

**ABLEREX ELECTRONICS CO., LTD. AND
SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS AND
REVIEW REPORT OF INDEPENDENT ACCOUNTANTS**

MARCH 31, 2018 AND 2017

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

MARCH 31, 2018, DECEMBER 31, 2017 AND MARCH 31, 2017

(Expressed in thousands of New Taiwan dollars)

(The balance sheets as of March 31, 2018 and 2017 are reviewed, not audited)

ASSETS	Notes	March 31, 2018		December 31, 2017		March 31, 2017		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 321,958	12	\$ 255,339	9	\$ 312,406	12
1110	Current financial assets at fair value through profit or loss	6(2)	480	-	-	-	-	-
1150	Notes receivable, net		16,398	1	15,841	1	8,328	-
1170	Accounts receivable, net	6(3)	488,244	18	575,399	21	396,723	16
1180	Accounts receivable due from related parties, net	7	9,899	-	9,927	-	7,621	-
1200	Other receivables		6,698	-	3,616	-	4,770	-
130X	Inventories, net	6(4)	868,142	32	876,855	32	828,068	32
1410	Prepayments		31,451	1	41,466	2	16,918	1
1470	Total other current assets	6(1) and 8	194	-	194	-	194	-
11XX	Total current assets		<u>1,743,464</u>	<u>64</u>	<u>1,778,637</u>	<u>65</u>	<u>1,575,028</u>	<u>61</u>
Non-current assets								
1600	Property, plant and equipment	6(5), 7 and 8	861,200	32	868,528	31	904,522	35
1780	Intangible assets		46,304	2	45,238	2	47,503	2
1840	Deferred income tax assets	6(19)	36,774	1	31,762	1	31,399	1
1900	Other non-current assets	6(6) and 8	21,779	1	25,151	1	21,579	1
15XX	Total non-current assets		<u>966,057</u>	<u>36</u>	<u>970,679</u>	<u>35</u>	<u>1,005,003</u>	<u>39</u>
1XXX	Total assets		<u>\$ 2,709,521</u>	<u>100</u>	<u>\$ 2,749,316</u>	<u>100</u>	<u>\$ 2,580,031</u>	<u>100</u>

(Continued)

ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

MARCH 31, 2018, DECEMBER 31, 2017 AND MARCH 31, 2017

(Expressed in thousands of New Taiwan dollars)

(The balance sheets as of March 31, 2018 and 2017 are reviewed, not audited)

LIABILITIES AND EQUITY	Notes	March 31, 2018		December 31, 2017		March 31, 2017		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current liabilities								
2100	Short-term borrowings	6(7)	\$ 150,000	6	\$ 255,000	9	\$ 220,000	8
2130	Contract liabilities	6(14)	195,514	7	-	-	-	-
2150	Notes payable		9,124	-	850	-	2,849	-
2170	Accounts payable		467,942	17	465,630	17	353,577	14
2200	Other payables	6(8)	103,714	4	127,259	5	91,572	3
2230	Current income tax liabilities	6(19)	17,917	1	14,316	-	16,579	1
2250	Provisions for liabilities - current	6(9)	41,701	2	45,791	2	41,839	2
2300	Other current liabilities	12	12,990	-	171,639	6	152,991	6
21XX	Total current liabilities		<u>998,902</u>	<u>37</u>	<u>1,080,485</u>	<u>39</u>	<u>879,407</u>	<u>34</u>
Non-current liabilities								
2570	Deferred income tax liabilities	6(19)	87,228	3	76,392	3	70,665	3
2640	Net defined benefit liability, non-current	6(10)	21,793	1	21,793	1	22,030	1
2670	Other non-current liabilities, others		1,901	-	-	-	1,901	-
25XX	Total non-current liabilities		<u>110,922</u>	<u>4</u>	<u>98,185</u>	<u>4</u>	<u>94,596</u>	<u>4</u>
2XXX	Total liabilities		<u>1,109,824</u>	<u>41</u>	<u>1,178,670</u>	<u>43</u>	<u>974,003</u>	<u>38</u>
Equity attributable to owners of parent								
Share capital								
3110	Common stock	6(11)	450,000	17	450,000	17	450,000	18
Capital surplus								
3200	Capital surplus	6(12)	774,878	29	774,878	28	819,878	32
Retained earnings								
3310	Legal reserve	6(13)	194,334	7	194,334	7	184,180	7
3350	Unappropriated retained earnings		195,032	7	171,415	6	188,051	7
Other equity interest								
3400	Other equity interest		(24,506)	(1)	(29,535)	(1)	(44,332)	(2)
31XX	Total equity attributable to owners of parent		<u>1,589,738</u>	<u>59</u>	<u>1,561,092</u>	<u>57</u>	<u>1,597,777</u>	<u>62</u>
36XX	Non-controlling interests		<u>9,959</u>	<u>-</u>	<u>9,554</u>	<u>-</u>	<u>8,251</u>	<u>-</u>
3XXX	Total equity		<u>1,599,697</u>	<u>59</u>	<u>1,570,646</u>	<u>57</u>	<u>1,606,028</u>	<u>62</u>
Significant commitments and contingent liabilities								
3X2X	Total liabilities and equity	7 and 9	<u>\$ 2,709,521</u>	<u>100</u>	<u>\$ 2,749,316</u>	<u>100</u>	<u>\$ 2,580,031</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 THREE-MONTH PERIODS ENDED MARCH 31, 2018 AND 2017
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

Items	Notes	Three months ended March 31			
		2018		2017	
		AMOUNT	%	AMOUNT	%
4000		\$ 684,843	100	\$ 594,570	100
5000		(511,167)	(75)	(474,117)	(80)
5950		<u>173,676</u>	<u>25</u>	<u>120,453</u>	<u>20</u>
		Operating expenses			
6100		(67,170)	(10)	(51,481)	(9)
6200		(29,898)	(4)	(26,967)	(4)
6300		(37,258)	(5)	(36,473)	(6)
6450		880	-	-	-
6000		<u>(133,446)</u>	<u>(19)</u>	<u>(114,921)</u>	<u>(19)</u>
6900		<u>40,230</u>	<u>6</u>	<u>5,532</u>	<u>1</u>
		Net operating income			
		Non-operating income and expenses			
7010		2,929	-	1,017	-
7020		(8,175)	(1)	(9,453)	(2)
7050		(461)	-	(580)	-
7000		<u>(5,707)</u>	<u>(1)</u>	<u>(9,016)</u>	<u>(2)</u>
7900		34,523	5	3,484	1
7950		(10,664)	(2)	(160)	-
8200		<u>\$ 23,859</u>	<u>3</u>	<u>(\$ 3,644)</u>	<u>(1)</u>
		Other comprehensive income			
		Components of other comprehensive income that will be reclassified to profit or loss			
8361		\$ 6,455	1	(\$ 38,237)	(6)
8399		(1,263)	-	(6,415)	(1)
8360		5,192	1	(31,822)	(5)
8500		<u>\$ 29,051</u>	<u>4</u>	<u>(\$ 35,466)</u>	<u>(6)</u>
		Profit (loss) attributable to:			
8610		\$ 23,617	3	(\$ 3,711)	(1)
8620		242	-	67	-
		<u>\$ 23,859</u>	<u>3</u>	<u>(\$ 3,644)</u>	<u>(1)</u>
		Comprehensive income (loss) attributable to:			
8710		\$ 28,646	4	(\$ 35,086)	(6)
8720		405	-	(380)	-
		<u>\$ 29,051</u>	<u>4</u>	<u>(\$ 35,466)</u>	<u>(6)</u>
		Earnings(Loss) per share (in dollars)			
9750		\$	0.52	(\$	0.08)
9850		\$	0.52	(\$	0.08)

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 THREE-MONTH PERIODS ENDED MARCH 31, 2018 AND 2017
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

	Notes	Equity attributable to owners of the parent						Non-controlling interests	Total equity
		Common Stock	Capital surplus, additional paid-in capital	Legal reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Total		
<u>Retained Earnings</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
Loss for the period		-	-	-	(3,711)	-	(3,711)	67	(3,644)
Other comprehensive loss for the year	6(19)	-	-	-	-	(31,375)	(31,375)	(447)	(31,822)
Balance at March 31, 2017		<u>\$ 450,000</u>	<u>\$ 819,878</u>	<u>\$ 184,180</u>	<u>\$ 188,051</u>	<u>(\$ 44,332)</u>	<u>\$ 1,597,777</u>	<u>\$ 8,251</u>	<u>\$ 1,606,028</u>
<u>2018</u>									
Balance at January 1, 2018		\$ 450,000	\$ 774,878	\$ 194,334	\$ 171,415	(\$ 29,535)	\$ 1,561,092	\$ 9,554	\$ 1,570,646
Profit for the period		-	-	-	23,617	-	23,617	242	23,859
Other comprehensive income for the year	6(19)	-	-	-	-	5,029	5,029	163	5,192
Balance at March 31, 2018		<u>\$ 450,000</u>	<u>\$ 774,878</u>	<u>\$ 194,334</u>	<u>\$ 195,032</u>	<u>(\$ 24,506)</u>	<u>\$ 1,589,738</u>	<u>\$ 9,959</u>	<u>\$ 1,599,697</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 THREE-MONTH PERIODS ENDED MARCH 31, 2018 AND 2017
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

	Notes	2018	2017
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit (loss) before tax		\$ 34,523	(\$ 3,484)
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(5)(17)	14,623	14,861
Amortisation expense (including amortisation charges on long-term prepaid rent)	6(17)	2,467	2,135
Expected credit gain/Provision reversal of bad debts		(880)	(569)
Net gain on financial assets at fair value through profit or loss	6(2)	(476)	-
Financial costs		461	580
Interest income	6(15)	(229)	(285)
Loss on disposal of property, plant and equipment	6(5)(16)	174	18
Unrealised foreign exchange loss		269	586
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable, net		(557)	(3,433)
Accounts receivable		88,035	112,229
Accounts receivable due from related parties, net		28	6,443
Other receivables		(2,853)	1,533
Inventories		8,713	113,517
Prepayments		10,015	8,413
Changes in operating liabilities			
NewItem		195,514	-
Notes payable		8,274	(3,652)
Accounts payable		2,312	(172,784)
Other payables		(18,432)	(27,920)
Provisions for liabilities - current		(4,090)	2,126
Other current liabilities		(158,649)	(32,516)
Defined benefit liability		-	(4)
Other non-current liabilities, others		1,901	1,901
Cash inflow generated from operations		181,143	19,695
Interest received		-	386
Interest paid		(5,574)	(3,828)
Income tax paid		(2,502)	(6,414)
Net cash flows from operating activities		173,067	9,839

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ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2018 AND 2017
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

	<u>Notes</u>	<u>2018</u>	<u>2017</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of property, plant and equipment	6(5)	(\$ 4,036)	(\$ 5,751)
Proceeds from disposal of property, plant and equipment	6(5)	-	45
Acquisition of intangible assets		(1,852)	-
Decrease in deposit		584	337
Decrease (increase) in other non-current assets		<u>1,005</u>	<u>(5,527)</u>
Net cash flows used in investing activities		<u>(4,299)</u>	<u>(10,896)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings		410,000	540,000
Repayment of short-term borrowings		<u>(515,000)</u>	<u>(560,000)</u>
Net cash flows used in financing activities		<u>(105,000)</u>	<u>(20,000)</u>
Effect of exchange rate changes on cash and cash equivalents		<u>2,851</u>	<u>(21,998)</u>
Net increase (decrease) in cash and cash equivalents		66,619	(43,055)
Cash and cash equivalents at beginning of period		<u>255,339</u>	<u>355,461</u>
Cash and cash equivalents at end of period		<u>\$ 321,958</u>	<u>\$ 312,406</u>

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

ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES

Loans to others

For the three-month period ended March 31, 2018

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 three-month period ended March 31, 2018	Balance at March 31, 2018	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	\$6,164 (USD 200 thousand)	\$ -	\$ -	1.50%	Short-term financing	\$ -	Turnover of operation	\$ -	None	\$ -	\$ 317,948	\$ 635,895	Note 1 Note 4
0	Ablerex-USA	Ablerex-IT	Other receivables	Y	8,732 (USD 300 thousand)	8,732 (USD 300 thousand)	8,732 (USD 300 thousand)	1.65%	Short-term financing	-	Turnover of operation	-	None	-	317,948	635,895	Note 1 Note 2 Note 3

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 USD 200 thousand. As of March 31, 2018, the amount of loan grant allowed was USD 0 thousand, and the actual loans granted was USD 0 thousand.

Note 4: The maximum credit to be drawn as approved by the Board of Directors was USD 300 thousand. As of March 31, 2018, the amount of loan grant allowed was USD 300 thousand, and the actual loans granted was USD 300 thousand.

ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES

Provision of endorsements and guarantees to others

For the three-month period ended March 31, 2018

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 March 31, 2018	Outstanding endorsement/ guarantee amount at March 31, 2018	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	\$ 317,948	\$ 218,288	\$ 218,288	\$ -	\$ -	14%	\$ 794,869	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 three-month period ended March 31, 2018

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	\$ 242,376	46%	Note 1	Note 1	Note 1	(\$ 122,652)	35%	-
Ablerex-HK	The Company	Parent Company	(Sales)	(USD 8,272 thousand)	(88%)	Note 1	Note 1	Note 1	USD 4,214 thousand	(90%)	-
Ablerex-HK	Ablerex-SZ	An indirectly-owned Subsidiary	Purchases	USD 8,272 thousand	88%	Note 2	Note 2	Note 2	(USD 5,279 thousand)	99%	-
Ablerex-SZ	Ablerex-HK	An indirectly-owned Subsidiary	(Sales)	(RMB 52,810 thousand)	(85%)	Note 2	Note 2	Note 2	RMB 33,196 thousand	(76%)	-

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

March 31, 2018

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2018	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 4,214 thousand	5.62	\$ -	-	USD 1,283 thousand	\$ -
Ablerex-SZ	Ablerex-HK	Affiliate	RMB 33,196 thousand	5.13	-	-	RMB 12,366 thousand	-

ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES
 Significant inter-company transactions during the reporting periods
 For the three-month period ended March 31, 2018

Table 5

Expressed in thousands of NTD
 (Except as otherwise indicated)

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

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	Sales	\$ 30,997	Note 8	5%
		Ablerex-HK	1	Purchases	242,376	Note 4	35%
		Ablerex-HK	1	Account Payable	122,652		5%
		Ablerex-USA	1	Sales	19,848	Note 5	3%
		Ablerex-SG	1	Sales	37,046	Note 6	5%
		Ablerex-SG	1	Account Receivable	40,976		2%
		Ablerex-IT	1	Sales	42,071	Note 6	6%
		Ablerex-IT	1	Account Receivable	49,932		2%
		1	Ablerex-HK	Ablerex-SZ	3	Purchases	243,513
Ablerex-SZ	3			Sales	33,385	Note 8	5%
Ablerex-SZ	3			Account Receivable	39,211		1%
Ablerex-SZ	3			Account Payable	154,260		6%
2	Ablerex-SZ	Ablerex-BJ	3	Sales	33,721	Note 7	5%
		Ablerex-BJ	3	Account Receivable	45,181		2%

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 three-month period ended March 31, 2018

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2018			Net profit (loss) of the investee for the three-month period ended March 31, 2018	Investment income(loss) recognised by the Company for the three-month period ended March 31, 2018	Footnote
				Balance as at March 31, 2018	Balance as at December 31, 2017	Number of shares	Ownership (%)	Book value			
The Company	Ablerex-Samoa	Samoa	Holding company	\$ 217,445	\$ 217,445	6,635,000	100	\$ 540,021	(\$ 18,771)	(\$ 18,916)	Subsidiary
The Company	Joint	BVI	Providing management service	104	104	3,000	100	72	(37)	(37)	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	48,061	161	163	Subsidiary
The Company	Ablerex-HK	Hong Kong	Sales of uninterruptible power supply, solar energy products, and related systems	43	43	10,000	100	28,448	159	159	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	77,566	2,525	1,895	Subsidiary
The Company	Ablerex-UK	UK	Holding company	4,674	4,674	100,000	100	3,392	372	152	Subsidiary
The Company	Ablerex-JP	Japan	Sales of uninterruptible power supply, solar energy products, and related systems	9,253	9,253	3,000	100	4,001	(851)	(851)	Subsidiary
Ablerex-Samoa	Ablerex-Overseas	Hong Kong	Holding company	217,445	217,445	6,635,000	100	544,120	(18,737)	-	Second-tier subsidiary
Ablerex-UK	Ablerex-IT	Italy	Sales of uninterruptible power supply, solar energy products, and related systems	4,674	4,674	100,000	100	3,392	372	-	Second-tier subsidiary
Ablerex-SG	Ablerex-TH	Thailand	Sales of uninterruptible power supply, solar energy products, and related systems	256	256	280,000	70	334	(316)	-	Second-tier subsidiary

Note: The Company recognised investment income comprising of downstream and upstream transactions.

ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES

Information on investments in Mainland China

For the three-month period ended March 31, 2018

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, 2018	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the three-month period ended March 31, 2018		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2018	Net income of investee as of March 31, 2018	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the three-month period ended March 31, 2018	Book value of investments in Mainland China as of March 31, 2018	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2018	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Ablerex-SZ	Manufacturing and sales of uninterruptible power supply, solar energy products, and related systems	\$ 158,913	Note 1	\$ 158,913	\$ -	\$ -	\$ 158,913	(\$ 20,083)	100	(\$ 20,083)	\$ 504,719	\$ -	-
Ablerex-BJ	Manufacturing and sales of uninterruptible power supply, solar energy products, and related systems	46,470	Note 1	34,198	-	-	34,198	1,681	80	1,345	39,264	-	-

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2018	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.	\$ 193,111	\$ 193,111	\$ 953,843

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 three-month period ended March 31, 2018

Table 8

(1) Selling amount and percentage and related receivables' percentage and balance at March 31, 2018:

Company name	General ledger amount	For the three-month period ended March 31, 2018		Footnote
		Amount	%	
Ablerex-SZ	Sales	\$ 33,385	5%	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 three-month period ended March 31, 2018		Footnote
		Amount	%	
Ablerex-SZ	Miscellaneous income	\$ 163	- %	The Company purchased the critical raw materials of \$8,392 on behalf of AblereX-SZ, and collected revenue through AblereX-HK's transshipment.
Ablerex-SZ	Deduction from management fee	\$ 2,645	- %	Provide management service to AblereX-SZ and collectd payment through Joint.

Company name	General ledger amount	March 31, 2018		Footnote
		Amount	%	
Ablerex-HK	Other receivables	\$ 4,094	2 %	