Technology (Suqian) Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Other receivables - related party	Yes	1,042,176	<u>\$ 1,035,024</u>	1,035,024	1.5	Short-term financing	-	Business turnover	-	-	-	745,544,185	<u>\$745,544,185</u>
3	Envio Technology (Suqian) Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Other receivables - related party	Yes	1,820,730	<u>\$ 754,705</u>	754,705	1.5	Short-term financing	-	Business turnover	-	-	-	745,544,185	<u>\$745,544,185</u>
4	Lyra International Co., Ltd.	Next Level Ltd.	Other receivables - related party	Yes	570,700	<u>\$ 557,200</u>	-	-	Short-term financing	-	Business turnover	-	-	-	745,544,185	<u>\$745,544,185</u>
5	Norma International Co., Ltd.	Cygnus International Co., Ltd.	Other receivables - related party	Yes	570,700	<u>\$ 557,200</u>	-	-	Short-term financing	-	Business turnover	-	-	-	745,544,185	<u>\$745,544,185</u>
6	Uranus International Co., Ltd.	Lyra International Co., Ltd.	Other receivables - related party	Yes	142,675	\$ 139,300	-	-	Short-term financing	-	Business turnover	-	-	-	745,544,185	<u>\$745,544,185</u>
		Next Level Ltd.	Same as above	Yes	856,050	835,800	-	-	Same as above	-	Same as above	-	-	-	745,544,185	
		Cygnus International Co., Ltd.	Same as above	Yes	2,282,800	2,228,800	2,228,800	-	Same as above	-	Same as above	-	-	-	745,544,185	
						<u>\$ 3,203,900</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 shareholders of the parent in the consolidated balance sheet.

Catcher Technology Co., Ltd. and Subsidiaries
Endorsements/Guarantees Provided for Others
Six Months Ended June 30, 2021

TABLE 2

(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 Used	Amount of Endorsements/Guarantees Collateralized by Property	Ratio of Accumulated Endorsements/Guarantees to Net Worth per Latest Financial Statement (%)	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	\$ 74,554,418	\$ 10,000	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ -</u>	0.01	<u>\$ 149,108,837</u>	N	N	N
1	Catcher Technology (Suqian) Co., Ltd.	Catcher Technology (Suqian) Co., Ltd.	Companies with business dealings	74,554,418	21,937	<u>\$ 21,563</u>	<u>\$ 21,563</u>	<u>\$ -</u>	0.01	<u>\$ 149,108,837</u>	N	N	Y
2	Vito Technology (Suqian) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	Companies with business dealings	74,554,418	21,937	<u>\$ 21,563</u>	<u>\$ 21,563</u>	<u>\$ -</u>	0.01	<u>\$ 149,108,837</u>	N	N	Y
3	Arcadia Technology (Suqian) Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Companies with business dealings	74,554,418	153,961	<u>\$ 153,961</u>	<u>\$ 153,961</u>	<u>\$ -</u>	0.10	<u>\$ 149,108,837</u>	N	N	Y
4	Envio Technology (Suqian) Co., Ltd.	Envio Technology (Suqian) Co., Ltd.	Companies with business dealings	74,554,418	13,162	<u>\$ 12,938</u>	<u>\$ 12,938</u>	<u>\$ -</u>	0.01	<u>\$ 149,108,837</u>	N	N	Y
5	Yachila Technology (Qiansu) Co., Ltd.	Yachila Technology (Qiansu) Co., Ltd.	Companies with business dealings	74,554,418	19,975	<u>\$ 11,213</u>	<u>\$ 11,213</u>	<u>\$ -</u>	0.01	<u>\$ 149,108,837</u>	N	N	Y

Note 1. The limit of the Company's and its 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 shareholders of the parent in the consolidated balance sheet.

Catcher Technology Co., Ltd. and Subsidiaries
Marketable Securities Held at the End of the Period
June 30, 2021

TABLE 3

(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		
Catcher Technology Co., Ltd.	<u>Public offering shares</u>								
	Sinher Technology Co., Ltd.		Financial assets at fair value through profit or loss - current	5,169,917	\$ 261,598	6.95	\$ 261,598		
	China Steel Corporation	None	Same as above	1,500,000	59,400	0.01	59,400		
	Chung Hung Steel Corporation	None	Same as above	800,000	48,960	0.06	48,960		
	King Slide Works Co., Ltd.	None	Same as above	25,000	9,813	0.03	9,813		
	United Microelectronics Corporation	None	Same as above	1,350,000	71,685	0.01	71,685		
	YAGEO Corporation	None	Same as above	120,000	66,600	0.02	66,600		
	Taiwan Semiconductor Manufacturing Co., Ltd.	None	Same as above	110,000	65,450	-	65,450		
	Realtek Semiconductor Corp.	None	Same as above	75,000	37,875	0.01	37,875		
	AU Optronics Corporation	None	Same as above	1,250,000	28,312	0.01	28,312		
	MediaTek Inc.	None	Same as above	60,000	57,720	-	57,720		
	Eva Airways Corporation	None	Same as above	1,400,000	28,210	0.03	28,210		
	Novatek Microelectronics Corp.	None	Same as above	90,000	44,910	0.01	44,910		
	TXC Corporation	None	Same as above	335,000	42,210	0.11	42,210		
	Innolux Corporation	None	Same as above	1,400,000	29,050	0.01	29,050		
	eMemory Technology Inc.	None	Same as above	30,000	40,050	0.04	40,050		
	Lotes Co., Ltd.	None	Same as above	60,000	35,040	0.06	35,040		
	Jentech Precision Industrial Co., Ltd.	None	Same as above	100,000	30,200	0.08	30,200		
	Fitipower Integrated Technology Inc.	None	Same as above	120,000	36,900	0.07	36,900		
	ASPEED Technology Inc.	None	Same as above	15,000	30,150	0.04	30,150		
	Sino-American Silicon Products Inc.	None	Same as above	175,000	33,775	0.03	33,775		
	Anpec Electronics Corporation	None	Same as above	225,000	36,337	0.30	36,337		
	Tong Hsing Electronic Industries, Ltd.	None	Same as above	150,000	31,875	0.08	31,875		
	Pegavision Corporation	None	Same as above	55,000	33,220	0.08	33,220		
	Zilltek Technology Corp.	None	Same as above	85,000	31,620	0.20	31,620		
	Sitronix Technology Corp.	None	Same as above	130,000	40,690	0.11	40,690		
	Nan Ya Printed Circuit Board Corporation	None	Same as above	170,000	66,215	0.03	66,215		
	Phison Electronics Corporation	None	Same as above	65,000	31,200	0.03	31,200		
	<u>Fund Beneficiary Certificate</u>								
	Yuanta Taiwan Top 50 ETF	None	Financial assets at fair value through profit or loss - current	257,000	35,710		35,710		
	Fubon Taiwan Technology Tracker Fund	None	Same as above	802,000	100,250		100,250		
	Yuanta Taiwan Dividend Plus ETF	None	Same as above	1,014,000	35,490		35,490		
	Yuanta S&P 500 ETF	None	Same as above	916,000	33,636		33,636		
	Fubon NASDAQ-100 Index ETF	None	Same as above	758,000	39,643		39,643		
	Capital Dow Jones U.S. Real Estate Index ETF	None	Same as above	81,000	1,780		1,780		
	FSITC Taiwan Industry Elite 30 ETF	None	Same as above	124,000	3,559		3,559		
	Fubon Taiwan Small-Mid Cap Alpha Momentum 50 ETF	None	Same as above	1,162,000	55,288		55,288		
	UPAMC NYSEFANG+ETF ETF	None	Same as above	3,940,000	200,546		200,546		
	Cathay U.S. PHLX Semiconductor Sector ETF	None	Same as above	4,253,000	125,548		125,548		
	Cathay MSCI Taiwan ESG Sustainability High Dividend Yield	None	Same as above	5,731,000	104,476		104,476		
	Cathay Taiwan 5GPLUSETF ETF	None	Same as above	10,158,000	180,711		180,711		
	Cathay BBB Corporate bond ex China Coupon 4.5%10Yrplus	None	Same as above	532,000	23,685		23,685		
	Cathay EM USD Investment Grade ex China Coupon	None	Same as above	105,000	4,451		4,451		
	5.5%5Yrplus 10% Countrv Capped ETF								
	Cathay High Yield ex China Cash pay 1-5 Year 2% Issuer Capped ETF	None	Same as above	1,775,000	68,497		68,497		
	UPAMC 10Y+ Aa-A USD Senior Corporate Bond ETF	None	Same as above	2,548,000	91,295		91,295		
	UPAMC James Bond Money Market Fund	None	Same as above	26,699,417.96	450,072		450,072		
	Fuh Hwa Global Thematic Fund-TWD	None	Same as above	2,915,814.90	100,479		100,479		
	Fuh Hwa China New Economy Balance Fund-TWD	None	Same as above	7,131,990	95,283		95,283		

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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	
Ke Yue Co., Ltd.	Fuh Hwa Global IoT and Tech Fund TWD	None	Same as above	2,047,430.10	\$ 49,159		\$ 49,159	
	Fuh Hwa Global Asset Backed Securities Fund-TWD A	None	Same as above	2,932,650.80	48,477		48,477	
	Fuh Hwa Asia Pacific Tech Equity Fund TWD	None	Same as above	5,138,171.20	98,036		98,036	
	Fuh Hwa Developed Countries 300 Equity Index Fund TWD	None	Same as above	11,454,104.40	149,247		149,247	
	<u>Non-public offering shares</u>							
	AlphaInfo Inc.	None	Financial assets at fair value through other comprehensive income - non-current	1,500,000	-	10.00	-	
	CDIB Capital Innovation Accelerator Co., Ltd.	None	Same as above	3,000,000	33,900	3.57	33,900	
	<u>Public offering shares</u>							
	Syncmold Enterprise Corp.	None	Financial assets at fair value through profit or loss - current	50,000	4,170	0.04	4,170	
	Cheng Shin Rubber Ind. Co., Ltd.	None	Same as above	20,000	935	-	935	
	Largan Precision Co., Ltd.	None	Same as above	2,000	6,200	-	6,200	
	Flexium Interconnect Inc.	None	Same as above	20,000	2,700	0.01	2,700	
	Taiwan Cement Corporation	None	Financial assets at fair value through other comprehensive income - current	100,000	5,100	-	5,100	
	Inventec Corporation	None	Same as above	400,000	10,500	0.01	10,500	
	Cheng Uei Precision Industry Co., Ltd.	None	Same as above	80,000	3,380	0.02	3,380	
	Sunonwealth Electric Machine Industry Co., Ltd.	None	Same as above	40,000	1,808	0.02	1,808	
	President Chain Store Corporation	None	Same as above	18,000	4,734	-	4,734	
	Wistron Corporation	None	Same as above	200,000	6,200	0.01	6,200	
	Excelsior Medical Co., Ltd.	None	Same as above	15,000	873	0.01	873	
	Bioteque Corporation	None	Same as above	10,000	1,190	0.01	1,190	
	Pacific Hospital Supply Company Limited	None	Same as above	15,000	1,076	0.02	1,076	
	Far Eas Tone Telecommunications Co., Ltd.	None	Same as above	150,000	9,690	-	9,690	
	Primax Electronics Ltd.	None	Same as above	60,000	3,420	0.01	3,420	
	Acter Co., Ltd.	None	Same as above	60,000	12,060	0.10	12,060	
	Taiwan Shin Kong Security Co., Ltd.	None	Same as above	30,000	1,167	0.01	1,167	
	<u>Fund Beneficiary Certificate</u>							
	Cathay Sustainability High Dividend ETF	None	Financial assets at fair value through profit or loss - current	6,000	109		109	
	UPAMC James Bond Money Market Fund	None	Same as above	59,326,056.18	1,000,060		1,000,060	
	<u>Limited Partnership</u>							
Yi De Co., Ltd.	Taiwania Capital Buffalo Fund V, LP.	None	Financial assets at fair value through profit or loss - non-current	-	100,000	13.20	100,000	Note 3
	<u>Public offering shares</u>							
	Grape King Bio Ltd.	None	Financial assets at fair value through profit or loss - current	20,000	3,450	0.01	3,450	
	Excelsior Medical Co., Ltd.	None	Financial assets at fair value through other comprehensive income - current	20,000	1,164	0.01	1,164	
	Bioteque Corporation	None	Same as above	8,000	952	0.01	952	
	Pacific Hospital Supply Company Limited	None	Same as above	143,000	10,253	0.20	10,253	
	<u>Fund Beneficiary Certificate</u>							
Yi Sheng Co., Ltd.	Capital Money Market Fund	None	Financial assets at fair value through profit or loss - current	30,708,267.80	500,001		500,001	
	<u>Fund Beneficiary Certificate</u>							
	Prudential Financial Money Market Fund	None	Financial assets at fair value through profit or loss - current	18,779,107.60	300,002		300,002	
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	-USD	25,059	23.51	USD 25,059	Note 3
Cor Ventures Pte. Ltd.	<u>Simple Agreement for Future Equity (SAFE)</u>							
	ViaSurgical Ltd.	None	Financial assets at fair value through profit or loss - non-current	-USD	1,700		USD 1,700	
	Vyisoneer Inc.	None	Same as above	-USD	1,000		USD 1,000	
	<u>Private Fund</u>							
	Ally Bridge Group LP	None	Financial assets at fair value through profit or loss - non-current	-USD	11,783	2.54	USD 11,783	Note 3

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 8 and Table 9.

Note 3. Shareholding represents the percentage of capital contribution.

Catcher Technology Co., Ltd. and Subsidiaries

Marketable Securities Acquired and Disposed of Amounting to NT\$300 million or 20% of the Paid-in Capital or More

Six Months Ended June 30, 2021

TABLE 4

(In Thousands of New Taiwan Dollars)

Companies Buying or Selling	Type and Name of Securities	Ledger Account	Counterparty	Relationship	Beginning Balance		Buying		Selling				Ending Balance (Note 1)	
					Number of Shares/Unit	Amount	Number of Shares/Unit	Amount	Number of Shares/Unit	Selling Price	Book Cost	Profit or Loss from Disposal	Number of Shares/Unit	Amount
Catcher Technology Co., Ltd.	<u>Fund Beneficiary Certificate</u> UPAMC James Bond Money Market Fund	Financial assets at fair value through profit or loss - current	—	—	—	\$ —	26,699,417.96	\$ 450,005	—	\$ —	\$ —	\$ —	26,699,417.96	\$ 450,072
	<u>Non-public offering shares</u> Ke Yue Co., Ltd.	Investments Accounted for Under the equity method	Note 2	100% owned subsidiaries	11,290,000	1,119,774	187,100,000	1,871,000	—	—	—	—	198,390,000	2,963,131
	Yi Sheng Co., Ltd.	Same as above	Note 2	Same as above	3,070,000	298,558	70,200,000	702,000	—	—	—	—	73,270,000	995,482
	Yi De Co., Ltd.	Same as above	Note 2	Same as above	3,070,000	298,558	70,200,000	702,000	—	—	—	—	73,270,000	995,592
Ke Yue Co., Ltd.	<u>Fund Beneficiary Certificate</u> UPAMC James Bond Money Market Fund	Financial assets at fair value through profit or loss - current	—	—	—	—	59,326,056.18	1,000,000	—	—	—	—	59,326,056.18	1,000,060
Yi Sheng Co., Ltd.	<u>Fund Beneficiary Certificate</u> Prudential Financial	Financial assets at fair value through profit or loss - current	—	—	—	—	18,779,107.60	300,000	—	—	—	—	18,779,107.60	300,002
Yi De Co., Ltd.	<u>Fund Beneficiary Certificate</u> Capital Money Market Fund	Financial assets at fair value through profit or loss - current	—	—	—	—	30,708,267.80	500,000	—	—	—	—	30,708,267.80	500,001
Nanomag International Co., Ltd.	<u>Non-public offering shares</u> Cor Ventures Pte. Ltd.	Investments Accounted for Under the equity method	Note 2	100% owned subsidiaries	9,165,797	USD 8,999	46,000,000	USD 46,000	—	—	—	—	55,165,797	USD 54,812
Cor Ventures Pte. Ltd.	<u>Private Fund</u> Ally Bridge Group LP	Financial assets at fair value through profit or loss - non-current	—	—	—	—	—	USD 11,783	—	—	—	—	—	USD 11,783

Note 1: The closing amount includes fair value adjustments, the gain/losses from subsidiaries from adoption of equity method, the exchange differences on translating the financial statements of foreign operations, and other equity-related adjustments.

Note 2: Implemented cash capital increase.

Catcher Technology Co., Ltd. and Subsidiaries
Acquisition of Real Estate Amounting to NT\$300 million or 20% of the Paid-in Capital or More
Six Months Ended June 30, 2021

TABLE 5 (In Thousands of New Taiwan Dollars)

Company that Acquired the 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	2017.08.18~2021.06.30	The contract price is \$746,579 thousand (RMB173, 116 thousand) and \$735,381 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.
Six Months Ended June 30, 2021

TABLE 6 (In Thousands of New Taiwan Dollars)

Company	Counterparty	Relationship	Transaction Status				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	(\$ 517,294)	5	30 to 90 days after month end close	Equivalent to market price	Equivalent to market price	\$ 742,950	9	
			Purchases	312,323	23	30 to 90 days after month end close	Equivalent to market price	Equivalent to market price	(445,912)	22	
Vito Technology (Suqian) Co., Ltd.	Next Level Ltd.	Same ultimate parent company	Sales	(822,739)	15	30 to 90 days after month end close	No comparable sales prices of similar products	Equivalent to market price	1,154,147	20	
			Purchases	136,915	9	30 to 90 days after month end close	Equivalent to market price	Equivalent to market price	(206,045)	10	
	Arcadia Technology (Suqian) Co., Ltd.	Same as above	Sales	(632,476)	12	30 to 90 days after month end close	Equivalent to market price	Equivalent to market price	711,551	12	
			Purchases	136,915	9	30 to 90 days after month end close	Equivalent to market price	Equivalent to market price	(206,045)	10	
Arcadia Technology (Suqian) Co., Ltd.	Next Level Ltd.	Same ultimate parent company	Sales	(606,325)	50	30 to 90 days after month end close	No comparable sales prices of similar products	Equivalent to market price	603,145	45	
Envio Technology (Suqian) Co., Ltd.	Next Level Ltd.	Same ultimate parent company	Sales	(2,185,890)	100	30 to 90 days after month end close	No comparable sales prices of similar products	Equivalent to market price	2,167,673	98	
Next Level Ltd.	The Company	Ultimate parent company	Sales	(3,621,821)	94	30 to 120 days after month end close	No comparable sales prices of similar products	Equivalent to market price	334,503	97	
Lyra International Co., Ltd.	The Company	Ultimate parent company	Sales	(544,356)	99	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.
June 30, 2021

TABLE 7 (In Thousands of New Taiwan Dollars)

Company that Records Such Transactions as Receivables	Counterparty	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	\$ 704,748	- (Note 3)	\$ -	N/A	\$ 124,263	\$ -
			742,950	1.04	-	N/A	164,976	-
	Arcadia Technology (Suqian) Co., Ltd.	Same as above	1,358,469	- (Note 1)	-	N/A	495,952	-
Vito Technology (Suqian) Co., Ltd.	Catcher Technology (Suqian) Co., Ltd.	Same ultimate parent company	445,912	1.11	-	N/A	98,846	-
			234,449	- (Notes 2 & 3)	-	N/A	34,238	-
	Arcadia Technology (Suqian) Co., Ltd.	Same as above	1,035,024	- (Note 1)	-	N/A	-	-
			711,551	3.48	-		734	
	Envio Technology (Suqian) Co., Ltd.	Same as above	149,161	- (Note 3)	-	N/A	26,749	-
	Next Level Ltd.	Same as above	1,154,147	1.26	-	N/A	666,217	-
Arcadia Technology (Suqian) Co., Ltd.	Catcher Technology (Suqian) Co., Ltd.	Same ultimate parent company	108,464	1.60	-	N/A	27,744	-
	Vito Technology (Suqian) Co., Ltd.	Same as above	206,045	1.84	-	N/A	52,767	-
	Next Level Ltd.	Same as above	603,145	4.02	-	N/A	-	-
Envio Technology (Suqian) Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Same ultimate parent company	754,705	- (Note 1)	-	N/A	-	-
	Next Level Ltd.	Same as above	2,167,673	1.90	-	N/A	555,772	-
Next Level Ltd.	The Company	Ultimate parent company	334,503	4.81	-	N/A	334,503	-
Nanomag International Co., Ltd.	Stella International Co., Ltd.	Same ultimate parent company	1,253,700	- (Note 4)	-	N/A	-	-
Stella International Co., Ltd.	Lyra International Co., Ltd.	Same ultimate parent company	1,253,700	- (Note 4)	-	N/A	-	-
Uranus International Co., Ltd.	Cygnus International Co., Ltd.	Same ultimate parent company	2,228,800	-	-	N/A	2,228,800	-
The Company	Lyra International Co., Ltd.	Subsidiary	2,934,940	(Note 1)	-	N/A	2,934,940	-
				-	-			-

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 Investees

Six Months Ended June 30, 2021

TABLE 8

(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	Ending Balance for the Previous Year	Number of Shares	Shareholding (%)	Carrying Amount			
Catcher Technology Co., Ltd.	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	\$ 1,069,578	\$ 1,712	\$ 1,692	
	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	146,323,387	4,967,792	5,140,979	
	Smart Ecare Inc.	13F., No. 97, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City	Health and medical treatment consultant	72,000	72,000	7,200,000	45	9,185	(5,330)	(2,398)	
	Ke Yue Co., Ltd.	13F., No. 99, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City	General investment	3,000,000	1,129,000	198,390,000	100	2,963,131	(28,088)	(28,088)	
	Yi Sheng Co., Ltd.	13F., No. 99, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City	Same as above	1,000,000	298,000	73,270,000	100	995,482	(5,076)	(5,076)	
	Yi De Co., Ltd.	13F., No. 99, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City	Same as above	1,000,000	298,000	73,270,000	100	995,592	(4,958)	(4,958)	
Gigamag Co., Ltd.	Neat Co., Ltd.	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	International trade	279 (USD 10,000)	279 (USD 10,000)	10,000	100	244	-	-	
Nanomag International Co., Ltd.	Castmate International Co., Ltd.	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	General investment	28,127 (USD 1,009,592)	28,127 (USD 1,009,592)	1,009,592	100	2,406,508	(41,859)		
	Stella International Co., Ltd.	P.O. Box31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands	Same as above	9,251,725 (USD 332,079,144)	9,251,725 (USD 332,079,144)	332,079,144	100	31,917,894	(2,962,163)		
	Aquila International Co., Ltd.	P.O. Box31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands	Same as above	31,203 (USD 1,120,000)	31,203 (USD 1,120,000)	1,050,000	75	336,168	67,390		
	Uranus International Co., Ltd.	Room 1907, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Same as above	11,116,401 (USD 399,009,383)	11,116,401 (USD 399,009,383)	399,009,383	100	40,273,495	4,045,432		
	Norma International Co., Ltd.	Room 1907, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Same as above	8,345,009 (USD 299,533,691)	8,345,009 (USD 299,533,691)	299,533,691	100	8,717,385	870,218		
	Next Level Ltd.	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	Same as above	279 (USD 10,000)	279 (USD 10,000)	10,000	100	318,635	174,701		
	Cor Ventures Pte. Ltd.	160 Robinson Road, #14-04 Singapore Business Federation Centre, Singapore 068914	Same as above	1,536,919 (USD 55,165,797)	255,359 (USD 12,118,100)	55,165,797	100	1,527,061	(5,031)		
Castmate International Co., Ltd.	Cygnus International Co., Ltd.	Room 1907, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	General investment	278,747 (USD 10,005,259)	278,747 (USD 10,005,259)	10,005,259	100	2,126,228	(42,824)		
Stella International Co., Ltd.	Lyra International Co., Ltd.	Room 1907, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	General investment	9,251,008 (USD 332,053,412)	9,251,008 (USD 332,053,412)	332,053,412	100	32,054,729	(2,962,163)		
Aquila International Co., Ltd.	Cepheus International Co., Ltd.	Room 1907, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	General investment	39,004 (USD 1,400,000)	39,004 (USD 1,400,000)	1,400,000	100	447,706	67,546		

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 under the equity method. The rest of the information can be exempted.

Note 2. Please refer to TABLE 9 for information on investments in Mainland China.

Catcher Technology Co., Ltd. and Subsidiaries
Information on Investments in Mainland China
Six Months Ended June 30, 2021

TABLE 9 (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)	\$ 928,852 (USD 33,340,000)	\$ -	\$ -	\$ 928,852 (USD 33,340,000)	\$ -	-	\$ -	\$ -	\$ -
Topo Technology (Suzhou) Co., Ltd.	Same as above	278,879 (USD 10,010,000)	(2) Lyra International Co., Ltd. (Notes 4 & 5)	1,123,872 (USD 40,340,000)	-	-	1,123,872 (USD 40,340,000)	(49,848)	100	(49,848) (2)A.	864,573	-
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	278,600 (USD 10,000,000)	(2) Cygnus International Co., Ltd. (Note 6)	-	-	-	-	(50,727)	100	(50,727) (2)A.	948,485	-
Catcher Technology (Suqian) Co., Ltd.	Same as above	5,572,000 (USD 200,000,000)	(2) Uranus International Co., Ltd. (Note 7)	2,646,672 (USD 94,999,000)	-	-	2,646,672 (USD 94,999,000)	2,927,434	100	2,927,434 (2)A.	18,635,952	10,597,814
Vito Technology (Suqian) Co., Ltd.	Same as above	5,451,591 (RMB 409,431,280) (USD 132,300,000)	(2) Uranus International Co., Ltd. (Note 10)	-	-	-	-	1,110,238	100	1,110,238 (2)A.	14,020,000	-
Arcadia Technology (Suqian) Co., Ltd.	Same as above	5,585,634 (RMB 398,499,193) (USD 138,803,527)	(2) Norma International Co., Ltd. (Note 11)	-	-	-	-	572,394	100	572,394 (2)A.	2,628,200	-
Envio Technology (Suqian) Co., Ltd.	Same as above	2,793,234 (RMB 188,956,820) (USD 71,010,000)	(2) Norma International Co., Ltd. (Note 16)	-	-	-	-	297,775	100	297,775 (2)A.	5,678,806	-
Yachila Technology (Qiansu) Co., Ltd.	Production and sales of molds and electronic components	39,004 (USD 1,400,000)	(2) Cepheus International Co., Ltd.	31,203 (USD 1,120,000)	-	-	31,203 (USD 1,120,000)	67,545	75	50,659 (2)A.	446,898	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.	615,202 (USD 22,081,923)	-	-	615,202 (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)
\$ 5,345,803 (USD 191,880,923)	\$ 39,845,811 (USD 1,021,352,077) (RMB 2,641,316,560)	\$ 89,532,535

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:
\$ 1 4 9 , 2 2 0 , 8 9 3 × 60% = \$ 8 9 , 5 3 2 , 5 3 5

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 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. via Uranus International Co., Ltd. The paid-in capital of USD33,300,000 and RMB409,431,280 is earning distributed from Topo Technology (Suzhou) Co., Ltd. to Nanomag International Co., Ltd., which were then invested in Vito Technology (Suqian) Co., Ltd. through Uranus International Co., Ltd.

Note 11. The paid-in capital of 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 earning distributed from Catcher Technology (Suzhou) Co., Ltd. and Topo Technology (Suzhou) Co., Ltd. to Nanomag International Co., Ltd., which were then invested in Arcadia Technology (Suqian) Co., Ltd. through Norma International Co., Ltd.

Note 12. The paid-in capital of 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 earning 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\$27.86.
The exchange rate was RMB1:NT\$4.3126.

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 USD\$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
Six months June 30, 2021

TABLE 10

(In Thousands of New Taiwan Dollars,

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 %	
0	Catcher Technology Co., Ltd.	Next Level Ltd.	1	Purchases	\$ 3,621,821	The comparable purchase prices of similar products, payment from 30 to 120 days after month end close	15.73	
1	Catcher Technology (Suqian) Co., Ltd.	Lyra International Co., Ltd.	1	Accounts receivable - related parties	334,503	The comparable purchase prices of similar products, payment from 30 to 120 days after month end close	0.13	
				Purchases	544,356		2.36	
		Vito Technology (Suqian) Co., Ltd.	1	Accounts receivable - related parties	2,934,940	The price is based on normal transaction price, receivable from 30 to 90 days after month end close.	1.18	
				Accounts payable - related parties	56,884		0.02	
		Vito Technology (Suqian) Co., Ltd.	3	Sales revenue	517,294	The price is based on normal transaction price, payable from 30 to 90 days after month end close.	2.25	
				Purchases	312,323		1.36	
				Processing income	518,519	The price is based on normal transaction price, receivable from 30 to 90 days after month end close.	2.25	
				Processing expense	163,915		0.71	
				Accounts receivable - related parties	742,950	The price is based on normal transaction price, payable from 30 to 90 days after month end close.	0.30	
				Other receivables - related party	704,748		0.28	
				Accounts payable - related parties	445,912	The price is based on normal transaction price, payable from 30 to 90 days after month end close.	0.18	
				Other payables - related party	234,449		0.09	
			Arcadia Technology (Suqian) Co., Ltd.	3	Processing expense	63,817	The price is based on normal transaction price, payable from 30 to 90 days after month end close.	0.28
					Purchases	72,179		0.31
					Other receivables - related party	68,820	The price is based on normal transaction price, payable from 30 to 90 days after month end close.	0.03
					Other receivables - related party	1,358,469		0.54
			Other payables - related party	83,801	The price is based on normal transaction price, payable from 120 days after month end close.	0.03		
			Accounts payable - related parties	108,464		0.04		
2	Vito Technology (Suqian) Co., Ltd.	Envio Technology (Suqian) Co., Ltd.	3	Accounts payable - related parties	68,416	The price is based on normal transaction price, payable from 30 to 90 days after month end close.	0.03	
				Purchases	95,020		0.41	
		Yachila Technology (Qiansu) Co., Ltd.	3	Accounts payable - related parties	84,517	No comparable sales prices of similar products, receivable from 30 to 90 days after month end close.	0.03	
				Sales revenue	822,739		3.57	
				Accounts receivable - related parties	1,154,147	The price is based on normal transaction price, receivable from 30 to 90 days after month end close.	0.46	
				Sales revenue	632,476		2.75	
				Purchases	136,915	The price is based on normal transaction price, payable from 30 to 90 days after month end close.	0.59	
				Accounts receivable - related parties	51,683		0.22	
				Accounts payable - related parties	711,551	The price is based on normal transaction price, payable from 30 to 90 days after month end close.	0.29	
				Accounts payable - related parties	206,045		0.08	
				Other receivables - related party	74,733	The price is based on normal transaction price, payable from 30 to 90 days after month end close.	0.03	
				Other receivables - related party	1,035,024		0.41	
			Envio Technology (Suqian) Co., Ltd.	3	Processing income	109,491	The price is based on normal transaction price, payable from 30 to 90 days after month end close.	0.48
					Processing expense	55,415		0.24
		3	Envio Technology (Suqian) Co., Ltd.	3	Other receivables - related party	149,161	No comparable sales prices of similar products, receivable from 30 to 90 days after month end close.	0.06
					Other payables - related party	64,917		0.03
Sales revenue	2,185,890				9.49			
Accounts receivable - related parties	2,167,673				0.87			
4	Arcadia Technology (Suqian) Co., Ltd.	3	Other receivables - related party	754,705	No comparable sales prices of similar products, receivable from 30 to 90 days after month end close.	0.30		
			Sales revenue	606,325		2.63		
5	Stella International Co., Ltd.	3	Accounts receivable - related parties	603,145		0.24		
			Other receivables - related party	1,253,700		0.50		
6	Uranus International Co., Ltd.	3	Other receivables - related party	1,253,700		0.50		
			Other receivables - related party	2,228,800		0.89		

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
Six Months Ended June 30, 2021 and 2020

TABLE 11

(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
<u>Cost</u>									
Balance at 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	-	4,131	53,704	675	8,660	128,097	-	852	196,119
Disposal	-	-	(658,768)	(906)	(1,073)	(12,120)	-	-	(672,867)
Reclassification	205,060	33,317	64,649	143	(65)	(15,027)	-	(6,277)	281,800
Net exchange difference	-	(191,962)	(137,046)	(1,188)	(17,960)	(28,493)	(4)	(17)	(376,670)
Balance at June 30, 2021	<u>\$ 2,384,384</u>	<u>\$ 18,789,878</u>	<u>\$ 53,508,415</u>	<u>\$ 155,838</u>	<u>\$ 2,197,430</u>	<u>\$ 3,688,238</u>	<u>\$ 267</u>	<u>\$ 127,296</u>	<u>\$ 80,851,746</u>
<u>Accumulated depreciation and impairment</u>									
Balance at January 1, 2021	\$ -	\$ 7,706,082	\$ 46,120,913	\$ 126,284	\$ 1,982,490	\$ 2,919,641	\$ 248	\$ -	\$ 58,855,658
Depreciation expense	-	505,019	1,838,584	9,115	100,005	207,746	23	-	2,660,492
Disposal	-	-	(645,732)	(779)	(1,073)	(9,444)	-	-	(657,028)
Reclassified	-	-	-	-	(65)	65	-	-	-
Exchange difference	-	(89,679)	(76,662)	(945)	(14,860)	(23,020)	(4)	-	(205,170)
Balance at June 30, 2021	<u>\$ -</u>	<u>\$ 8,121,422</u>	<u>\$ 47,237,103</u>	<u>\$ 133,675</u>	<u>\$ 2,066,497</u>	<u>\$ 3,094,988</u>	<u>\$ 267</u>	<u>\$ -</u>	<u>\$ 60,653,952</u>
Carrying amount at 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>
Carrying amount at June 30, 2021	<u>\$ 2,384,384</u>	<u>\$ 10,668,456</u>	<u>\$ 6,271,312</u>	<u>\$ 22,163</u>	<u>\$ 130,933</u>	<u>\$ 593,250</u>	<u>\$ -</u>	<u>\$ 127,296</u>	<u>\$ 20,197,794</u>
<u>Cost</u>									
Balance at January 1, 2020	\$ 2,179,324	\$ 24,926,841	\$ 74,545,095	\$ 198,829	\$ 2,739,991	\$ 4,955,537	\$ 266	\$ 264,777	\$ 109,810,660
Addition	-	10,875	99,218	1,876	5,044	418,279	-	6,563	541,855
Disposal	-	-	(235,080)	(4,700)	(3,932)	(97,524)	-	-	(341,236)
Reclassification	-	12,137	387,364	-	2,172	7,056	-	(9,642)	399,087
Net exchange difference	-	(575,713)	(1,523,386)	(3,645)	(62,165)	(109,913)	(7)	(3,571)	(2,278,400)
Balance at June 30, 2020	<u>\$ 2,179,324</u>	<u>\$ 24,374,140</u>	<u>\$ 73,273,211</u>	<u>\$ 192,360</u>	<u>\$ 2,681,110</u>	<u>\$ 5,173,435</u>	<u>\$ 259</u>	<u>\$ 258,127</u>	<u>\$ 108,131,966</u>
<u>Accumulated depreciation and impairment</u>									
Balance at January 1, 2020	\$ -	\$ 8,070,421	\$ 55,335,227	\$ 130,033	\$ 1,998,637	\$ 2,979,637	\$ 191	\$ -	\$ 68,514,146
Depreciation expense	-	745,961	4,008,008	13,311	184,489	460,967	26	-	5,412,762
Disposal	-	-	(234,117)	(4,700)	(3,927)	(97,524)	-	-	(340,268)
Net exchange difference	-	(211,373)	(1,122,101)	(2,296)	(44,471)	(61,901)	(5)	-	(1,442,147)
Balance at June 30, 2020	<u>\$ -</u>	<u>\$ 8,605,009</u>	<u>\$ 57,987,017</u>	<u>\$ 136,348</u>	<u>\$ 2,134,728</u>	<u>\$ 3,281,179</u>	<u>\$ 212</u>	<u>\$ -</u>	<u>\$ 72,144,493</u>
Carrying amount at June 30, 2020	<u>\$ 2,179,324</u>	<u>\$ 15,769,131</u>	<u>\$ 15,286,194</u>	<u>\$ 56,012</u>	<u>\$ 546,382</u>	<u>\$ 1,892,256</u>	<u>\$ 47</u>	<u>\$ 258,127</u>	<u>\$ 35,987,473</u>