

**ABLEREX ELECTRONICS CO., LTD. AND  
SUBSIDIARIES AND SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENTS AND  
REVIEW REPORT OF INDEPENDENT  
ACCOUNTANTS  
SEPTEMBER 30, 2016 AND 2015**

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

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

| ASSETS                    |   | Notes         | September 30, 2017  |            | December 31, 2016   |            | September 30, 2016  |            |
|---------------------------|---|---------------|---------------------|------------|---------------------|------------|---------------------|------------|
|                           |   |               | AMOUNT              | %          | AMOUNT              | %          | AMOUNT              | %          |
| <b>Current assets</b>     |   |               |                     |            |                     |            |                     |            |
| 1100                      | Cash and cash equivalents                         | 6(1)          | \$ 260,392          | 10         | \$ 355,461          | 12         | \$ 366,431          | 13         |
| 1150                      | Notes receivable, net                             |               | 12,185              | -          | 4,895               | -          | 7,438               | -          |
| 1170                      | Accounts receivable, net                          | 6(2)          | 474,683             | 18         | 508,383             | 18         | 453,253             | 16         |
| 1180                      | Accounts receivable due from related parties, net | 7             | 9,899               | -          | 14,064              | -          | 1,098               | -          |
| 1200                      | Other receivables, net                            |               | 2,247               | -          | 6,404               | -          | 11,042              | 1          |
| 130X                      | Inventories                                       | 6(3)          | 834,280             | 32         | 941,585             | 33         | 900,606             | 32         |
| 1410                      | Prepayments                                       |               | 45,250              | 2          | 25,331              | 1          | 27,392              | 1          |
| 1470                      | Total other current assets                        | 6(1) and 8    | 194                 | -          | 194                 | -          | 194                 | -          |
| 11XX                      | <b>Total current assets</b>                       |               | <u>1,639,130</u>    | <u>62</u>  | <u>1,856,317</u>    | <u>64</u>  | <u>1,767,454</u>    | <u>63</u>  |
| <b>Non-current assets</b> |   |               |                     |            |                     |            |                     |            |
| 1600                      | Property, plant and equipment                     | 6(4), 7 and 8 | 883,281             | 34         | 924,197             | 32         | 933,553             | 33         |
| 1780                      | Intangible assets                                 |               | 46,011              | 2          | 48,394              | 2          | 47,741              | 2          |
| 1840                      | Deferred income tax assets                        | 6(19)         | 32,724              | 1          | 30,755              | 1          | 32,299              | 1          |
| 1900                      | Other non-current assets                          | 6(5) and 8    | 23,363              | 1          | 23,956              | 1          | 15,453              | 1          |
| 15XX                      | <b>Total non-current assets</b>                   |               | <u>985,379</u>      | <u>38</u>  | <u>1,027,302</u>    | <u>36</u>  | <u>1,029,046</u>    | <u>37</u>  |
| 1XXX                      | <b>Total assets</b>                               |               | <u>\$ 2,624,509</u> | <u>100</u> | <u>\$ 2,883,619</u> | <u>100</u> | <u>\$ 2,796,500</u> | <u>100</u> |

(Continued)

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

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

| LIABILITIES AND EQUITY                                    |  | Notes   | September 30, 2017  |            | December 31, 2016   |            | September 30, 2016  |            |
|---|--|---------|---------------------|------------|---------------------|------------|---------------------|------------|
|   |  |         | AMOUNT              | %          | AMOUNT              | %          | AMOUNT              | %          |
| <b>Current liabilities</b>                                |  |         |                     |            |                     |            |                     |            |
| 2100  | Short-term borrowings                                | 6(6)    | \$ 220,000          | 9          | \$ 240,000          | 8          | \$ 248,674          | 9          |
| 2150  | Notes payable  |         | 1,313               | -          | 6,501               | -          | 7,211               | -          |
| 2170  | Accounts payable                                     |         | 471,333             | 18         | 526,361             | 18         | 498,211             | 18         |
| 2200  | Other payables                                       | 6(7)    | 112,194             | 4          | 122,740             | 4          | 116,889             | 4          |
| 2230  | Current income tax liabilities                       | 6(19)   | 9,029               | -          | 20,695              | 1          | 19,221              | 1          |
| 2250  | Provisions for liabilities - current                 | 6(8)    | 45,988              | 2          | 39,713              | 2          | 50,741              | 2          |
| 2300  | Other current liabilities                            | 6(10)   | 136,502             | 5          | 185,507             | 7          | 172,516             | 6          |
| 21XX  | <b>Total current liabilities</b>                     |         | <u>996,359</u>      | <u>38</u>  | <u>1,141,517</u>    | <u>40</u>  | <u>1,113,463</u>    | <u>40</u>  |
| <b>Non-current liabilities</b>                            |  |         |                     |            |                     |            |                     |            |
| 2570  | Deferred income tax liabilities                      | 6(19)   | 75,149              | 3          | 78,574              | 2          | 74,896              | 2          |
| 2640  | Net defined benefit liability-non-current            | 6(9)    | 22,030              | 1          | 22,034              | 1          | 21,065              | 1          |
| 25XX  | <b>Total non-current liabilities</b>                 |         | <u>97,179</u>       | <u>4</u>   | <u>100,608</u>      | <u>3</u>   | <u>95,961</u>       | <u>3</u>   |
| 2XXX  | <b>Total liabilities</b>                             |         | <u>1,093,538</u>    | <u>42</u>  | <u>1,242,125</u>    | <u>43</u>  | <u>1,209,424</u>    | <u>43</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             | 29         |
| <b>Retained earnings</b>                                  |  |         |                     |            |                     |            |                     |            |
| 3310  | Legal reserve  | 6(13)   | 194,334             | 7          | 184,180             | 6          | 184,180             | 7          |
| 3350  | Unappropriated retained earnings                     |         | 131,866             | 5          | 191,762             | 7          | 131,448             | 5          |
| <b>Other equity interest</b>                              |  |         |                     |            |                     |            |                     |            |
| 3400  | Other equity interest                                |         | (29,162)            | (1)        | (12,957)            | -          | (7,273)             | -          |
| 31XX  | <b>Total equity attributable to owners of parent</b> |         | <u>1,521,916</u>    | <u>58</u>  | <u>1,632,863</u>    | <u>57</u>  | <u>1,578,233</u>    | <u>57</u>  |
| 36XX  | <b>Non-controlling interests</b>                     |         | <u>9,055</u>        | <u>-</u>   | <u>8,631</u>        | <u>-</u>   | <u>8,843</u>        | <u>-</u>   |
| 3XXX  | <b>Total equity</b>                                  |         | <u>1,530,971</u>    | <u>58</u>  | <u>1,641,494</u>    | <u>57</u>  | <u>1,587,076</u>    | <u>57</u>  |
| <b>Significant commitments and contingent liabilities</b> |  |         |                     |            |                     |            |                     |            |
| 3X2X  | <b>Total liabilities and equity</b>                  | 7 and 9 | <u>\$ 2,624,509</u> | <u>100</u> | <u>\$ 2,883,619</u> | <u>100</u> | <u>\$ 2,796,500</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 NINE-MONTH PERIODS ENDED SEPTEMBER 30**  
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)  
(UNAUDITED)

| Items | Notes           | Three months ended September 30   |              |                    |              | Nine months ended September 30 |              |                   |              |  |
|-------|-----------------|---|--------------|--------------------|--------------|--------------------------------|--------------|-------------------|--------------|--|
|       |                 | 2017  |              | 2016               |              | 2017                           |              | 2016              |              |  |
|       |                 | AMOUNT  | %            | AMOUNT             | %            | AMOUNT                         | %            | AMOUNT            | %            |  |
| 4000  |                 | \$ 589,955  | 100          | \$ 568,147         | 100          | \$ 1,755,967                   | 100          | \$ 1,789,468      | 100          |  |
| 5000  |                 | ( 446,275)  | ( 75)        | ( 449,413)         | ( 79)        | ( 1,358,356)                   | ( 77)        | ( 1,397,650)      | ( 78)        |  |
| 5950  |                 | <u>143,680</u>  | <u>25</u>    | <u>118,734</u>     | <u>21</u>    | <u>397,611</u>                 | <u>23</u>    | <u>391,818</u>    | <u>22</u>    |  |
|       |                 | <b>Operating expenses</b>   |              |                    |              |                                |              |                   |              |  |
|       | 6(17)(18) and 7 |   |              |                    |              |                                |              |                   |              |  |
| 6100  |                 | ( 53,478)   | ( 9)         | ( 43,474)          | ( 8)         | ( 154,755)                     | ( 9)         | ( 144,305)        | ( 8)         |  |
| 6200  |                 | ( 28,536)   | ( 5)         | ( 25,778)          | ( 5)         | ( 81,274)                      | ( 5)         | ( 92,769)         | ( 5)         |  |
| 6300  |                 | ( 34,383)   | ( 6)         | ( 35,756)          | ( 6)         | ( 106,334)                     | ( 6)         | ( 102,801)        | ( 6)         |  |
| 6000  |                 | <u>( 116,397)</u>   | <u>( 20)</u> | <u>( 105,008)</u>  | <u>( 19)</u> | <u>( 342,363)</u>              | <u>( 20)</u> | <u>( 339,875)</u> | <u>( 19)</u> |  |
| 6900  |                 | <u>27,283</u>   | <u>5</u>     | <u>13,726</u>      | <u>2</u>     | <u>55,248</u>                  | <u>3</u>     | <u>51,943</u>     | <u>3</u>     |  |
|       |                 | <b>Net operating income</b>   |              |                    |              |                                |              |                   |              |  |
|       |                 | <b>Non-operating income and expenses</b>  |              |                    |              |                                |              |                   |              |  |
| 7010  |                 | 1,752   | -            | 866                | -            | 5,043                          | -            | 7,287             | -            |  |
| 7020  |                 | ( 696)  | -            | ( 3,587)           | -            | ( 9,851)                       | -            | ( 1,190)          | -            |  |
| 7050  |                 | ( 523)  | -            | ( 435)             | -            | ( 1,682)                       | -            | ( 1,294)          | -            |  |
| 7000  |                 | <u>533</u>  | <u>-</u>     | <u>( 3,156)</u>    | <u>-</u>     | <u>( 6,490)</u>                | <u>-</u>     | <u>4,803</u>      | <u>-</u>     |  |
| 7900  |                 | <u>27,816</u>   | <u>5</u>     | <u>10,570</u>      | <u>2</u>     | <u>48,758</u>                  | <u>3</u>     | <u>56,746</u>     | <u>3</u>     |  |
| 7950  |                 | ( 2,516)  | ( 1)         | ( 3,412)           | ( 1)         | ( 8,029)                       | ( 1)         | ( 17,035)         | ( 1)         |  |
| 8200  |                 | <u>\$ 25,300</u>  | <u>4</u>     | <u>\$ 7,158</u>    | <u>1</u>     | <u>\$ 40,729</u>               | <u>2</u>     | <u>\$ 39,711</u>  | <u>2</u>     |  |
|       |                 | <b>Other comprehensive income</b>   |              |                    |              |                                |              |                   |              |  |
|       |                 | <b>Components of other comprehensive income that will be reclassified to profit or loss</b> |              |                    |              |                                |              |                   |              |  |
| 8361  |                 |   |              |                    |              |                                |              |                   |              |  |
| 8399  |                 | \$ 7,556  | 1            | ( \$ 20,379)       | ( 4)         | ( \$ 19,559)                   | ( 1)         | ( \$ 45,637)      | ( 2)         |  |
| 8360  |                 | ( 1,244)  | -            | 3,421              | 1            | 3,307                          | -            | 7,664             | -            |  |
| 8500  |                 | <u>6,312</u>  | <u>1</u>     | <u>( 16,958)</u>   | <u>( 3)</u>  | <u>( 16,252)</u>               | <u>( 1)</u>  | <u>( 37,973)</u>  | <u>( 2)</u>  |  |
|       |                 | <u>\$ 31,612</u>  | <u>5</u>     | <u>( \$ 9,800)</u> | <u>( 2)</u>  | <u>\$ 24,477</u>               | <u>1</u>     | <u>\$ 1,738</u>   | <u>-</u>     |  |
|       |                 | <b>Profit (loss) attributable to:</b>   |              |                    |              |                                |              |                   |              |  |
| 8610  |                 | \$ 24,979   | 4            | \$ 7,071           | 1            | \$ 40,258                      | 2            | \$ 39,681         | 2            |  |
| 8620  |                 | 321   | -            | 87                 | -            | 471                            | -            | 30                | -            |  |
|       |                 | <u>\$ 25,300</u>  | <u>4</u>     | <u>\$ 7,158</u>    | <u>1</u>     | <u>\$ 40,729</u>               | <u>2</u>     | <u>\$ 39,711</u>  | <u>2</u>     |  |
|       |                 | <b>Comprehensive income attributable to:</b>  |              |                    |              |                                |              |                   |              |  |
| 8710  |                 | \$ 31,052   | 5            | ( \$ 9,628)        | ( 2)         | \$ 24,053                      | 1            | \$ 2,333          | -            |  |
| 8720  |                 | 560   | -            | ( 172)             | -            | 424                            | -            | ( 595)            | -            |  |
|       |                 | <u>\$ 31,612</u>  | <u>5</u>     | <u>( \$ 9,800)</u> | <u>( 2)</u>  | <u>\$ 24,477</u>               | <u>1</u>     | <u>\$ 1,738</u>   | <u>-</u>     |  |
|       |                 | <b>Earnings(Loss) per share (in dollars)</b>  |              |                    |              |                                |              |                   |              |  |
| 9750  |                 | <u>\$ 0.55</u>  |              | <u>\$ 0.16</u>     |              | <u>\$ 0.89</u>                 |              | <u>\$ 0.88</u>    |              |  |
| 9850  |                 | <u>\$ 0.55</u>  |              | <u>\$ 0.16</u>     |              | <u>\$ 0.89</u>                 |              | <u>\$ 0.88</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 NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2017 AND 2016**  
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)  
(UNAUDITED)

|             |   | Equity attributable to owners of the parent |                   |                                  |  |                      |                           |                 |                     |
|-------------|---|---|-------------------|----------------------------------|--|----------------------|---------------------------|-----------------|---------------------|
|             |   | Retained Earnings                           |                   |                                  |  |                      |                           |                 |                     |
| Notes       | Common Stock  | Capital surplus, additional paid-in capital | Legal reserve     | Unappropriated retained earnings | Financial statements translation differences of foreign operations | Total                | Non-controlling interests | Total equity    |                     |
| <u>2016</u> |   |   |                   |                                  |  |                      |                           |                 |                     |
|             | Balance at January 1, 2016                            | \$ 450,000                                  | \$ 819,878        | \$ 166,549                       | \$ 255,648   | \$ 30,075            | \$ 1,722,150              | \$ 9,438        | \$ 1,731,588        |
|             | Appropriation and distribution of retained earnings : |   |                   |                                  |  |                      |                           |                 |                     |
|             | Legal reserve   | -   | -                 | 17,631                           | ( 17,631 )   | -                    | -                         | -               | -                   |
|             | Cash dividends to shareholders                        | -   | -                 | -                                | ( 146,250 )  | -                    | ( 146,250 )               | -               | ( 146,250 )         |
|             | Profit for the period                                 | -   | -                 | -                                | 39,681   | -                    | 39,681                    | 30              | 39,711              |
|             | Other comprehensive income for the year               | -   | -                 | -                                | -  | ( 37,348 )           | ( 37,348 )                | ( 625 )         | ( 37,973 )          |
|             | Balance at September 30, 2016                         | <u>\$ 450,000</u>                           | <u>\$ 819,878</u> | <u>\$ 184,180</u>                | <u>\$ 131,448</u>  | <u>( \$ 7,273 )</u>  | <u>\$ 1,578,233</u>       | <u>\$ 8,843</u> | <u>\$ 1,587,076</u> |
| <u>2017</u> |   |   |                   |                                  |  |                      |                           |                 |                     |
|             | Balance at January 1, 2017                            | \$ 450,000                                  | \$ 819,878        | \$ 184,180                       | \$ 191,762   | ( \$ 12,957 )        | \$ 1,632,863              | \$ 8,631        | \$ 1,641,494        |
|             | Appropriation and distribution of retained earnings : |   |                   |                                  |  |                      |                           |                 |                     |
|             | Legal reserve   | -   | -                 | 10,154                           | ( 10,154 )   | -                    | -                         | -               | -                   |
|             | Cash dividends to shareholders                        | -   | -                 | -                                | ( 90,000 )   | -                    | ( 90,000 )                | -               | ( 90,000 )          |
|             | Cash dividends paid by additional paid-in capital     | -   | ( 45,000 )        | -                                | -  | -                    | ( 45,000 )                | -               | ( 45,000 )          |
|             | Profit for the period                                 | -   | -                 | -                                | 40,258   | -                    | 40,258                    | 471             | 40,729              |
|             | Other comprehensive income for the year               | -   | -                 | -                                | -  | ( 16,205 )           | ( 16,205 )                | ( 47 )          | ( 16,252 )          |
|             | Balance at September 30, 2017                         | <u>\$ 450,000</u>                           | <u>\$ 774,878</u> | <u>\$ 194,334</u>                | <u>\$ 131,866</u>  | <u>( \$ 29,162 )</u> | <u>\$ 1,521,916</u>       | <u>\$ 9,055</u> | <u>\$ 1,530,971</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 NINE-MONTH PERIODS ENDED SEPTEMBER 30  
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)  
(UNAUDITED)

|  | Notes    | 2017       | 2016        |
|--|----------|------------|-------------|
| <b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>                                 |          |            |             |
| Profit before tax  |          | \$ 48,758  | \$ 56,746   |
| Adjustments  |          |            |             |
| Adjustments to reconcile profit (loss)   |          |            |             |
| Depreciation expense   | 6(4)(17) | 44,058     | 38,393      |
| Amortisation expense (including amortisation charges<br>on long-term prepaid rent) | 6(17)    | 6,865      | 6,100       |
| Provision (reversal) for bad debts   | 6(2)     | 3,391      | 10,327      |
| Financial costs  |          | 1,682      | 1,294       |
| Interest income  | 6(15)    | ( 924 )    | ( 1,194 )   |
| Loss on disposal of property, plant and equipment                                  | 6(16)    | ( 175 )    | 587         |
| Unrealised foreign exchange loss (gain)  |          | ( 63 )     | 993         |
| Changes in operating assets and liabilities  |          |            |             |
| Changes in operating assets  |          |            |             |
| Notes receivable, net  |          | ( 7,290 )  | 17,950      |
| Accounts receivable  |          | 30,878     | 132,776     |
| Accounts receivable due from related parties, net                                  |          | 4,165      | ( 1,098 )   |
| Other receivables  |          | 4,056      | ( 5,772 )   |
| Inventories  |          | 106,581    | 25,410      |
| Prepayments  |          | ( 19,919 ) | 7,227       |
| Changes in operating liabilities   |          |            |             |
| Notes payable  |          | ( 5,188 )  | 3,724       |
| Accounts payable   |          | ( 55,028 ) | 62,424      |
| Other payables   |          | ( 7,267 )  | ( 4,296 )   |
| Provisions for liabilities - current   |          | 6,275      | ( 9,203 )   |
| Other current liabilities  |          | ( 49,005 ) | ( 135,512 ) |
| Defined benefit liability  |          | ( 4 )      | ( 12 )      |
| Cash inflow generated from operations  |          | 111,846    | 206,864     |
| Interest received  |          | 1,025      | 1,294       |
| Interest paid  |          | ( 4,961 )  | ( 4,566 )   |
| Income tax paid  |          | ( 25,125 ) | ( 30,379 )  |
| Net cash flows from operating activities   |          | 82,785     | 173,213     |

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ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 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)  | (\$ 11,252 )      | (\$ 163,076 )     |
| Proceeds from disposal of property, plant and equipment      |       | 6,247             | -                 |
| Acquisition of intangible assets                             |       | ( 6,042 )         | ( 1,252 )         |
| Increase in deposit  |       | ( 291 )           | -                 |
| Increase in other non-current assets                         |       | ( 3,911 )         | ( 5,005 )         |
| Net cash flows used in investing activities                  |       | ( 15,249 )        | ( 169,333 )       |
| <b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>           |       |                   |                   |
| Increase in short-term borrowings                            |       | 1,650,000         | 755,893           |
| Repayment of short-term borrowings                           |       | ( 1,670,000 )     | ( 643,102 )       |
| Cash dividends paid  | 6(13) | ( 90,000 )        | ( 146,250 )       |
| Cash dividends paid by additional paid-in capital            | 6(12) | ( 45,000 )        | -                 |
| Net cash flows used in financing activities                  |       | ( 155,000 )       | ( 33,459 )        |
| Effect of exchange rate changes on cash and cash equivalents |       | ( 7,605 )         | ( 28,733 )        |
| Net decrease in cash and cash equivalents                    |       | ( 95,069 )        | ( 58,312 )        |
| Cash and cash equivalents at beginning of period             |       | 355,461           | 424,743           |
| Cash and cash equivalents at end of period                   |       | <u>\$ 260,392</u> | <u>\$ 366,431</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 September 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 September 30, 2017 | Balance at September 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                  | \$21,182<br>(USD 700 thousand)   | \$ 6,052<br>(USD 200 thousand)    | \$ 6,052<br>(USD 200 thousand) | 1.50%         | Short-term financing | \$ -                                     | Turnover of operation           | \$ -                            | None       | \$ -  | \$ 304,383                               | \$ 608,766                     | Note 1<br>Note 4           |
| 1   | Ablerex-HK  | Ablerex-SZ | Inter-company transactions | Y                  | \$ 90,780<br>(USD 3,000 thousand)  | \$ 90,780<br>(USD 3,000 thousand) | \$ -                           | -             | Short-term financing | -  | Turnover of operation           | -                               | None       | -     | 304,383                                  | 608,766                        | Note 1<br>Note 2<br>Note 5 |
| 2   | Ablerex-USA | Ablerex-IT | Other receivables          | Y                  | \$ 9,078<br>(USD 300 thousand)   | \$ 9,078<br>(USD 300 thousand)    | \$ 9,078<br>(USD 300 thousand) | 1.65%         | Short-term financing | -  | Turnover of operation           | -                               | None       | -     | 304,383                                  | 608,766                        | Note 1<br>Note 2<br>Note 6 |

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: In accordance with the Ablerex-USA'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. The deadline of each loan is 1 year from the lending day. Furthermore, for the foreign companies which the Group holds 100% of the voting rights directly or indirectly, limit on loans is not restricted.

Note 4: The maximum credit to be drawn as approved by the Board of Directors was USD200 thousand. The period-end available credit balance was USD200 thousand. The actual amount drawn was USD200 thousand.

Note 5: 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.

Note 6: The maximum credit to be drawn as approved by the Board of Directors was USD300 thousand. The period-end available credit balance was USD300 thousand. The actual amount drawn was USD300 thousand.

ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES

Provision of endorsements and guarantees to others

For the six-month period ended September 30, 2017

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

| Number | Endorser/<br>guarantor | Party being<br>endorsed/guaranteed |  | Limit on<br>endorsements/<br>guarantees<br>provided for a<br>single party | Maximum<br>outstanding<br>endorsement/<br>guarantee<br>amount as of<br>September 30,<br>2017 | Outstanding<br>endorsement/<br>guarantee<br>amount at<br>September 30,<br>2017 | Actual amount<br>drawn down | Amount of<br>endorsements/<br>guarantees<br>secured with<br>collateral | Ratio of<br>accumulated<br>endorsement/<br>guarantee<br>amount to net<br>asset value of<br>the endorser/<br>guarantor<br>company | Ceiling on<br>total amount of<br>endorsements/<br>guarantees<br>provided | Provision of<br>endorsements/<br>guarantees by<br>parent<br>company to<br>subsidiary | Provision of<br>endorsements/<br>guarantees by<br>subsidiary to<br>parent<br>company | Provision of<br>endorsements/<br>guarantees to<br>the party in<br>Mainland<br>China | Footnote |
|--------|------------------------|------------------------------------|--|---|--|--|-----------------------------|--|--|--|--|--|---|----------|
|        |                        | Company name                       | Relationship<br>with the<br>endorser/<br>guarantor |   |  |  |                             |  |  |  |  |  |   |          |
| 0      | The<br>Company         | Ablerex-HK                         | Subsidiary   | \$ 304,383  | \$ 272,340   | \$ 272,340   | \$ -                        | \$ -   | 18%  | \$ 760,958   | 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 September 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         | \$ 762,942             | 72%                                   | Note 1      | Note 1  | Note 1      | (\$ 203,230)                        | (51%)   |          |
| Ablerex-HK       | The Company  | Parent Company                     | (Sales)           | (USD 24,982 thousand)  | (94%)                                 | Note 1      | Note 1  | Note 1      | USD 6,716 thousand                  | 86%   | -        |
| Ablerex-HK       | Ablerex-SZ   | An indirectly-owned Subsidiary     | Purchases         | USD 24,982 thousand    | 94%                                   | Note 2      | Note 2  | Note 2      | (USD 6,496 thousand)                | (93%)   | -        |
| Ablerex-SZ       | Ablerex-HK   | An indirectly-owned Subsidiary     | (Sales)           | (RMB 169,764 thousand) | (92%)                                 | Note 2      | Note 2  | Note 2      | RMB 43,115 thousand                 | 85%   | -        |

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

September 30, 2017

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

| Creditor   | Counterparty | Relationship with the counterparty | Balance as at September 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 6,716 thousand               | 4.80          | \$ -                | -            | USD 3,086 thousand                                    | \$ -                            |
| Ablerex-SZ | Ablerex-HK   | Affiliate                          | RMB 43,115 thousand              | 5.04          | -                   | -            | RMB 21,197 thousand                                   | -                               |

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

Table 5

Expressed in thousands of NTD

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

(Except as otherwise indicated)

| Number<br>(Note 1) | Company name | Counterparty | Relationship<br>(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              | 762,942 | Note 4            | 43%  |
|                    |              | Ablerex-HK   | 1                        | Sales                  | 50,100  | Note 8            | 3%   |
|                    |              | Ablerex-HK   | 1                        | Account Payable        | 203,230 |                   | 8%   |
|                    |              | Ablerex-HK   | 1                        | Other Receivable       | 14,243  |                   | 1%   |
|                    |              | Ablerex-SG   | 1                        | Sales                  | 77,765  | Note 6            | 4%   |
|                    |              | Ablerex-SG   | 1                        | Account Receivable     | 40,776  |                   | 2%   |
|                    |              | Ablerex-IT   | 1                        | Sales                  | 53,118  | Note 6            | 3%   |
|                    |              | Ablerex-IT   | 1                        | Account Receivable     | 21,407  |                   | 1%   |
|                    |              | Ablerex-USA  | 1                        | Sales                  | 40,740  | Note 5            | 2%   |
|                    |              | Ablerex-USA  | 1                        | Account Receivable     | 11,173  |                   | 0%   |
| 1                  | Ablerex-HK   | Ablerex-SZ   | 3                        | Purchases              | 761,592 | Note 4            | 43%  |
|                    |              | Ablerex-SZ   | 3                        | Sales                  | 48,482  | Note 8            | 3%   |
|                    |              | Ablerex-SZ   | 3                        | Account Receivable     | 15,109  |                   | 1%   |
|                    |              | Ablerex-SZ   | 3                        | Account Payable        | 196,280 |                   | 7%   |
|                    |              | Ablerex-SZ   | 3                        | Other Receivable       | 17,086  |                   | 1%   |
| 2                  | Ablerex-SZ   | Ablerex-BJ   | 3                        | Sales                  | 54,390  | Note 7            | 3%   |
|                    |              | Ablerex-BJ   | 3                        | Account Receivable     | 33,344  |                   | 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.

ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES

Information on investees

For the six-month period ended September 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 September 30, 2017 |               |            | Net profit (loss) of the investee for the six-month period ended September 30, 2017 | Investment income(loss) recognised by the Company for the six-month period ended September 30, 2017 | Footnote            |
|---------------|------------------|-----------|---|----------------------------------|---------------------------------|--------------------------------------|---------------|------------|---|---|---------------------|
|               |                  |           |   | Balance as at September 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           | \$ 541,821 | (\$ 2,131)  | (\$ 943)  | 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           | 47,535     | ( 2,004)  | ( 2,002)  | Subsidiary          |
| The Company   | Ablerex-HK       | Hong Kong | Sales of uninterruptible power supply, solar energy products, and related systems | 43                               | 43                              | 10,000                               | 100           | 29,285     | 328   | 328   | 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           | 74,090     | ( 541)  | ( 171)  | Subsidiary          |
| The Company   | Ablerex-UK       | UK        | Holding company   | 4,674                            | 4,674                           | 100,000                              | 100           | 5,396      | 5,328   | 3,982   | Subsidiary          |
| The Company   | Ablerex-JP       | Japan     | Sales of uninterruptible power supply, solar energy products, and related systems | 9,253                            | 9,253                           | 3,000                                | 100           | 5,510      | ( 1,822)  | ( 1,822)  | Subsidiary          |
| Ablerex-Samoa | Ablerex-Overseas | Hong Kong | Holding company   | 217,445                          | 217,445                         | 6,635,000                            | 100           | 545,901    | ( 2,227)  | -   | 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           | 5,396      | 5,328   | -   | Indirect subsidiary |
| Ablerex-SG    | Ablerex-TH       | Thailand  | Sales of uninterruptible power supply, solar energy products, and related systems | 256                              | 256                             | 280,000                              | 70            | 389        | 187   | -   | 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 September 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/<br>Amount remitted back to Taiwan for the six-month period ended September 30, 2017 |                         | Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2017 | Net income of investee as of September 30, 2017 | Ownership held by the Company (direct or indirect) | Investment income (loss) recognised by the Company for the six-month period ended September 30, 2017 | Book value of investments in Mainland China as of September 30, 2017 | Accumulated amount of investment income remitted back to Taiwan as of September 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 | \$ 165,220      | Note 1            | \$ 165,220   | \$ -   | \$ -                    | \$ 165,220  | (\$ 4,046)                                      | 100  | (\$ 4,046)   | \$ 510,206   | \$ -   | Note 2   |
| Ablerex-BJ                 | Manufacturing and sales of uninterruptible power supply, solar energy products, and related systems | 45,524          | Note 1            | 35,556   | -  | -                       | 35,556  | 2,074   | 80   | 1,659  | 35,552   | -  | Note 2   |

| Company name                  | Accumulated amount of remittance from Taiwan to Mainland China as of September 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. | \$ 200,776  | \$ 200,776   | \$ 913,150  |

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

Note 2: Excluding the presentation and disclosures of Ablerex-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 September 30, 2017

Table 8

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

| Company name | General ledger amount | For the six-month period ended September 30, 2017 |    | Footnote                                |
|--------------|-----------------------|---|----|---|
|              |                       | Amount  | %  |   |
| Ablerex-SZ   | Sales                 | \$ 48,482   | 3% | 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 September 30, 2017 |      | Footnote  |
|--------------|-------------------------------|---|------|---|
|              |                               | Amount  | %    |   |
| Ablerex-SZ   | Miscellaneous income          | \$ 406  | - %  | The Company purchased the critical raw materials of \$25,225 on behalf of AblereX-SZ, and collected revenue through AblereX-HK's transshipment. |
| Ablerex-SZ   | Deduction from management fee | \$ 8,261  | 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     | \$ 17,086     | 4 % |          |