ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES CONSOLIDATED FINANCIAL STATEMENTS AND REVIEW REPORT OF INDEPENDENT ACCOUNTANTS JUNE 30, 2018 AND 2017

For the convenience of readers and for information purpose only, the auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. 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 consolidated financial statements shall prevail.

ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

JUNE 30, 2018, DECEMBER 31, 2017 AND JUNE 30, 2017

(Expressed in thousands of New Taiwan dollars)

(The consolidated balance sheets as of June 30, 2018 and 2017 are reviewed, not audited)

	ASSETS	Notes	_	June 30, 201 AMOUNT	8	December 31, 2 AMOUNT	2017 <u>%</u>	June 30, 201 AMOUNT	7
	Current assets								
1100	Cash and cash equivalents	6(1)	\$	244,061	9	\$ 255,339	9	\$ 275,833	11
1150	Notes receivable, net	6(2)		19,454	1	15,841	1	4,774	-
1160	Notes receivable due from related	7							
	parties, net			-	-	-	-	20,761	1
1170	Accounts receivable, net	6(2)		405,523	15	575,399	21	446,259	17
1180	Accounts receivable due from	7							
	related parties, net			9,970	-	9,927	-	13,053	1
1200	Other receivables			22,041	1	3,616	-	1,872	-
130X	Inventories, net	6(3)		1,004,638	37	876,855	32	764,704	30
1410	Prepayments			49,276	2	41,466	2	37,741	1
1470	Total other current assets	6(1) and 8		194		194		194	
11XX	Total current assets			1,755,157	65	 1,778,637	65	1,565,191	61
	Non-current assets								
1600	Property, plant and equipment	6(4), 7 and							
		8		849,820	31	868,528	31	897,553	35
1780	Intangible assets			45,574	2	45,238	2	46,874	2
1840	Deferred income tax assets	6(19)		36,237	1	31,762	1	33,172	1
1900	Other non-current assets	6(5) and 8		22,390	1	 25,151	1	23,254	1
15XX	Total non-current assets			954,021	35	 970,679	35	1,000,853	39
1XXX	Total assets		\$	2,709,178	100	\$ 2,749,316	100	\$ 2,566,044	100

(Continued)

ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES CONSOLIDATED BALANCE SHEETS JUNE 30, 2018, DECEMBER 31, 2017 AND JUNE 30, 2017 (Expressed in thousands of New Taiwan dollars)

(The consolidated balance sheets as of June 30, 2018 and 2017 are reviewed, not audited)

	LIABILITIES AND EQUITY	Notes		June 30, 2018 AMOUNT	%	December 31, 2 AMOUNT	2017 %	June 30, 201 AMOUNT	7 %
	Current liabilities	Notes		AMOUNT	/0	AWOUNT		AWOUNT	
2100	Short-term borrowings	6(6)	\$	75,000	3	\$ 255,000	9	\$ 225,000	9
2120	Current financial liabilities at fair	6(7)	Ψ	73,000	J	4 233,000		4 223,000	
	value through profit or loss			2,124	_	_	_	-	_
2130	Current contract liabilities	6(14)		168,513	6	_	_	_	_
2150	Notes payable	, ,		6,601	_	850	_	1,748	_
2170	Accounts payable			536,272	20	465,630	17	347,174	13
2200	Other payables	6(8)		220,248	8	127,259	5	241,345	9
2230	Current income tax liabilities	6(19)		26,184	1	14,316	-	17,567	1
2250	Provisions for liabilities - current	6(9)		37,042	1	45,791	2	43,999	2
2300	Other current liabilities	12(5)		18,972	1	171,639	6	91,335	4
21XX	Total current liabilities			1,090,956	40	1,080,485	39	968,168	38
	Non-current liabilities								
2570	Deferred income tax liabilities	6(19)		85,675	3	76,392	3	74,586	3
2640	Net defined benefit liability,	6(10)							
	non-current			21,793	1	21,793	1	22,030	1
2670	Other non-current liabilities, others			-	-	-	-	1,901	-
25XX	Total non-current liabilities			107,468	4	98,185	4	98,517	4
2XXX	Total liabilities			1,198,424	44	1,178,670	43	1,066,685	42
	Equity attributable to owners of		-						
	parent								
	Share capital	6(11)							
3110	Common stock			450,000	17	450,000	17	450,000	17
	Capital surplus	6(12)							
3200	Capital surplus			734,378	27	774,878	28	774,878	30
	Retained earnings	6(13)							
3310	Legal reserve			202,294	7	194,334	7	194,334	8
3320	Special reserve			29,535	1	-	-	-	-
3350	Unappropriated retained earnings			107,752	4	171,415	6	106,887	4
	Other equity interest								
3400	Other equity interest		(24,174)(1)	(29,535)	(1)	(35,235)	(1)
31XX	Total equity attributable to								
	owners of parent			1,499,785	55	1,561,092	57	1,490,864	58
36XX	Non-controlling interests			10,969	1	9,554		8,495	
3XXX	Total equity			1,510,754	56	1,570,646	57	1,499,359	58
	Significant commitments and	7 and 9							
	contingent liabilities								
3X2X	Total liabilities and equity		\$	2,709,178	100	\$ 2,749,316	100	\$ 2,566,044	100

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

ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2018 AND 2017
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)
(UNAUDITED)

				For the thre	ee mont	hs en	ded June 30,			For the six	month:	s ended June 30),
				2018			2017			2018		2017	
	Items	Notes	A	MOUNT	%	A	MOUNT	%	1	AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(14) and 7	\$	590,608	100	\$	571,442	100	\$	1,275,451	100	\$ 1,166,012	100
5000	Operating costs	6(3)(17)(18)	(441,323)	(<u>75</u>)	(437,964) (77)	(952,490) (<u>74</u>) (912,081	
5950	Gross profit from operations			149,285	25		133,478	23		322,961	26	253,931	22
	Operating expenses	6(17)(18) and 7											
6100	Selling expenses	,	(63,093)	(11)	(49,796) (9)	(130,263) (10) (101,277) (9)
6200	General and administrative expenses		(30,183)	(5)	(25,771)(4)	(60,081)(5) (52,738) (4)
6300	Research and development expenses		(38,917) ((6)	(35,478) (6)	(76,175) (6) (71,951) (6)
6450	Expected credit gain			808	-		-	-		1,688	-	-	-
6000	Total operating expenses		(131,385)	(22)	(111,045) (19)	$(_$	264,831) (21) (225,966) (<u>19</u>)
6900	Net operating income			17,900	3		22,433	4		58,130	5	27,965	3
	Non-operating income and expenses												
7010	Other income	6(15)		6,257	1		2,274	-		9,186	1	3,291	-
7020	Other gains and losses	6(16)		11,510	2		298	-		3,335	- (9,155	
7050	Finance costs		(270)		(579)		(731)	(1,159	
7000	Total non-operating income and expenses			17,497	3		1,993	<u>-</u>		11,790	1 (7,023) (<u>1</u>)
7900	Profit before income tax			35,397	6		24,426	4		69,920	6	20,942	2
7950	Income tax expense	6(19)	(12,042)	<u>2</u>)	()	5,353)(1)	(22,706) (<u>2</u>) (5,513) (1)
8200	Profit for the period		\$	23,355	4	\$	19,073	3	\$	47,214	4	\$ 15,429	1
	Other comprehensive income												
	Components of other												
	comprehensive income (loss) that will be reclassified to profit												
	or loss												
8361	Financial statements												
	translation differences of		¢	205		ď	11 122	2	Φ	6 740	,	re 07 115) (2)
8399	foreign operations Income tax relating to the	6(19)	\$	285	-	\$	11,122	Z	\$	6,740	- ((\$ 27,115) (2)
0377	components of other	0(19)											
	comprehensive income		(83)	_	(1,864)	_	(1,346)	_	4,551	_
8360	Components of other		`			`	-,,		`			.,,551	
	comprehensive income												
	(loss) that will be												
	reclassified to profit or loss			202			9,258	2		5,394	(22,564) (2)
8500	Total comprehensive income		\$	23,557	4	\$	28,331	5	\$	52,608	4 (\$ 7,135)(1)
	Profit attributable to:												
8610	Owners of the parent		\$	22,215	4	\$	18,990	3	\$	45,832	4	\$ 15,279	
8620	Non-controlling interest		_	1,140			83		_	1,382		150	
			\$	23,355	4	\$	19,073	3	\$	47,214	4	\$ 15,429	1
	Comprehensive income (loss)												
	attributable to:		_					_					
8710	Owners of the parent		\$	22,547	4	\$	28,087	5	\$	51,193	4 (
8720	Non-controlling interest		ф.	1,010	_	ф.	244	<u>-</u>	Φ.	1,415	(136	
			\$	23,557	4	\$	28,331	5	\$	52,608	4 ((\$ 7,135) (1)
	Earnings per share (in dollars)												
9750	Basic earnings per share	6(20)	\$		0.50	\$		0.42	\$		1.02	\$	0.34
9850	Diluted earnings per share	6(20)	\$		0.50	\$		0.42	\$		1.02	\$	0.34
	= =		_	•						_			

ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2018 AND 2017

(Expressed in thousands of New Taiwan dollars) (UNAUDITED)

				Equity attr	ributable to owner	s of the parent				
	Notes	Common stock	Capital surplus, additional paid- in capital	Legal reserve	Retained Earnin Special reserve	Unappropriated		Total	Non-controlling interests	Total equity
<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
Profit for the period		-	-	-	-	15,279	-	15,279	150	15,429
Other comprehensive income for the period	6(19)						(22,278)	(22,278)	((22,564)
Total comprehensive income						15,279	(22,278)	(6,999)	(136_)	(7,135_)
Appropriation and distribution of 2016 earnings:	6(13)									
Legal reserve		-	-	10,154	-	(10,154	-	-	-	-
Cash dividends to shareholders		-	-	-	-	(90,000	-	(90,000)	-	(90,000)
Cash dividends paid by additional paid-in capital	6(12)		(45,000)				<u>-</u>	(45,000)	<u>-</u> _	(45,000_)
Balance at June 30, 2017		\$ 450,000	\$ 774,878	\$ 194,334	\$ -	\$ 106,887	(\$ 35,235)	\$1,490,864	\$ 8,495	\$1,499,359
2018									·	
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		-	-	-		45,832	-	45,832	1,382	47,214
Other comprehensive income for the period	6(19)		<u>-</u> _				5,361	5,361	33	5,394
Total comprehensive income			<u>-</u> _			45,832	5,361	51,193	1,415	52,608
Appropriation and distribution of 2017 earnings:	6(13)									
Legal reserve		-	-	7,960	-	(7,960) -	-	-	-
Special reserve		-	-	-	29,535	(29,535) -	-	-	-
Cash dividends to shareholders		-	-	-	-	(72,000	-	(72,000)	-	(72,000)
Cash dividends paid by additional paid-in capital	6(12)		(40,500)					(40,500)		(40,500)
Balance at June 30, 2018		\$ 450,000	\$ 734,378	\$ 202,294	\$ 29,535	\$ 107,752	(\$ 24,174)	\$1,499,785	\$ 10,969	\$1,510,754

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

ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2018 AND 2017

(Expressed in thousands of New Taiwan dollars) (UNAUDITED)

	Notes		2018		2017
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		\$	69,920	\$	20,942
Adjustments		Ψ	0,,,20	Ψ	20,512
Adjustments to reconcile profit (loss)					
Depreciation expense	6(4)(17)		29,268		29,434
Amortisation expense (including amortisation charges	6(17)		,		
on long-term prepaid rent)	, ,		4,834		4,462
Expected credit gain/Provision for bad debts		(1,688)		1,907
Net gain on financial liabilities at fair value through		`	, ,		,
profit or loss			2,146		-
Financial costs			731		1,159
Interest income	6(15)	(843)	(739)
Loss on disposal of property, plant and equipment	6(4)(16)		308		89
Unrealised foreign exchange loss			232		689
Changes in operating assets and liabilities					
Changes in operating assets					
Notes receivable, net		(3,613)		121
Notes receivable due from related parties, net			-	(20,761)
Accounts receivable			170,937		60,217
Accounts receivable due from related parties, net		(43)		1,011
Other receivables		(18,424)		4,432
Inventories		(127,783)		176,881
Prepayments		(7,810)	(12,410)
Changes in operating liabilities					
Current contract liabilities			168,513		-
Notes payable			5,751	(4,753)
Accounts payable			70,642	(179,187)
Other payables		(19,454)	(13,409)
Provisions for liabilities - current		(8,749)		4,286
Other current liabilities		(152,667)	(94,172)
Defined benefit liability			-	(4)
Other non-current liabilities, others					1,901
Cash inflow (outflow) generated from operations			182,208	(17,904)
Interest received			842		839
Interest paid		(788)	(4,145)
Income tax paid		(7,376)	(10,645)
Net cash flows from (used in) operating activities			174,886	(31,855)

(Continued)

ABLEREX ELECTRONICS CO., LTD. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2018 AND 2017

(Expressed in thousands of New Taiwan dollars) (UNAUDITED)

	Notes		2018		2017
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of property, plant and equipment	6(4)	(\$	7,968)	(\$	8,378)
Proceeds from disposal of property, plant and equipment	6(4)		-		53
Acquisition of intangible assets		(1,853)	(5,828)
Increase in deposit		(152)	(48)
Decrease (Increase) in other non-current assets			235	(2,698)
Net cash flows used in investing activities		(9,738)	(16,899)
CASH FLOWS FROM FINANCING ACTIVITIES					
Increase in short-term borrowings			555,000		1,160,000
Repayment of short-term borrowings		(735,000)	(1,175,000)
Net cash flows used in financing activities		(180,000)	(15,000)
Effect of exchange rate changes on cash and cash equivalents			3,574	(15,874)
Net decrease in cash and cash equivalents		(11,278)	(79,628)
Cash and cash equivalents at beginning of period			255,339		355,461
Cash and cash equivalents at end of period		\$	244,061	\$	275,833

Loans to others

For the six-month period ended June 30, 2018

Table 1

Expressed in thousands of NTD (Except as otherwise indicated)

			General	Is a	Maximum outstanding balance during					Amount of transactions	Reason for short-	Allowance for			Limit on loans granted to	Ceiling on	
			ledger	related	the six-month period ended		Actual amount drawn	Interest	Nature of	with the	term	doubtful	Coll	ateral	a single	total loans	
No	Creditor	Borrower	account	party	June 30, 2018	Balance at June 30, 2018	down	rate	loan	borrower	financing	accounts	Item	Value	party	granted	Footnote
0	The Company	Ablerex- IT	Other recivables	Y	\$6,164 (USD 200 thousand)	\$ -	\$ -	1.50%	Short-term financing	\$ -	Turnover of operation	\$ -	None	\$ -	\$ 299,957	\$ 599,914	Note 1 Note 3
1	Ablerex -USA	Ablerex -IT	Other recivables	Y	9,138 (USD 300 thousand)	9,138 (USD 300 thousand)	9,138 (USD 300 thousand)	1.65%	Short-term financing	-	Turnover of operation	-	None	-	299,957	599,914	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-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; 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 00 thousand. As of June 30,2018, 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 June 30,2018, the amount of loan grant allowed was USD 300 thousand, and the actual loans granted was USD 300 thousand.

Provision of endorsements and guarantees to others

For the six-month period ended June 30, 2018

Table 2

Expressed in thousands of NTD (Except as otherwise indicated)

		Party bei endorsed/gua	U	Limit on	Maximum outstanding	Outstanding		Amount of	Ratio of accumulated endorsement/ guarantee amount to net	Ceiling on	Provision of endorsements/	Provision of endorsements/	Provision of endorsements/	
Noushan	Endorser/		Relationship with the endorser/	guarantees provided for a	endorsement/ guarantee amount as of	endorsement/ guarantee amount at June	Actual amount	guarantees secured with	0	total amount of endorsements/ guarantees	parent company to	subsidiary to parent	Mainland	
Number 0	guarantor The Company	Company name Ablerex-HK	guarantor Subsidiary	single party \$ 299,957	June 30, 2018 \$ 228,450	\$ 228,450	drawn down	s -	company 15%	provided \$ 749,893	subsidiary Y	company N	China N	Footnote 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.

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, 2018

Table 3

Expressed in thousands of NTD (Except as otherwise indicated)

					Transactio	n		terms comp	in transaction pared to third insactions	N	otes/accounts recei	vable (payable)	
Purchaser/seller	Counterparty	Relationship with the counterparty	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	\$	555,181	58%	Note 1	Note 1	Note 1	(\$	201,279)	* * *	-
Ablerex-HK	The Company	Parent Company	(Sales)	(USD 1	8,796 thousand)	(89%)	Note 1	Note 1	Note 1	USD	6,608 thousand	75%	-
Ablerex-HK	Ablerex-SZ	An indirectly-owned Subsidiary	Purchases	USD 1	18,796 thousand	89%	Note 2	Note 2	Note 2	(USD	7,160 thousand)	(90%)	=
Ablerex-SZ	Ablerex-HK	An indirectly-owned Subsidiary	(Sales)	(RMB 11	19,435 thousand)	(86%)	Note 2	Note 2	Note 2	RMB	47,373 thousand	77%	-

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.

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

June 30, 2018

Table 4

Expressed in thousands of NTD (Except as otherwise indicated)

		Relationship				Overdue re	eceivables	Amount collected subsequent to the	Allowance for
Creditor	Counterparty	with the counterparty	Balance a	as at June 30, 2018	Turnover rate	Amount	Action taken	balance sheet date	doubtful accounts
Ablerex-HK	The Company	Subsidiary	USD	6,608 thousand	5.31	\$ -	-	USD 1,734 thousnad	\$ -
Ablerex-SZ	Ablerex-HK	Affiliate	RMB	47,373 thousand	4.95	-	-	RMB 11,609 thousnad	-

Significant inter-company transactions during the reporting periods

For the six-month period ended June 30, 2018

Table 5
Individual transactions not exceeding \$10,000 and their corresponding transactions are not disclosed.

Expressed in thousands of NTD (Except as otherwise indicated)

						Transaction	
Number			Relationship				Percentage of consolidated total operating
(Note 1)	Company name	Counterparty	(Note 2)	General ledger account	Amount	Transaction terms	revenues or total assets (Note 3)
0	The Company	Ablerex-HK	1	Sales	\$ 72,394	Note 8	6%
		Ablerex-HK	1	Purchases	555,181	Note 4	44%
		Ablerex-HK	1	Account Payable	201,279		7%
		Ablerex-HK	1	Other Receivable	24,766		1%
		Ablerex-USA	1	Sales	31,394	Note 5	2%
		Ablerex-SG	1	Sales	80,417	Note 6	6%
		Ablerex-SG	1	Account Receivable	58,832		2%
		Ablerex-IT	1	Sales	71,422	Note 6	6%
		Ablerex-IT	1	Account Receivable	56,392		2%
1	Ablerex-HK	Ablerex-SZ	3	Purchases	555,181	Note 4	44%
		Ablerex-SZ	3	Sales	70,416	Note 8	6%
		Ablerex-SZ	3	Account Receivable	45,025		2%
		Ablerex-SZ	3	Account Payable	217,585		8%
		Ablerex-SZ	3	Other Receivable	21,174		1%
2	Ablerex-SZ	Ablerex-BJ	3	Sales	67,465	Note 7	5%
		Ablerex-BJ	3	Account Receivable	47,281		2%
		Ablerex-BJ	3	Account Payable	12,213		0%

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.

Information on investees

For the six-month period ended June 30, 2018

Table 6

Expressed in thousands of NTD (Except as otherwise indicated)

				Initial invest	ment amount	Shares	s held as at June 30	, 2018	Net profit (loss)	Investment income(loss) recognised by the	
Investor	Investee	Location	Main business activities	Balance as at June 30, 2018	Balance as at December 31, 2017	Number of shares	Ownership (%)	Book value	of the investee for the six-month period ended June 30, 2018	Company for the six- month period ended June 30, 2018	Footnote
	Ablerex-Samoa	Samoa	Holding company	\$ 217,445		6,635,000	100	\$ 519,824			Subsidiary
The Company	Joint	BVI	Providing management service	104	104	3,000	100	76	(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	50,906	751	752	Subsidiary
The Company	Ablerex-HK	Hong Kong	Sales of uninterruptible power supply, solar energy products, and related systems	43	43	10,000	100	29,836	222	222	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	83,829	6,274	5,186	Subsidiary
The Company	Ablerex-UK	UK	Holding company	4,674	4,674	100,000	100	6,704	4,589	3,575	Subsidiary
The Company	Ablerex-JP	Japan	Sales of uninterruptible power supply, solar energy products, and related systems	9,253	9,253	3,000	100	3,317	(1,551)	(1,551)	Subsidiary
Ablerex-Samoa	Ablerex -Overseas	Hong Kong	Holding company	217,445	217,445	6,635,000	100	524,350	(32,453)	-	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	6,704	4,589	-	Second-tier subsidiary
Ablerex-SG	Ablerex-TH	Thailand	Sales of uninterruptible power supply, solar energy products, and related systems	256	256	280,000	70	1,209	958	-	Second-tier subsidiary

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

Information on investments in Mainland China
For the six-month period ended June 30, 2018

Table 7

Expressed in thousands of NTD (Except as otherwise indicated)

				Accumulated amount of remittance from Taiwan to Mainland China	Amount remitted Mainland Amount rer to Taiwan for period ended 1	d China/ mitted back the six-month	Accumulated amount of remittance from Taiwan to Mainland China		Ownership held by the Company	Investment income (loss) recognised by the Company for the six-month	Book value of investments in Mainland China	Accumulated amount of investment income remitted back to	
Investee in	Main business		Investment	as of January 1,	Remitted to	Remitted back	as of June 30,	as of June	(direct or			Taiwan as of	1
Mainland China	activities	Paid-in capital	method	2018	Mainland China	to Taiwan	2018	30, 2018	indirect)	30, 2018	2018	June 30, 2018	Footnote
Ablerex-SZ	Manufacturing and sales of uninterruptible power supply, solar energy products, and related systems	\$ 166,312	Note 1	\$ 166,312	\$ -	\$ -	\$ 166,312	(\$ 36,822)	100	(\$ 36,822)	\$ 482,414	\$ -	-
Ablerex-BJ	Manufacturing and sales of uninterruptible power supply, solar energy products, and related systems	45,930	Note 1	35,791	-	-	35,791	5,472	80	4,378	41,802	-	-

		Investment	Ceiling on		
		amount approved	investments in		
	Accumulated amount	by the Investment	Mainland China		
	of remittance from	Commission of the	imposed by the		
	Taiwan to Mainland	Ministry of	Investment		
	China	Economic Affairs	Commission of		
Company name	as of June 30, 2018	(MOEA)	MOEA		
ABLEREX					
ELECTRONICS	\$ 202,103	\$ 202,103	\$ 899,871		
CO., LTD.					

Note 1: Invested in Cash through the third region's subsidiary, Ablerex-Samoa which invested in Ablerex-Overseas and then reinvested in 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.

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

For the six-month period ended June 30, 2018

Table 8

(1) Selling amount and percentage and related receivables' percentage and balance at June 30, 2018

		Fo	r the six-month peri	od ended June 30, 2018	_
Company name	General ledger amount	Amount		%	Footnote
Ablerex-SZ	Sales	\$	70,416	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:

		For the	six-month period end	ded June 30, 2018	<u></u>		
Company name	General ledger amount	Amount		%	Footnote		
Ablerex-SZ	Miscellaneous income	\$ 966		18 %	The Company purchased the critical raw materials of \$27,272 on behalf of Ablerex-SZ, and collected revenue through Ablerex-HK's transshipment.		
	Deduction from				Provide management service to Ablerex-SZ and collectd payment		
Ablerex-SZ management fee		\$	5,303	17 %	through Joint.		
			June 30, 201	18			
Company name	General ledger amount	Ar	nount	%	Footnote		
Ablerex-HK	Other receivables	\$	21,174	32 %	<u> </u>		