

**ABLEREX ELECTRONICS CO., LTD. AND  
SUBSIDIARIES AND SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENTS AND  
REVIEW REPORT OF INDEPENDENT  
ACCOUNTANTS  
JUNE 30, 2017 AND 2016**

**ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**YEARS ENDED JUNE 30**

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)  
(The consolidated balance sheets as of June 30, 2017 and 2016 are reviewed, not audited)

ASSETS	Notes	June 30, 2017		December 31, 2016		June 30, 2016		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
<b>Current assets</b>								
1100	Cash and cash equivalents	6(1)	\$ 275,833	11	\$ 355,461	12	\$ 282,097	10
1150	Notes receivable, net		4,774	-	4,895	-	33,825	1
1160	Notes receivable - related parties	7	20,761	1	-	-	-	-
1170	Accounts receivable, net	6(2)	446,259	17	508,383	18	549,159	20
1180	Accounts receivable due from related parties, net	7	13,053	1	14,064	-	-	-
1200	Other receivables, net		1,872	-	6,404	-	4,523	-
130X	Inventories	6(3)	764,704	30	941,585	33	852,169	31
1410	Prepayments		37,741	1	25,331	1	37,457	2
1470	Total other current assets	6(1) and 8	194	-	194	-	194	-
11XX	<b>Total current assets</b>		<u>1,565,191</u>	<u>61</u>	<u>1,856,317</u>	<u>64</u>	<u>1,759,424</u>	<u>64</u>
<b>Non-current assets</b>								
1600	Property, plant and equipment	6(4), 7 and 8	897,553	35	924,197	32	895,698	32
1780	Intangible assets		46,874	2	48,394	2	48,127	2
1840	Deferred income tax assets	6(19)	33,172	1	30,755	1	32,131	1
1900	Other non-current assets	6(5) and 8	23,254	1	23,956	1	19,982	1
15XX	<b>Total non-current assets</b>		<u>1,000,853</u>	<u>39</u>	<u>1,027,302</u>	<u>36</u>	<u>995,938</u>	<u>36</u>
1XXX	<b>Total assets</b>		<u>\$ 2,566,044</u>	<u>100</u>	<u>\$ 2,883,619</u>	<u>100</u>	<u>\$ 2,755,362</u>	<u>100</u>

(Continued)

**ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**YEARS ENDED JUNE 30**

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)  
(The consolidated balance sheets as of June 30, 2017 and 2016 are reviewed, not audited)

LIABILITIES AND EQUITY	Notes	June 30, 2017		December 31, 2016		June 30, 2016		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
<b>Current liabilities</b>								
2100	Short-term borrowings	6(6)	\$ 225,000	9	\$ 240,000	8	\$ 95,000	4
2150	Notes payable		1,748	-	6,501	-	6,211	-
2170	Accounts payable		347,174	13	526,361	18	423,861	15
2200	Other payables	6(7)	241,345	9	122,740	4	260,195	9
2230	Current income tax liabilities	6(19)	17,567	1	20,695	1	26,585	1
2250	Provisions for liabilities - current	6(8)	43,999	2	39,713	2	50,093	2
2300	Other current liabilities	6(10)	91,335	4	185,507	7	198,868	7
21XX	<b>Total current liabilities</b>		<u>968,168</u>	<u>38</u>	<u>1,141,517</u>	<u>40</u>	<u>1,060,813</u>	<u>38</u>
<b>Non-current liabilities</b>								
2570	Deferred income tax liabilities	6(19)	74,586	3	78,574	2	76,608	3
2640	Net defined benefit liability-non-current	6(9)	22,030	1	22,034	1	21,065	1
2670	Other non-current liabilities, others		1,901	-	-	-	-	-
25XX	<b>Total non-current liabilities</b>		<u>98,517</u>	<u>4</u>	<u>100,608</u>	<u>3</u>	<u>97,673</u>	<u>4</u>
2XXX	<b>Total liabilities</b>		<u>1,066,685</u>	<u>42</u>	<u>1,242,125</u>	<u>43</u>	<u>1,158,486</u>	<u>42</u>
<b>Equity attributable to owners of parent</b>								
<b>Share capital</b>								
3110	Common stock	6(11)	450,000	17	450,000	16	450,000	16
<b>Capital surplus</b>								
3200	Capital surplus	6(12)	774,878	30	819,878	28	819,878	30
<b>Retained earnings</b>								
3310	Legal reserve	6(13)	194,334	8	184,180	6	184,180	7
3350	Unappropriated retained earnings		106,887	4	191,762	7	124,377	5
<b>Other equity interest</b>								
3400	Other equity interest		(35,235)	(1)	(12,957)	-	9,426	-
31XX	<b>Total equity attributable to owners of parent</b>		<u>1,490,864</u>	<u>58</u>	<u>1,632,863</u>	<u>57</u>	<u>1,587,861</u>	<u>58</u>
36XX	<b>Non-controlling interests</b>		<u>8,495</u>	<u>-</u>	<u>8,631</u>	<u>-</u>	<u>9,015</u>	<u>-</u>
3XXX	<b>Total equity</b>		<u>1,499,359</u>	<u>58</u>	<u>1,641,494</u>	<u>57</u>	<u>1,596,876</u>	<u>58</u>
<b>Significant commitments and contingent liabilities</b>								
3X2X	<b>Total liabilities and equity</b>	7 and 9	<u>\$ 2,566,044</u>	<u>100</u>	<u>\$ 2,883,619</u>	<u>100</u>	<u>\$ 2,755,362</u>	<u>100</u>

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

**ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**FOR THE SIX-MONTH PERIODS ENDED JUNE 30**  
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)  
(UNAUDITED)

Items	Notes	Three months ended June 30				Six months ended June 30				
		2017		2016		2017		2016		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	
4000		\$ 571,442	100	\$ 738,400	100	\$ 1,166,012	100	\$ 1,221,321	100	
5000		( 437,964)	( 77)	( 569,145)	( 77)	( 912,081)	( 78)	( 948,237)	( 78)	
5950		<u>133,478</u>	<u>23</u>	<u>169,255</u>	<u>23</u>	<u>253,931</u>	<u>22</u>	<u>273,084</u>	<u>22</u>	
		<b>Operating expenses</b>								
	6(17)(18) and 7									
6100		( 49,796)	( 9)	( 51,717)	( 7)	( 101,277)	( 9)	( 100,831)	( 8)	
6200		( 25,771)	( 4)	( 30,154)	( 4)	( 52,738)	( 4)	( 66,991)	( 6)	
6300		( 35,478)	( 6)	( 34,260)	( 5)	( 71,951)	( 6)	( 67,045)	( 5)	
6000		<u>( 111,045)</u>	<u>( 19)</u>	<u>( 116,131)</u>	<u>( 16)</u>	<u>( 225,966)</u>	<u>( 19)</u>	<u>( 234,867)</u>	<u>( 19)</u>	
6900		<u>22,433</u>	<u>4</u>	<u>53,124</u>	<u>7</u>	<u>27,965</u>	<u>3</u>	<u>38,217</u>	<u>3</u>	
		<b>Net operating income</b>								
		<b>Non-operating income and expenses</b>								
7010		2,274	-	3,044	-	3,291	-	6,421	1	
7020		298	-	5,176	1	( 9,155)	( 1)	2,397	-	
7050		( 579)	-	( 321)	-	( 1,159)	-	( 859)	-	
7000		<u>1,993</u>	<u>-</u>	<u>7,899</u>	<u>1</u>	<u>( 7,023)</u>	<u>( 1)</u>	<u>7,959</u>	<u>1</u>	
7900		24,426	4	61,023	8	20,942	2	46,176	4	
7950		( 5,353)	( 1)	( 13,696)	( 2)	( 5,513)	( 1)	( 13,623)	( 1)	
8200		<u>\$ 19,073</u>	<u>3</u>	<u>\$ 47,327</u>	<u>6</u>	<u>\$ 15,429</u>	<u>1</u>	<u>\$ 32,553</u>	<u>3</u>	
		<b>Other comprehensive income</b>								
		<b>Components of other comprehensive income that will be reclassified to profit or loss</b>								
8361		\$ 11,122	2	( \$ 13,039)	( 2)	( \$ 27,115)	( 2)	( \$ 25,258)	( 2)	
8399		( 1,864)	-	2,180	1	4,551	-	4,243	-	
8360		<u>9,258</u>	<u>2</u>	<u>( 10,859)</u>	<u>( 1)</u>	<u>( 22,564)</u>	<u>( 2)</u>	<u>( 21,015)</u>	<u>( 2)</u>	
8500		<u>\$ 28,331</u>	<u>5</u>	<u>\$ 36,468</u>	<u>5</u>	<u>( \$ 7,135)</u>	<u>( 1)</u>	<u>\$ 11,538</u>	<u>1</u>	
		<b>Profit (loss) attributable to:</b>								
8610		\$ 18,990	3	\$ 47,589	6	\$ 15,279	1	\$ 32,610	3	
8620		83	-	( 262)	-	150	-	( 57)	-	
		<u>\$ 19,073</u>	<u>3</u>	<u>\$ 47,327</u>	<u>6</u>	<u>\$ 15,429</u>	<u>1</u>	<u>\$ 32,553</u>	<u>3</u>	
		<b>Comprehensive income attributable to:</b>								
8710		\$ 28,087	5	\$ 36,944	5	( \$ 6,999)	( 1)	\$ 11,961	1	
8720		244	-	( 476)	-	( 136)	-	( 423)	-	
		<u>\$ 28,331</u>	<u>5</u>	<u>\$ 36,468</u>	<u>5</u>	<u>( \$ 7,135)</u>	<u>( 1)</u>	<u>\$ 11,538</u>	<u>1</u>	
		<b>Earnings(Loss) per share (in dollars)</b>								
9750		<u>\$ 0.42</u>		<u>\$ 1.06</u>		<u>\$ 0.34</u>		<u>\$ 0.72</u>		
9850		<u>\$ 0.42</u>		<u>\$ 1.05</u>		<u>\$ 0.34</u>		<u>\$ 0.72</u>		

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

**ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2017 AND 2016**  
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)  
(UNAUDITED)

Equity attributable to owners of the parent

	Notes	Common Stock	Capital surplus, additional paid-in capital	Retained Earnings		Financial statements translation differences of foreign operations	Total	Non-controlling interests	Total equity
				Legal reserve	Unappropriated retained earnings				
<b>2016</b>									
Balance at January 1, 2016		\$ 450,000	\$ 819,878	\$ 166,549	\$ 255,648	\$ 30,075	\$ 1,722,150	\$ 9,438	\$ 1,731,588
New Item									
New Item		-	-	17,631	( 17,631)	-	-	-	-
New Item		-	-	-	( 146,250)	-	( 146,250)	-	( 146,250)
Profit for the periods		-	-	-	32,610	-	32,610	( 57)	32,553
Other comprehensive income for the year	6(19)	-	-	-	-	( 20,649)	( 20,649)	( 366)	( 21,015)
Balance at March, 016		<u>\$ 450,000</u>	<u>\$ 819,878</u>	<u>\$ 184,180</u>	<u>\$ 124,377</u>	<u>\$ 9,426</u>	<u>\$ 1,587,861</u>	<u>\$ 9,015</u>	<u>\$ 1,596,876</u>
<b>2016</b>									
Balance at January 1, 2016		\$ 450,000	\$ 819,878	\$ 184,180	\$ 191,762	(\$ 12,957)	\$ 1,632,863	\$ 8,631	\$ 1,641,494
New Item									
New Item		-	-	10,154	( 10,154)	-	-	-	-
New Item		-	-	-	( 90,000)	-	( 90,000)	-	( 90,000)
New Item		-	( 45,000)	-	-	-	( 45,000)	-	( 45,000)
Profit for the period		-	-	-	15,279	-	15,279	150	15,429
Other comprehensive income for the year	6(19)	-	-	-	-	( 22,278)	( 22,278)	( 286)	( 22,564)
Balance at September 30, 2016		<u>\$ 450,000</u>	<u>\$ 774,878</u>	<u>\$ 194,334</u>	<u>\$ 106,887</u>	<u>(\$ 35,235)</u>	<u>\$ 1,490,864</u>	<u>\$ 8,495</u>	<u>\$ 1,499,359</u>

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

ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE SIX-MONTH PERIODS ENDED JUNE 30  
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)  
(UNAUDITED)

	<u>Notes</u>	<u>2017</u>	<u>2016</u>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
Profit before tax		\$ 20,942	\$ 46,176
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(4)(17)	29,434	25,597
Amortisation expense (including amortisation charges on long-term prepaid rent)	6(17)	4,462	3,892
Provision (reversal) for bad debts	6(2)	1,907	4,521
Financial costs		1,159	859
Interest income	6(15)	( 739 )	( 998 )
Loss on disposal of property, plant and equipment	6(16)	89	289
Unrealised foreign exchange loss (gain)		689	772
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable, net		121	( 8,437 )
Notes receivable - related parties		( 20,761 )	-
Accounts receivable		60,217	43,190
Accounts receivable due from related parties, net		1,011	-
Other receivables		4,432	746
Inventories		176,881	70,259
Prepayments		( 12,410 )	( 2,838 )
Changes in operating liabilities			
Notes payable		( 4,753 )	2,724
Accounts payable		( 179,187 )	( 11,926 )
Other payables		( 13,409 )	( 7,229 )
Provisions for liabilities - current		4,286	( 9,851 )
Other current liabilities		( 94,172 )	( 109,160 )
Defined benefit liability		( 4 )	( 12 )
Other non-current liabilities, others		1,901	-
Cash (outflow) inflow generated from operations		( 17,904 )	48,574
Interest received		839	1,099
Interest paid		( 4,145 )	( 4,142 )
Income tax paid		( 10,645 )	( 26,250 )
Net cash flows (used in) from operating activities		( 31,855 )	19,281

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ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE SIX-MONTH PERIODS ENDED JUNE 30  
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)  
(UNAUDITED)

	Notes	2017	2016
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Acquisition of property, plant and equipment	6(4)	(\$ 8,378 )	(\$ 103,641 )
Proceeds from disposal of property, plant and equipment		53	-
Acquisition of intangible assets		( 5,828 )	( 852 )
Increase in deposit		( 48 )	1,123
Increase in other non-current assets		( 2,698 )	( 9,201 )
Net cash flows used in investing activities		( 16,899 )	( 112,571 )
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>			
Increase in short-term borrowings		1,160,000	398,938
Repayment of short-term borrowings		( 1,175,000 )	( 439,821 )
Net cash flows used in financing activities		( 15,000 )	( 40,883 )
Effect of exchange rate changes on cash and cash equivalents		( 15,874 )	( 8,473 )
Net decrease in cash and cash equivalents		( 79,628 )	( 142,646 )
Cash and cash equivalents at beginning of period		355,461	424,743
Cash and cash equivalents at end of period		<u>\$ 275,833</u>	<u>\$ 282,097</u>

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

ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES

Loans to others

For the six-month period ended June 30, 2017

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the six-month period ended June 30, 2017	Balance at June 30, 2017	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
0	The Company	Ablerex-IT	Other receivables	Y	\$ 21,249 (USD 700 thousand)	\$ 15,210 (USD 500 thousand)	\$ 14,949 (USD 491 thousand)	1.50%	Short-term financing	\$ -	Turnover of operation	\$ -	None	\$ -	\$ 298,173	\$ 596,346	Note 1 Note 3
1	Ablerex-HK	Ablerex-SZ	Inter-company transactions	Y	\$ 91,260 (USD 3,000 thousand)	\$ 91,260 (USD 3,000 thousand)	\$ -	-	Short-term financing	-	Turnover of operation	-	None	-	298,173	596,346	Note 1 Note 2 Note 4

Note 1: In accordance with the Company's "Procedures for Provision of Loans", limit on total loans to others is 40% of the Company's net assets. Limit on loans to a single party with business transactions is the higher value of purchases or sales during current year on the year of financing. Limit on loans to a single party with short-term financing is 20% of the Company's net assets; but limit on total loans to subsidiaries is 40% of the parent company's current net assets. Furthermore, for the foreign companies which the Group holds 100% of the voting rights directly or indirectly, limit on loans is not restricted.

Note 2: In accordance with the Ablerex-HK's "Procedures for Provision of Loans", limit on total loans to others is 40% of the parent company's net assets. Limit on loans to a single party with business transactions is the higher value of purchases or sales during current year. Limit on loans to a single party with short-term financing is 20% of the parent company's net assets; but limit on total loans to subsidiaries is 40% of the parent company's current net assets. Furthermore, for the foreign companies which the Group holds 100% of the voting rights directly or indirectly, limit on loans is not restricted. The deadline of each loan is 1 year from the lending day.

Note 3: The maximum credit to be drawn as approved by the Board of Directors was USD700 thousand. The period-end available credit balance was USD500 thousand. The actual amount drawn was USD491 thousand.

Note 4: The maximum credit to be drawn as approved by the Board of Directors was USD3 million. The period-end available credit balance was USD3 million. The actual amount drawn was USD0 million.

ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES

Provision of endorsements and guarantees to others

For the six-month period ended June 30, 2017

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

Number	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of June 30, 2017	Outstanding endorsement/ guarantee amount at June 30, 2017	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
		Company name	Relationship with the endorser/ guarantor											
0	The Company	Ablerex-HK	Subsidiary	\$ 298,173	\$ 273,780	\$ 273,780	\$ -	\$ -	18%	\$ 745,432	Y	N	N	Note

Note: In accordance with the Company's "Procedures for Provision of Endorsements and Guarantees", limit on the Company endorsements/guarantees to others is 50% of the Company's net assets, and limit on the Company's endorsements/guarantees to a single party is 20% of the Company's net assets. Limit on endorsements/guarantees for companies with business relations is the higher value of purchases or sales during current year.

ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES

Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more

For the six-month period ended June 30, 2017

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
The Company	Ablerex-HK	Subsidiary	Purchases	\$ 493,798	77%	Note 1	Note 1	Note 1	(\$ 175,223)	(57%)	
Ablerex-HK	The Company	Parent Company	(Sales)	(USD 16,098 thousand)	(94%)	Note 1	Note 1	Note 1	USD 5,760 thousand	81%	-
Ablerex-HK	Ablerex-SZ	An indirectly-owned Subsidiary	Purchases	USD 16,098 thousand	94%	Note 2	Note 2	Note 2	(USD 5,972 thousand)	(93%)	-
Ablerex-SZ	Ablerex-HK	An indirectly-owned Subsidiary	(Sales)	(RMB 110,561 thousand)	(93%)	Note 2	Note 2	Note 2	RMB 40,456 thousand	88%	-

Note 1: The transaction price is commensurate with the purchase price from Ablerex-SZ; the receivable (payable) policy is Net 60 days E.O.M.

Note 2: The transaction price is the Ablerex-SZ production cost plus an agreed gross margin; the receivable (payable) policy is Net 60 days E.O.M.

ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES

Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more

June 30, 2017

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at June 30, 2017	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Ablerex-HK	The Company	Subsidiary	USD 5,760 thousand	4.98	\$ -	-	USD 1,992 thousand	\$ -
Ablerex-SZ	Ablerex-HK	Affiliate	RMB 40,456 thousand	5.07	-	-	RMB 20,166 thousand	-

ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES  
Significant inter-company transactions during the reporting periods  
For the six-month period ended June 30, 2017

Table 5

Individual transactions not exceeding \$10,000 and their corresponding transactions are not disclosed.

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction					
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)		
0	The Company	Ablerex-HK	1	Purchases	493,798	Note 4	42%		
		Ablerex-HK	1	Sales	32,164	Note 8	3%		
		Ablerex-HK	1	Account Payable	175,223		7%		
		Ablerex-HK	1	Other Receivable	12,591		0%		
		Ablerex-SG	1	Sales	44,317	Note 6	4%		
		Ablerex-SG	1	Account Receivable	32,845		1%		
		Ablerex-IT	1	Sales	31,867	Note 6	3%		
		Ablerex-IT	1	Account Receivable	18,480		1%		
		Ablerex-IT	1	Other Receivable	14,949	Note 9	1%		
		Ablerex-USA	1	Sales	23,151	Note 5	2%		
		Ablerex-USA	1	Account Receivable	11,181		0%		
		1	Ablerex-HK	Ablerex-SZ	3	Purchases	493,264	Note 4	42%
				Ablerex-SZ	3	Sales	30,973	Note 8	3%
Ablerex-SZ	3			Account Receivable	25,451		1%		
Ablerex-SZ	3			Account Payable	181,495		7%		
Ablerex-SZ	3			Other Receivable	14,411		1%		
2	Ablerex-SZ	Ablerex-BJ	3	Sales	26,570	Note 7	2%		
		Ablerex-BJ	3	Account Receivable	22,303		1%		

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

- (1) Parent company is '0'.
- (2) The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories:

- (1) Parent company to subsidiary.
- (2) Subsidiary to parent company.
- (3) Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: Ablerex-HK conducted purchases from Ablerex-SZ, whereby the prices were based on Ablerex-SZ's production costs. The purchases were then resold to Ablerex with a zero contribution margin; the term for receivables and payables is Net 60 days E.O.M.

Note 5: Commensurate with general sale terms; the term for receivables is Net 120 days E.O.M.

Note 6: Transaction prices are determined according to the agreements between the parties; the credit term is Net 120 days E.O.M.

Note 7: Transaction prices are determined according to the agreements between the parties; the credit term is coherent with general customers.

Note 8: Ablerex-HK conducts purchases from Ablerex, whereby the prices were determined according to the agreements between the parties. The purchases were then sold to Ablerex-SZ with a zero contribution margin; the credit term is coherent with general customers.

Note 9: Ablerex's loan to Ablerex-IT of \$14,949, in accordance with their agreement, carries an annual interest rate of 1.5%

ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES

Information on investees

For the six-month period ended June 30, 2017

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at June 30, 2017			Net profit (loss) of the investee for the six-month period ended June 30, 2017	Investment income(loss) recognised by the Company for the six-month period ended June 30, 2017	Footnote
				Balance as at June 30, 2017	Balance as at December 31, 2016	Number of shares	Ownership (%)	Book value			
The Company	Ablerex-Samoa	Samoa	Holding company	\$ 217,445	\$ 217,445	6,635,000	100	\$ 541,150	\$ 6,325	\$ 6,284	Subsidiary
The Company	Joint	BVI	Providing management service	104	104	3,000	100	114	95	95	Subsidiary
The Company	Ablerex-USA	U.S.	Sales of uninterruptible power supply, solar energy products, and related systems	8,303	8,303	250,000	100	46,874	( 2,933)	( 2,931)	Subsidiary
The Company	Ablerex-HK	Hong Kong	Sales of uninterruptible power supply, solar energy products, and related systems	43	43	10,000	100	29,322	212	212	Subsidiary
The Company	Ablerex-SG	Singapore	Sales of uninterruptible power supply, solar energy products, and related systems	48,008	48,008	2,140,763	100	73,566	( 1,049)	( 1,014)	Subsidiary
The Company	Ablerex-UK	UK	Holding company	4,674	4,674	100,000	100	2,062	2,445	857	Subsidiary
The Company	Ablerex-JP	Japan	Sales of uninterruptible power supply, solar energy products, and related systems	9,253	9,253	3,000	100	5,902	( 1,436)	( 1,480)	Subsidiary
Ablerex-Samoa	Ablerex-Overseas	Hong Kong	Holding company	217,445	217,445	6,635,000	100	546,458	6,229	-	Indirect subsidiary
Ablerex-UK	Ablerex-IT	Italy	Sales of uninterruptible power supply, solar energy products, and related systems	4,674	4,674	100,000	100	2,062	2,445	-	Indirect subsidiary

Note: For consolidated reporting purposes, all individuals disclosed above have eliminated all inter-group transactions.

ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES

Information on investments in Mainland China

For the six-month period ended June 30, 2017

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2017	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the six-month period ended June 30, 2017		Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2017	Net income of investee as of June 30, 2017	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the six-month period ended June 30, 2017	Book value of investments in Mainland China as of June 30, 2017	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2017	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Ablerex-SZ	Manufacturing and sales of uninterruptible power supply, solar energy products, and related systems	\$ 166,093	Note 1	\$ 166,093	\$ -	\$ -	\$ 166,093	\$ 5,429	100	\$ 5,429	\$ 512,296	\$ -	Note 2
Ablerex-BJ	Manufacturing and sales of uninterruptible power supply, solar energy products, and related systems	44,863	Note 1	35,744	-	-	35,744	750	80	600	33,980	-	Note 2

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2017	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
ABLEREX ELECTRONICS CO., LTD.	\$ 201,837	\$ 201,837	\$ 894,518

Note 1: Invested in cash through the third region's subsidiary, Ablere-Samoa which invested in Ablere-Overseas and then reinvested in Ablere-SZ and Ablere-BJ. The investments were approved by the Investment Commission of the Ministry of Economic Affairs.

Note 2: Excluding the presentation and disclosures of Ablere-SZ concurrently reviewed by the Certified Public Accountant, the above-listed related parties disclosed below are presentations and disclosures on investees that were not concurrently reviewed by the Certified Public Accountant. For consolidated reporting purposes, all individuals disclosed below have eliminated all inter-group transactions.

ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES

Significant transactions conducted with investees in Mainland China directly or indirectly through other companies in the third areas

For the year ended June 30, 2017

Table 8

(1) Selling amount and percentage and related receivables' percentage and balance at June 30, 2017:

Company name	General ledger amount	For the six-month period ended June 30, 2017		Footnote
		Amount	%	
Ablerex-SZ	Sales	\$ 30,973	6%	Resold to AblereX-SZ through AblereX-HK

(2) Other significant transactions that affected the gains and losses or financial status for the period, i.e. rendering/receiving of service:

Company name	General ledger amount	For the six-month period ended June 30, 2017		Footnote
		Amount	%	
Ablerex-SZ	Miscellaneous income	\$ 699	- %	The Company purchased the critical raw materials of \$13,650 on behalf of AblereX-SZ, and collected revenue through AblereX-HK's transshipment.
Ablerex-SZ	Deduction from management fee	\$ 5,538	21 %	Provide management service to AblereX-SZ and collectd payment through Joint.

Company name	General ledger amount	June 30, 2017		Footnote
		Amount	%	
Ablerex-SZ	Other receivables	\$ 14,411	16 %	