

DELTA ELECTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
MARCH 31, 2021 AND 2020

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.

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Board of Directors and Shareholders of Delta Electronics, Inc.

Introduction

We have reviewed the accompanying consolidated balance sheets of Delta Electronics, Inc. and its subsidiaries (the “Group”) as at March 31, 2021 and 2020, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three months then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and International Accounting Standards (IAS) No. 34, “Interim Financial Reporting” as endorsed by the Financial Supervisory Commission (FSC). Our responsibility is to express a conclusion on these interim financial statements based on our reviews and the review reports of other independent auditors.

Scope of review

Except as explained in the Basis for Qualified Conclusion, we conducted our reviews in accordance with the Statement of Auditing Standards No. 65, “Review of Financial Statements”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As explained in Notes 4(3)B and 6(8), the financial statements of certain insignificant consolidated subsidiaries and investments accounted for under the equity method were not reviewed by independent auditors. Those statements reflect total assets of NT\$19,715,948 thousand and NT\$19,057,569 thousand, constituting 5.73% and 6.23% of the consolidated total assets, and total liabilities of NT\$5,872,717 thousand and NT\$6,894,423 thousand, constituting 3.72% and 5.17% of the consolidated total liabilities as at March 31, 2021 and 2020, respectively, and total comprehensive loss of (NT\$251,954) thousand and (NT\$133,260) thousand, constituting (2.91%) and 8.31% of the consolidated total comprehensive income (loss) for the three months then ended, respectively.

Qualified Conclusion

Based on our reviews and the review reports of other independent auditors as described in the Other Matter–Review Reports By Other Independent Auditors section of our report, except for the possible effects of the matter described in the Basis for Qualified Conclusion section of our report, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2021 and 2020, and of its consolidated financial performance and its consolidated cash flows for the three months then ended in accordance with the “Rules Governing the Preparation of Financial Reports by Securities Issuers” and IAS No. 34, “Interim Financial Reporting” as endorsed by the FSC.

Other Matter – Review Reports By Other Independent Auditors

We did not review the financial statements of certain subsidiaries which were reviewed by other auditors. Total assets of these subsidiaries amounted to NT\$55,079,205 thousand and NT\$50,877,624 thousand, constituting 16.02% and 16.64% of the consolidated total assets as at March 31, 2021 and 2020, respectively, and total operating revenues amounted to NT\$15,475,120 thousand and NT\$11,946,469 thousand, constituting 21.35% and 21.46% of consolidated total operating revenues for the three months then ended, respectively.

The consolidated financial statements of Delta Electronics, Inc. and subsidiaries as at and for the three months ended March 31, 2021 expressed in US dollars are presented solely for the convenience of the reader and were translated from the financial statements expressed in New Taiwan dollars using the exchange rate of \$28.535 to US\$1.00 at March 31, 2021. This basis of translation is not in accordance with International Financial Reporting Standards, International Accounting Standards, and relevant interpretations and interpretative bulletins that are ratified by the FSC.

Lin, Yu-Kuan Chou, Chien-Hung

for and on behalf of PricewaterhouseCoopers, Taiwan

April 28, 2021

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the review of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and review report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

DELTA ELECTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2021, DECEMBER 31, 2020 AND MARCH 31, 2020
(EXPRESSED IN THOUSANDS OF DOLLARS)
(THE BALANCE SHEETS AS OF MARCH 31, 2021 AND 2020 ARE UNAUDITED)

Assets	Notes	US Dollars	New Taiwan Dollars		
		March 31, 2021	March 31, 2021	December 31, 2020	March 31, 2020
Current assets					
Cash and cash equivalents	6(1)	\$ 2,132,753	\$ 60,858,095	\$ 58,711,985	\$ 49,590,843
Financial assets at fair value through profit or loss - current	6(2)	32,694	932,925	1,061,343	631,262
Financial assets at fair value through other comprehensive income - current	6(3)	-	-	-	211,057
Contract assets - current	6(20)	81,371	2,321,918	2,170,634	1,074,568
Notes receivable, net	6(5)	121,982	3,480,763	3,733,595	3,332,497
Accounts receivable, net	6(5)	1,997,602	57,001,586	59,177,433	44,878,780
Accounts receivable - related parties	7	1,000	28,527	42,284	28,695
Other receivables	7	63,051	1,799,154	1,803,498	1,504,223
Current income tax assets		12,063	344,209	364,666	521,516
Inventories	6(7)	1,722,242	49,144,171	44,889,429	37,964,809
Prepayments		79,693	2,274,039	2,171,217	2,562,732
Other current assets	8	20,093	573,385	760,771	403,748
Total current assets		6,264,544	178,758,772	174,886,855	142,704,730
Non-current assets					
Financial assets at fair value through profit or loss - non-current	6(2)	113,801	3,247,321	2,942,196	2,156,842
Financial assets at fair value through other comprehensive income - non-current	6(3)	68,788	1,962,860	1,927,683	1,259,802
Contract assets - non-current	6(20)	16,717	477,014	526,766	278,983
Investments accounted for under the equity method	6(8)	27,594	787,406	785,002	874,967
Property, plant and equipment	6(9) and 8	2,491,583	71,097,325	68,441,975	63,815,846
Right-of-use assets	6(10)	103,602	2,956,287	3,020,746	3,071,580
Investment property, net		493	14,070	14,070	14,070
Intangible assets	6(11)	2,663,118	75,992,081	75,459,630	82,539,291
Deferred income tax assets		224,127	6,395,473	6,471,705	6,597,994
Other non-current assets	6(5)(12) and 8	74,021	2,112,162	1,939,587	2,439,777
Total non-current assets		5,783,844	165,041,999	161,529,360	163,049,152
Total assets		\$ 12,048,388	\$ 343,800,771	\$ 336,416,215	\$ 305,753,882

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DELTA ELECTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2021, DECEMBER 31, 2020 AND MARCH 31, 2020
(EXPRESSED IN THOUSANDS OF DOLLARS)
(THE BALANCE SHEETS AS OF MARCH 31, 2021 AND 2020 ARE UNAUDITED)

Liabilities and Equity	Notes	US Dollars		New Taiwan Dollars	
		March 31, 2021	March 31, 2021	December 31, 2020	March 31, 2020
Current liabilities					
Short-term borrowings	6(13)	\$ 58,833	\$ 1,678,806	\$ 2,001,532	\$ 9,846,267
Financial liabilities at fair value through profit or loss - current	6(2)	7,350	209,728	60,060	304,590
Contract liabilities - current	6(20)	177,909	5,076,625	5,012,589	3,325,637
Notes payable		151	4,295	2,770	11,304
Accounts payable		1,674,209	47,773,555	46,687,510	34,495,538
Accounts payable - related parties	7	266	7,596	29,641	14,162
Other payables	6(14)	1,205,627	34,402,563	32,884,221	27,022,564
Current income tax liabilities		112,078	3,198,135	3,085,472	2,308,512
Other current liabilities	6(15)	153,975	4,393,714	4,259,706	4,163,246
Total current liabilities		3,390,398	96,745,017	94,023,501	81,491,820
Non-current liabilities					
Long-term borrowings	6(15)	1,277,218	36,445,402	39,313,990	29,067,496
Deferred income tax liabilities		561,194	16,013,677	15,450,119	14,035,789
Lease liabilities - non-current		47,341	1,350,887	1,411,312	1,405,950
Other non-current liabilities		263,217	7,510,890	7,627,652	7,442,454
Total non-current liabilities		2,148,970	61,320,856	63,803,073	51,951,689
Total liabilities		5,539,368	158,065,873	157,826,574	133,443,509
Equity					
Share capital					
Common stock	6(17)	910,301	25,975,433	25,975,433	25,975,433
Capital surplus					
Capital surplus	6(18)	1,718,828	49,046,774	49,202,505	49,431,190
Retained earnings					
Legal reserve	6(19)	958,210	27,342,534	27,342,534	25,030,754
Special reserve		267,112	7,622,034	7,622,034	7,561,032
Unappropriated retained earnings		1,924,992	54,929,632	48,300,040	41,673,079
Other equity interest					
Other equity interest		(389,428)	(11,112,320)	(12,543,208)	(9,956,931)
Equity attributable to owners of the parent		5,390,015	153,804,087	145,899,338	139,714,557
Non-controlling interest	4(3)	1,119,005	31,930,811	32,690,303	32,595,816
Total equity		6,509,020	185,734,898	178,589,641	172,310,373
Significant contingent liabilities and unrecorded contract commitments	9				
Total liabilities and equity		\$ 12,048,388	\$ 343,800,771	\$ 336,416,215	\$ 305,753,882

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

DELTA ELECTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS ENDED MARCH 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF DOLLARS, EXCEPT EARNINGS PER SHARE DATA)
(UNAUDITED)

Items	Notes	US Dollars	New Taiwan Dollars	
		Three months ended March 31, 2021	Three months ended March 31, 2021	2020
Operating revenue	6(20) and 7	\$ 2,540,224	\$ 72,485,283	\$ 55,678,341
Operating costs	6(7)(25)(26) and 7	(1,783,006)	(50,878,062)	(40,934,614)
Gross profit		<u>757,218</u>	<u>21,607,221</u>	<u>14,743,727</u>
Operating expenses	6(25)(26)			
Selling expenses		(165,002)	(4,708,340)	(4,418,168)
General and administrative expenses		(104,811)	(2,990,768)	(2,743,461)
Research and development expenses		(226,590)	(6,465,750)	(5,526,858)
Expected credit impairment gain (loss)	12(2)	<u>2,063</u>	<u>58,861</u>	(75,750)
Total operating expenses		(494,340)	(14,105,997)	(12,764,237)
Operating profit		<u>262,878</u>	<u>7,501,224</u>	<u>1,979,490</u>
Non-operating income and expenses				
Interest income	6(21)	4,114	117,405	163,045
Other income	6(22)	25,363	723,720	1,019,849
Other gains and losses	6(23)	19,607	559,498	(187,026)
Finance costs	6(24)	(2,425)	(69,206)	(112,825)
Share of profit (loss) of associates and joint ventures accounted for under the equity method	6(8)	(645)	(18,394)	(26,017)
Total non-operating income and expenses		<u>46,014</u>	<u>1,313,023</u>	<u>857,026</u>
Profit before income tax		308,892	8,814,247	2,836,516
Income tax expense	6(27)	(62,062)	(1,770,952)	(608,447)
Profit for the period		<u>\$ 246,830</u>	<u>\$ 7,043,295</u>	<u>\$ 2,228,069</u>

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DELTA ELECTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS ENDED MARCH 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF DOLLARS, EXCEPT EARNINGS PER SHARE DATA)
(UNAUDITED)

Items	Notes	US Dollars	New Taiwan Dollars	
		Three months ended March 31, 2021	Three months ended March 31, 2021 2020	
Other comprehensive income (loss)				
Components of other comprehensive income (loss) that will not be reclassified to profit or loss				
Gain on remeasurements of defined benefit plans		\$ 1,631	\$ 46,522	\$ 13,844
Unrealised gain (loss) on valuation of equity investment at fair value through other comprehensive income	6(3)	1,169	33,365	(462,518)
Other comprehensive income (loss) that will not be reclassified to profit or loss		2,800	79,887	(448,674)
Components of other comprehensive income (loss) that will be reclassified to profit or loss				
Financial statements translation differences of foreign operations		57,477	1,640,101	(3,472,802)
Loss on hedging instrument		(1)	(37)	(34,353)
Share of other comprehensive income (loss) of associates and joint ventures accounted for under the equity method that will be reclassified to profit or loss		(2)	(43)	(203)
Income tax relating to the components of other comprehensive (loss) income that will be reclassified to profit or loss	6(27)	(3,440)	(98,149)	123,411
Other comprehensive income (loss) that will be reclassified to profit or loss		54,034	1,541,872	(3,383,947)
Other comprehensive income (loss) for the period		\$ 56,834	\$ 1,621,759	(\$ 3,832,621)
Total comprehensive income (loss) for the period		\$ 303,664	\$ 8,665,054	(\$ 1,604,552)
Profit attributable to:				
Owners of the parent		\$ 230,605	\$ 6,580,300	\$ 2,067,299
Non-controlling interest		\$ 16,225	\$ 462,995	\$ 160,770
Comprehensive income (loss) attributable to:				
Owners of the parent		\$ 282,477	\$ 8,060,480	(\$ 770,179)
Non-controlling interest		\$ 21,187	\$ 604,574	(\$ 834,373)
Earnings per share (in dollars)				
Basic earnings per share	6(27)	\$ 0.09	\$ 2.53	\$ 0.80
Diluted earnings per share		\$ 0.09	\$ 2.53	\$ 0.79

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

DELTA ELECTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
THREE MONTHS ENDED MARCH 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF DOLLARS)
(UNAUDITED)

Items	Notes	Equity attributable to owners of the parent					Other Equity Interest				Total	Non-controlling interest	Total equity
		Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gain (loss) on financial assets measured at fair value through other comprehensive income	Gain (loss) on hedging instruments				
<u>2020 New Taiwan Dollars</u>													
Balance at January 1, 2020		\$ 25,975,433	\$ 49,103,331	\$ 25,030,754	\$ 7,561,032	\$ 40,108,361	(\$ 5,334,992)	(\$ 2,434,298)	\$ 147,256	\$ 140,156,877	\$ 34,197,565	\$ 174,354,442	
Profit for the period		-	-	-	-	2,067,299	-	-	-	2,067,299	160,770	2,228,069	
Other comprehensive income (loss) for the period		-	-	-	-	12,696	(2,356,738)	(462,518)	(30,918)	(2,837,478)	(995,143)	(3,832,621)	
Comprehensive income (loss) for the period		-	-	-	-	2,079,995	(2,356,738)	(462,518)	(30,918)	770,179	834,373	1,604,552	
Changes in ownership interests in subsidiaries		-	327,859	-	-	-	-	-	-	327,859	-	327,859	
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	(767,376)	(767,376)	
Disposal of equity investments at fair value through other comprehensive income	6(3)	-	-	-	-	(515,277)	-	515,277	-	-	-	-	
Balance at March 31, 2020		\$ 25,975,433	\$ 49,431,190	\$ 25,030,754	\$ 7,561,032	\$ 41,673,079	(\$ 7,691,730)	(\$ 2,381,539)	\$ 116,338	\$ 139,714,557	\$ 32,595,816	\$ 172,310,373	
<u>2021 New Taiwan Dollars</u>													
Balance at January 1, 2020		25,975,433	\$ 49,202,505	\$ 27,342,534	\$ 7,622,034	\$ 48,300,040	(\$ 12,319,980)	(\$ 353,844)	\$ 130,616	\$ 145,899,338	\$ 32,690,303	\$ 178,589,641	
Profit for the period		-	-	-	-	6,580,300	-	-	-	6,580,300	462,995	7,043,295	
Other comprehensive income (loss) for the period		-	-	-	-	49,292	1,397,556	33,365	(33)	1,480,180	141,579	1,621,759	
Comprehensive income (loss) for the period		-	-	-	-	6,629,592	1,397,556	33,365	(33)	8,060,480	604,574	8,665,054	
Changes in ownership interests in subsidiaries		-	(155,731)	-	-	-	-	-	-	(155,731)	-	(155,731)	
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	(1,364,066)	(1,364,066)	
Balance at March 31, 2021		\$ 25,975,433	\$ 49,046,774	\$ 27,342,534	\$ 7,622,034	\$ 54,929,632	(\$ 10,922,424)	(\$ 320,479)	\$ 130,583	\$ 153,804,087	\$ 31,930,811	\$ 185,734,898	

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

DELTA ELECTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
THREE MONTHS ENDED MARCH 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF DOLLARS)
(UNAUDITED)

Items	Notes	Equity attributable to owners of the parent										Total	Non-controlling interest	Total equity	
		Retained Earnings					Other Equity Interest								
		Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gain (loss) on financial assets measured at fair value through other comprehensive income	Gain (loss) on hedging instruments						
<u>2021 US Dollars</u>															
Balance at January 1, 2021		\$ 910,301	\$ 1,724,286	\$ 958,210	\$ 267,112	\$ 1,692,660	(\$ 431,750)	(\$ 12,400)	\$ 4,577		\$ 5,112,996	\$ 1,145,621	\$ 6,258,617		
Profit for the period		-	-	-	-	230,605	-	-	-		230,605	16,225	246,830		
Other comprehensive income (loss) for the period		-	-	-	-	1,727	48,977	1,169	(1)		51,872	4,962	56,834		
Comprehensive income (loss) for the period		-	-	-	-	232,332	48,977	1,169	(1)		282,477	21,187	303,664		
Changes in ownership interests in subsidiaries		-	(5,458)	-	-	-	-	-	-	(5,458)	-	(5,458)			
Changes in non-controlling interests		-	-	-	-	-	-	-	-	-	(47,803)	(47,803)			
Balance at March 31, 2021		\$ 910,301	\$ 1,718,828	\$ 958,210	\$ 267,112	\$ 1,924,992	(\$ 382,773)	(\$ 11,231)	\$ 4,576		\$ 5,390,015	\$ 1,119,005	\$ 6,509,020		

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

DELTA ELECTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF DOLLARS)
(UNAUDITED)

	Notes	US Dollars	New Taiwan Dollars	
		Three months ended March 31, 2021	Three months ended March 31, 2021 2020	
CASH FLOWS FROM OPERATING ACTIVITIES				
Consolidated profit before tax for the period		\$ 308,892	\$ 8,814,247	\$ 2,836,516
Adjustments				
Income and expenses having no effect on cash flows				
Depreciation	6(9)(10) (25)	114,178	3,258,067	2,904,083
Amortization	6(11)(25)	31,843	908,639	988,871
Expected credit impairment (gain) loss	12(2)	(2,063)	(58,861)	75,750
Net (gain) loss on financial assets or liabilities at fair value through profit or loss	6(2)(23)	(2,732)	(77,965)	771,288
Interest expense	6(24)	2,425	69,206	112,825
Interest income	6(21)	(4,114)	(117,405)	(163,045)
Dividend income	6(22)	(2,029)	(57,886)	(8,126)
Share-based payments	6(29)	-	-	9,925
Share of loss of associates accounted for under the equity method	6(8)	645	18,394	26,017
Loss on disposal of property, plant and equipment	6(23)	616	17,590	13,755
Loss on disposal of investments	6(23)	-	-	84,685
Changes in assets/liabilities relating to operating activities				
Net changes in assets relating to operating activities				
Financial assets mandatorily measured at fair value through profit or loss		6,905	197,033	54,386
Contract assets	(	3,558)	(101,532)	38,276
Notes receivable		8,860	252,832	484,131
Accounts receivable		79,049	2,255,662	8,233,745
Accounts receivable - related parties		482	13,757	234,949
Other receivables		384	10,970	(10,275)
Other receivables - related parties		6	158	(124)
Inventories	(	149,106)	(4,254,742)	1,531,450
Prepayments	(	3,603)	(102,822)	(161,998)
Other current assets		259	7,396	41,112
Other non-current assets		91	2,602	(105,682)
Net changes in liabilities relating to operating activities				
Contract liabilities		2,244	64,036	(26,571)
Notes payable		53	1,525	(10,365)
Accounts payable		38,060	1,086,045	(5,478,939)
Accounts payable - related parties	(	773)	(22,045)	(18,035)
Other payables		5,419	154,634	(2,576,441)
Other current liabilities		5,048	144,008	(87,088)
Other non-current liabilities	(	6,365)	(181,635)	(330,093)
Cash inflow generated from operations		431,116	12,301,908	9,464,982
Interest received		3,878	110,657	153,663
Dividends received		2,027	57,850	3,841
Interest paid	(	2,438)	(69,564)	(110,575)
Income taxes paid	(40,113)	(1,144,636)	(567,478)
Net cash flows from operating activities		<u>394,470</u>	<u>11,256,215</u>	<u>8,944,433</u>

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DELTA ELECTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF DOLLARS)
(UNAUDITED)

	Notes	US Dollars		New Taiwan Dollars	
		Three months ended		Three months ended March 31,	
		March 31, 2021	2021	2020	
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>					
Acquisition of financial assets mandatorily measured at fair value through profit or loss		(\$ 6,909)	(\$ 197,148)	\$	-
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(3)	-	-		185,486
Proceeds from capital withdrawal from financial asset at fair value through profit or loss		1,108	31,626		-
Net cash flow from acquisition of subsidiaries (net of cash acquired)	6(30)	(316)	(9,015)	(	220,624)
Increase in prepayment of long-term investment		(1,371)	(39,134)		-
Acquisition of property, plant and equipment	6(9)	(200,232)	(5,713,609)	(	4,079,204)
Proceeds from disposal of property, plant and equipment		2,011	57,392		27,475
Acquisition of intangible assets	6(11)	(16,836)	(480,425)	(	154,136)
Decrease in other financial assets		6,739	192,280		19,410
Increase in other non-current assets		(5,507)	(157,133)	(	129,389)
Net cash flows used in investing activities		(221,313)	(6,315,166)	(	4,350,982)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>					
Increase in short-term borrowings	6(32)	(11,310)	(322,726)		2,270,335
Proceeds from long-term debt	6(32)	66,904	1,909,100		1,330,000
Repayment of long-term debt	6(32)	(167,481)	(4,799,060)	(	15,299)
Lease principal repayment		(4,815)	(137,395)	(	192,266)
Net cash flows from financing activities		(116,702)	(3,330,081)		3,392,770
Effects due to changes in exchange rate		18,755	535,142	(	2,355,379)
Net increase in cash and cash equivalents		75,210	2,146,110		5,630,842
Cash and cash equivalents at beginning of period		2,057,543	58,711,985		43,960,001
Cash and cash equivalents at end of period		\$ 2,132,753	\$ 60,858,095	\$	49,590,843

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

DELTA ELECTRONICS, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
THREE MONTHS ENDED MARCH 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,
EXCEPT AS OTHERWISE INDICATED)
(UNAUDITED)

1. HISTORY AND ORGANIZATION

Delta Electronics, Inc. (the Company) was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China (R.O.C.). The Company and its subsidiaries (collectively referred herein as the Group) are global leaders in power and thermal management solutions and are primarily engaged in the research and development, design, manufacturing and sale of electronic control systems, DC brushless fans, thermal system, and miniaturization key component, industrial automation products, digital display products, communication products, consumer electronics products, energy-saving lighting application, renewable energy applications, EV charging, energy technology services and consulting services of building management and control solutions, etc. The Group’s mission statement, to provide innovative, clean and energy-efficient solutions for a better tomorrow, focuses on addressing key environmental issues such as global climate change. With the concern for the environment, the Group continues to develop innovative energy-efficient products and solutions. In recent years, the Group has transformed from a product provider towards a solution provider and the Group’s business is segregated into power electronics business, automation business, and infrastructure business.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These consolidated financial statements were reported to the Board of Directors on April 28, 2021.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS”) as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC effective from 2021 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 4, ‘Extension of the temporary exemption from applying IFRS 9’	January 1, 2021
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, ‘Interest Rate Benchmark Reform— Phase 2’	January 1, 2021

The above standards and interpretations have no significant impact to the Group’s financial condition

and financial performance based on the Group’s assessment.

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group

None.

(3) Effect of IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 3, ‘Reference to the conceptual framework’	January 1, 2022
Amendments to IFRS 10 and IAS 28, ‘Sale or contribution of assets between an investor and its associate or joint venture’	To be determined by International Accounting Standards Board
Amendment to IFRS 16, ‘Covid-19-related rent concessions beyond June 30, 2021’	April 1, 2021
IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IAS 1, ‘Classification of liabilities as current or non-current’	January 1, 2023
Amendments to IAS 1, ‘Disclosure of accounting policies’	January 1, 2023
Amendments to IAS 8, ‘Definition of accounting estimates’	January 1, 2023
Amendments to IAS 16, ‘Property, plant and equipment: proceeds before intended use’	January 1, 2022
Amendments to IAS 37, ‘Onerous contracts-cost of fulfilling a contract’	January 1, 2022
Annual improvements to IFRS Standards 2018-2020	January 1, 2022

The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2020, except for the compliance statement, basis of preparation, basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

A. The consolidated financial statements of the Group have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the International Accounting Standards 34, “Interim financial reporting” as endorsed by the FSC.

B. These consolidated financial statements should be read along with the consolidated financial statements for the year ended December 31, 2020.

(2) Basis of preparation

- A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:
 - (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
 - (b) Financial assets at fair value through other comprehensive income.
 - (c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.
- B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

- A. Basis for preparation of consolidated financial statements:
 - (a) All subsidiaries are included in the Group’s consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
 - (b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.
 - (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
 - (d) Changes in a parent’s ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.
 - (e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture.

Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss, on the same basis as if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				March 31, 2021	December 31, 2020	March 31, 2020	
1	Delta Electronics, Inc.	Delta International Holding Limited (DIH)	Equity investments	100	100	100	
2	"	Delta Networks Holding Limited (DNH)	"	100	100	100	
3	"	Delta Electronics (Netherlands) B.V. (DEN)	Sales of power products, display solution products, electronic components, industrial automation products and materials	100	100	100	
4	Delta Electronics, Inc. and DIH	PreOptix (Hong Kong) Co., Ltd. (PHK)	Equity investments	-	100	100	Note 2 Note 3
5	Delta Electronics, Inc.	Cyntec Co., Ltd. (Cyntec)	Research, development, manufacturing and sales of film optic-electronics devices	100	100	100	
6	"	DelBio Inc. (DelBio)	Manufacturing, wholesale and retail of medical equipment	100	100	100	Note 1 Note 2
7	"	Delta Electronics Capital Company (DECC)	Equity investments	100	100	100	
8	"	Delta Electronics Int'l (Singapore) Pte. Ltd. (DEIL-SG)	Sales of electronic products	100	100	100	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				March 31, 2021	December 31, 2020	March 31, 2020	
9	Delta Electronics, Inc.	Allied Material Technology Corp. (AMT)	Lease services, etc.	99.97	99.97	99.97	
10	Delta Electronics, Inc. and DEN	Delta America Ltd. (DAL)	Equity investments	100	100	100	
11	DEN	Delta Electronics (H.K.) Ltd. (DHK)	Equity investments, operations management and engineering services	100	100	100	
12	DIH	DEI Logistics (USA) Corp. (ALI)	Warehousing and logistics services	100	100	100	
13	"	Delta Electronics (Japan), Inc. (DEJ)	Sales of power products, display solution products, electronic components, industrial automation products and materials	100	100	100	
14	DEN	Drake Investment (HK) Limited (Drake-HK)	Equity investments	100	100	100	
15	DGSG, Drake-HK and Boom	Delta Greentech (China) Co., Ltd. (DGC)	Sales of uninterruptible power systems and others	95.91	95.91	95.91	
16	DIH	Vivitek Corporation (Vivitek)	Sales of projector products and their materials	100	100	100	Note 1 Note 2
17	DEN	Delta Greentech SGP Pte. Ltd. (DGSG)	Equity investments	100	100	100	
18	DIH	Delta Electronics Europe Ltd. (DEU)	Repair centre and providing support services	100	100	100	Note 1 Note 2
19	DEN	Boom Treasure Limited (Boom)	Equity investments	100	100	100	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				March 31, 2021	December 31, 2020	March 31, 2020	
20	DIH	Apex Investment (HK) Limited (Apex-HK)	Equity investments	100	100	100	Note 4
21	"	Galaxy Star Investment (HK) Limited (Galaxy Star-HK)	"	100	100	100	Note 4
22	"	Jade Investment (HK) Limited (Jade-HK)	"	-	100	100	Note 5
23	DHK	Delta Electronics (Dongguan) Co., Ltd. (DDG)	Manufacturing and sales of transformer and thermal products	100	100	100	
24	"	Delta Electronics Power (Dongguan) Co., Ltd. (DEP)	Manufacturing and sales of power supplies	100	100	100	
25	"	Delta Electronics (Shanghai) Co., Ltd. (DPEC)	Product design, management consulting service and distribution of electronic products	100	100	100	
26	"	Delta Electronics (Jiangsu) Ltd. (DWJ)	Manufacturing and sales of power supplies and transformers	100	100	100	Note 6
27	"	Delta Electronics Components (Wujiang) Ltd. (DWC)	Manufacturing and sales of new-type electronic components, variable-frequency drive and others	-	100	100	Note 6
28	"	Delta Video Display System (Wujiang) Ltd. (DWV)	Manufacturing and sales of various projectors	-	100	100	Note 6
29	"	Delta Electronics (Wuhu) Co., Ltd. (DWH)	Manufacturing and sales of LED light source, power supplies and others	100	100	100	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				March 31, 2021	December 31, 2020	March 31, 2020	
30	DHK	Delta Electronics (Chenzhou) Co., Ltd. (DCZ)	Manufacturing and sales of transformers	100	100	100	
31	"	Cyntec Electronics (Wuhu) Co., Ltd. (CEWH)	Research, development, manufacturing, processing and sales of new-type electronic components (chip components, sensing elements, hybrid integrated circuits) and molding as well as processing of semi-finished alloy steel powder; import and export of goods or technique	100	100	-	Note 1 Note 26
32	DHK and DIH	Delta Electronics International Mexico S.A. DE C.V. (DEIL-MX)	Sales of power management system of industrial automation product and telecommunications equipment	100	100	100	Note 1 Note 2
33	DHK	Delta Green (Tianjin) Industries Co., Ltd. (DGT)	Manufacturing and sales of transformers	100	100	100	Note 1 Note 2
34	"	Delta Electronics (Pingtan) Co., Ltd. (Delta Pingtan)	Wholesale and retail of electronic products and energy-saving equipment	100	100	100	Note 1 Note 2
35	DEJ	Addtron Technology (Japan), Inc. (AT Japan)	Trading of networking system and peripherals	100	100	100	
36	"	Delta Electronics (Korea), Inc. (Delta Korea)	Sales of power products, display solution products electronic components, industrial automation products and their materials	100	100	100	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				March 31, 2021	December 31, 2020	March 31, 2020	
37	DCZ	Chenzhou Delta Technology Co., Ltd. (CDT)	Manufacturing and sales of transformers	100	100	100	
38	DPEC and DGC	Delta Energy Technology (Shanghai) Co., Ltd. (DET-SH)	Energy performance contracting, development of energy-saving technology, energy-saving equipment and energy management system as well as consulting service, installation, sales, etc.	100	100	100	Note 1 Note 2
39	DNH	Delta Networks, Inc. (DNI Cayman)	Equity investments	100	100	100	
40	DNI Cayman	Delta Networks (HK) Limited (DNHK)	"	100	100	100	
41	DNHK	Delta Networks (Dongguan) Ltd. (DII)	Manufacturing and sales of other radio-broadcast receivers and the equipment in relation to broadband access networking system	100	100	100	
42	Cyntec	Fairview Assets Ltd. (Fairview)	Equity investments	100	100	100	
43	Fairview	Grandview Holding Ltd. (Grandview)	"	100	100	100	
44	Grandview	Cyntec Holding (HK) Limited. (CHK)	"	100	100	100	
45	"	Cyntec International Ltd. (CIL-Labuan)	Trading	100	100	100	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				March 31, 2021	December 31, 2020	March 31, 2020	
46	CHK	Cyntec Electronics (Suzhou) Co., Ltd. (CES)	Research, development, manufacturing and sales of new-type electronic components (chip components, sensing elements, hybrid integrated circuits) and wholesale of similar products	100	100	100	
47	DelBio	DelBio (Wujiang) Co., Ltd.	Manufacturing, wholesale and retail of medical equipment	100	100	100	Note 1 Note 2
48	DIH	ELTEK AS	Research, development and sales of power supplies and others	100	100	100	
49	"	Delta Controls Inc. (DCI)	Provide solutions to building management and control	100	100	100	
50	"	DELTA ELECTRONICS HOLDING (USA) INC.	Equity investments	100	100	100	Note 1 Note 2
51	ELTEK AS	ELTEK PAKISTAN (PRIVATE) LIMITED	Sales of power supplies and others	100	100	100	Note 1 Note 2
52	"	Eltek Deutschland GmbH	Sales of power supplies and others and system installation	100	100	100	Note 1 Note 2
53	Delta Energy Systems (Singapore) PTE. LTD. / ELTEK AS	ELTEK AUSTRALIA PTY LIMITED	"	100	100	100	Note 2 Note 7
54	ELTEK AS	Eltek Egypt for Power Supply S.A.E.	Sales of power supplies and others	95	95	95	Note 1 Note 2

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				March 31, 2021	December 31, 2020	March 31, 2020	
55	ELTEK AS	Eltek SGS Pvt Ltd.	Sales of power supplies and others and system installation	100	100	100	Note 1 Note 2
56	ELTEK AS and Eltek SGS Pvt Ltd.	Eltek SGS Mechanics Pvt Ltd.	Sales of power supplies and others	51	51	51	Note 1 Note 2
57	Delta Electronics (Poland) Sp. z o. o. / ELTEK AS	Eltek Polska Sp. z o. o. (Eltek Polska)	"	100	100	51.04	Note 1 Note 2 Note 8 Note 9
58	ELTEK AS	ELTEK POWER FRANCE SAS	"	100	100	100	Note 1 Note 2
59	"	ELTEK LIMITED	Equity investments and trading	100	100	100	Note 1 Note 2
60	"	ELTEK MEA DMCC	Sales of power supplies and others	100	100	100	Note 1 Note 2
61	ELTEK MEA DMCC and ELTEK AS	ELTEK KENYA LIMITED	Sales of power supplies	100	100	100	Note 1 Note 2
62	"	ELTEK WEST AFRICA LIMITED	"	100	100	100	Note 1 Note 2
63	ELTEK AS	Eltek Italia S.r.l.	Sales of power supplies and others	100	100	100	Note 1 Note 2
64	"	Delta Electronics (Sweden) AB	"	100	100	100	Note 1 Note 2 Note 10
65	"	Eltek Power (UK) Ltd.	"	100	100	100	Note 1 Note 2
66	Delta Solutions (Finland) Oy / ELTEK AS	Eltek Power Oy	"	-	100	100	Note 2 Note 11
67	ELTEK AS	OOO Eltek	Sales of power supplies and others and system installation	100	100	100	Note 1 Note 2

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				March 31, 2021	December 31, 2020	March 31, 2020	
68	ELTEK AS	ELTEK ENERJI SISTEMLERI LIMITED SIRKETI	Sales of power supplies and others	-	-	100	Note 2 Note 12
69	Eltek Deutschland GmbH	Eltek Montage GmbH	Installation and maintenance of power supplies	100	100	100	Note 1 Note 2
70	DEIL-SG	ELTEK POWER INCORPORATED	Sales of power supplies and others	100	100	100	Note 1 Note 2
71	"	ELTEK POWER CO., LTD.	"	100	100	100	Note 1 Note 2 Note 13
72	"	ELTEK POWER (CAMBODIA) LTD.	"	100	100	100	Note 1 Note 2
73	"	ELTEK POWER (MALAYSIA) SDN. BHD.	"	100	100	100	Note 1 Note 2 Note 14
74	ELTEK LIMITED	ELTEK CVI LIMITED	Equity investments	-	-	100	Note 2 Note 15
75	DHK	Eltek Energy Technology (Dongguan) Ltd.	Development, manufacturing and sales of intelligent power equipment and system for supporting access networking system, and manufacturing and sales of intelligent power equipment for supporting renewable energy	100	100	100	Note 1 Note 2
76	DELTA ELECTRONICS HOLDING (USA) INC.	DELTA ELECTRONICS (USA) INC.	Manufacturing and sales of power supplies	100	100	100	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				March 31, 2021	December 31, 2020	March 31, 2020	
77	DELTA ELECTRONICS (USA) INC.	DELTA ELECTRONICS (ARGENTINA) S.R.L.	Sales of power supplies and others	100	100	100	Note 1 Note 2
78	DEN and DELTA ELECTRONICS (USA) INC.	Eltek Sistemas de Energia Industria e Comercio S.A.	Manufacturing and sales of power supplies	100	100	100	Note 1 Note 2
79	DELTA ELECTRONICS (USA) INC.	DELTA ELECTRONICS (PERU) INC. S.R.L.	Sales of power supplies and others	100	100	100	Note 1 Note 2
80	"	DELTA ELECTRONICS (COLOMBIA) S.A.S.	"	100	100	100	Note 1 Note 2
81	DELTA ELECTRONICS (USA) INC. and DELTA ELECTRONICS HOLDING (USA) INC.	Eltekenenergy Services, S.A. de C.V.	"	100	100	100	Note 1 Note 2
82	"	Eltek energy International de México, S. de R.L. de C.V.	"	100	100	100	Note 1 Note 2
83	DAL	Delta Electronics (Americas) Ltd.	Sales of electronic components	100	100	100	Note 1 Note 2
84	"	Delta Solar Solutions LLC	Equity investments	100	100	100	Note 1 Note 2
85	Delta Electronics (Americas) Ltd.	2009 PPA LLC	Sales of power supplies	-	-	100	Note 2 Note 16
86	Delta Solar Solutions LLC	DSS-CI LLC	Rental of solar power systems	100	100	100	Note 1 Note 2
87	"	DSS-USF LLC	"	100	100	100	Note 1 Note 2

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				March 31, 2021	December 31, 2020	March 31, 2020	
88	Cyntec	Power Forest Technology Corporation (Power Forest)	IC design of power management	100	100	59.03	Note 1 Note 2 Note 17
89	DET-SH	Delta Energy Technology Puhuan (Shanghai) Co., Ltd.	Energy technology, development and consulting of environmental technical skills, and design and sales of energy saving equipment	100	100	100	Note 1 Note 2
90	DEIL-SG	Loy Tec electronics GmbH (Loy Tec)	Consulting service of building management and control solutions	100	100	100	Note 1 Note 2
91	Loy Tec	LOYTEC Americas, Inc.	"	-	-	100	Note 2 Note 15
92	DHK	Delta Electronics (Beijing) Co., Ltd.	Installation of mechanic, electronic, telecommunication and circuit equipment	100	100	100	Note 1 Note 2
93	"	Delta Electronics (Xi'an) Co., Ltd.	Sales of computers, peripherals and software	100	100	100	Note 1 Note 2
94	Delta Electronics, Inc.	UNICOM SYSTEM ENG. CORP. (UNICOM)	Design and sales of computers, peripherals and information system (software and hardware)	-	-	100	Note 2 Note 18
95	UNICOM	Unicom (Nanjing) System Eng. Corp	"	-	-	100	Note 2 Note 19

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				March 31, 2021	December 31, 2020	March 31, 2020	
96	DIH/Delta Greentech (Netherlands) B.V. and DIH	Delta Electronics (Switzerland) AG (DECH)	Equity investments, research, development and sales of electronic products	100	100	100	Note 1 Note 2 Note 20
97	DEN/DEN and Delta Greentech (Netherlands) B.V.	Delta Greentech Electronics Industry LLC	Marketing and sales of electronic products	100	100	100	Note 1 Note 2 Note 21
98	DEN and Delta Electronics (USA) INC.	Delta Greentech (Brasil) S.A. (DGB)	Manufacturing and sales of electronic products	100	100	100	Note 1 Note 2
99	DECH	Delta Electronics (Czech Republic), spol. s.r.o.	Sales of electronic products	100	100	100	Note 1 Note 2
100	"	Delta Electronics (Italy) S.r.l.	"	100	100	100	Note 1 Note 2
101	"	Delta Electronics (Poland) Sp. z o.o.	"	100	100	100	Note 1 Note 2
102	"	Delta Solutions (Finland) Oy	"	100	100	100	Note 1 Note 2
103	"	Delta Electronics Solutions (Spain) SL	"	100	100	100	Note 1 Note 2
104	ELTEK POWER FRANCE SAS / DECH	Delta Electronics (France) SA	"	100	100	100	Note 1 Note 2 Note 22
105	Delta Electronics (Sweden) AB/DECH	Delta Energy Systems (Sweden) AB	"	-	100	100	Note 2 Note 23
106	Delta Electronics, Inc.	Vivotek Inc. (Vivotek)	Manufacturing and sales of video compression software and encoding, network video server, webcam and its related components	52.65	52.65	49.87	Note 24

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				March 31, 2021	December 31, 2020	March 31, 2020	
107	Vivotek and Realwin	Vatic Inc.	Designing and sales of multimedia integrated circuits	54.41	54.41	54.41	Note 27
108	Vivotek	Vivotek Holdings, Inc.	Holding company	100	100	100	
109	"	Realwin Investment Inc. (Realwin)	Investment in the network communications industry	100	100	100	
110	"	Vivotek Netherlands B.V.	Sales service	100	100	100	
111	"	Vivotek (Japan) Inc.	"	100	100	100	
112	Vivotek Holdings, Inc.	Vivotek USA, Inc.	Sales of webcams and related components	100	100	100	
113	Realwin	Wellstates Investment, LLC	Investment and commercial lease of real estate	100	100	100	
114	Vivotek	Otus Imaging, Inc.	Sales of webcams and related components	100	100	100	
115	Realwin	Aetek Inc.	"	56.21	56.21	56.21	
116	"	Vivotek Middle East FZCO	"	89.99	89.99	89.99	
117	"	Lidlight Inc.	Sales of lighting equipment	51	51	51	
118	DEN	DELTA ELECTRONICS BRASIL LTDA.	Manufacturing and sales of electronic products	100	100	100	Note 1 Note 2

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				March 31, 2021	December 31, 2020	March 31, 2020	
119	Delta Electronics, Inc., DEIL-SG and DIH	Delta Electronics (Thailand) Public Company Limited (DET)	Manufacturing and exporting power supplies, other electronic parts and components	63.78	63.78	63.78	
120	DET	DET International Holding Limited	Equity investments	100	100	100	
121	//	Delta Energy Systems (Singapore) PTE. LTD.	Equity investments, trading, management and consultancy	100	100	100	
122	//	Delta Green Industrial (Thailand) Co., Ltd.	Integration, sales, trading, installation and providing services of uninterruptible power supply, photovoltaic inverter, electric cars charger and data center	100	100	100	
123	//	Delta Electronics (Vietnam) Company Limited	Sales of electronic products	100	100	-	Note 26
124	DET 、Delta Energy Systems (Singapore) PTE. LTD.	DELTA ELECTRONICS INDIA MANUFACTURING PRIVATE LIMITED	Manufacturing and sales of electronic products	100	-	-	Note 25
125	DET International Holding Limited	DET Logistics (USA) Corporation	Providing logistics services in USA	100	100	100	
126	//	Delta Energy Systems (Germany) GmbH	Development, marketing and sales of electronic products	100	100	100	
127	//	Delta Energy Systems (India) Private Ltd.	Marketing and sales of electronic products	100	100	100	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				March 31, 2021	December 31, 2020	March 31, 2020	
128	DET International Holding Limited and Delta Energy Systems (Singapore) PTE. LTD.	Delta Electronics (Slovakia) s.r.o.	Manufacturing and sales of power supplies, power system and OEM power system	100	100	100	
129	DET International Holding Limited	Delta Energy Systems (Romania) S.R.L.	Research and development	100	100	100	
130	Delta Energy Systems (Germany) GmbH	Delta Energy Systems Property (Germany) GmbH	Property rights business	100	100	100	
131	Delta Energy Systems (Singapore) PTE. LTD.	Delta Electronics (Australia) Pty. Ltd.	Marketing and sales of renewable energy products	100	100	100	
132	"	Delta Electronics India Pvt. Ltd.	Manufacturing and marketing of non-telecom power system and uninterruptible power supply, and sales of uninterruptible power supply	100	100	100	
133	"	Delta Electronics (Myanmar) Co., Ltd.	Manufacturing of electronic products used in CMP manufacturing process and machinery	100	100	100	
134	"	Delta Energy Systems (UK) Ltd.	Research and development of electronic products	100	100	100	
135	"	Delta PBA Engineering Solutions Co., Ltd.	Providing solutions for industrial automation	51	51	51	
136	"	Delta Greentech (Netherlands) Cooperatie U.A.	Equity investments	100	100	100	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				March 31, 2021	December 31, 2020	March 31, 2020	
137	Delta Greentech (Netherlands) Cooperatie U.A.	Delta Greentech (Netherlands) B.V.	Equity investments	100	100	100	
138	Delta Greentech (Netherlands) B.V.	Delta Energy Systems LLC	Marketing and sales of power systems	100	100	100	
139	"	Eltek s.r.o.	Manufacturing of telecom power system	100	100	100	
140	"	Delta Electronics (Automotive) Americas Inc.	Research and development of automotive power and traction inverter	100	100	100	
141	DEN	Amerlux, LLC (Amerlux)	Design and production of dedicated lighting system and facilities	100	100	100	Note 1 Note 2
142	Amerlux	Amerlux Lighting Asia, LLC	Equity investments	100	100	100	Note 1 Note 2
143	Amerlux Lighting Asia, LLC	Amerlux Lighting Hong Kong Limited	"	100	100	100	Note 1 Note 2
144	Amerlux Lighting Hong Kong Limited	Guangzhou Amerlux Lighting Co., Ltd.	Wholesale of lighting fixture and decorative objects	100	100	100	Note 1 Note 2
145	DIH	Digital Projection International Ltd. (DPI)	Equity investments	100	100	100	Note 1 Note 2
146	DPI	Digital Projection Holdings Ltd.	"	100	100	100	Note 1 Note 2
147	Digital Projection Holdings Ltd.	Digital Projection Ltd.	Research, development and sales of projector products	100	100	100	Note 1 Note 2

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
				March 31, 2021	December 31, 2020	March 31, 2020	
148	Digital Projection Ltd.	Digital Projection Inc.	Sales of projector products	100	100	100	Note 1 Note 2
149	DEN	Trihedral Engineering Limited (Trihedral)	Software and associated engineering services	100	100	-	Note 1 Note 26
150	Trihedral	Trihedral Inc.	"	100	100	-	Note 1 Note 26
151	Trihedral Inc.	Trihedral UK Limited	"	100	100	-	Note 1 Note 26

Note 1: As the subsidiaries do not meet the definition of significant subsidiaries, their financial statements as at March 31, 2021 were not reviewed by independent auditors.

Note 2: As the subsidiaries do not meet the definition of significant subsidiaries, their financial statements as at March 31, 2020 were not reviewed by independent auditors.

Note 3: In 2020, PHK returned capital amounting to USD 5,250,000 and USD 8,000,000 to Delta Electronics, Inc. and DIH, respectively, due to the liquidation of the subsidiary, which was completed in March 2021.

Note 4: In December 2019, the company began liquidation process and was dissolved, but has not yet been completed as at March 31, 2021.

Note 5: This company had been liquidated in March 2021.

Note 6: Delta Electronics (Jiangsu) Ltd. merged with Delta Electronics Components (Wujiang) Ltd. and Delta Video Display System (Wujiang) Ltd. on January 1, 2021. After the merger, Delta Electronics (Jiangsu) Ltd. was the surviving company while Delta Electronics Components (Wujiang) Ltd. and Delta Video Display System (Wujiang) Ltd. were the dissolved companies.

Note 7: In October 2020, ELTEK AS sold ELTEK AUSTRALIA PTY LIMITED to Delta Energy Systems (Singapore) Pte. Ltd.

Note 8: In July 2020, ELTEK AS acquired 48.96% equity interest in Eltek Polska, and the total shareholding ratio is 100%.

Note 9: In December 2020, ELTEK AS sold Eltek Polska Sp.z o.o. (Eltek Polska) to Delta Electronics (Poland) Sp.z o.o.

Note 10: Formerly named Eltek Power Sweden AB and was renamed as Delta Electronics (Sweden) AB in November 2020.

Note 11: In October 2020, ELTEK AS sold Eltek Power Oy to Delta Solutions (Finland) Oy, and

Eltek Power Oy merged into Delta Solutions (Finland) Oy in February 2021. After the merger, Delta Solutions (Finland) Oy was the surviving company while Eltek Power Oy was the dissolved company.

Note 12: This company had been liquidated in December 2020.

Note 13: 55% of shares are held through others due to local regulations.

Note 14: 71% of shares are held through others due to local regulations.

Note 15: This company had been liquidated in September 2020.

Note 16: This company had been liquidated in November 2020.

Note 17: In July 2020, Cyntec acquired 43.6% equity interest in Power Forest, and the total shareholding ratio is 100%.

Note 18: Merged with the Company in December 2020.

Note 19: This company had been liquidated in October 2020.

Note 20: In October 2020, DIH acquired 49% equity interest in DECH from Delta Greentech (Netherlands) B.V., and the total shareholding ratio is 100%.

Note 21: In October 2020, DEN acquired 49% equity interest in Delta Greentech Electronics Industry LLC from Delta Greentech (Netherlands) B.V., and the total shareholding ratio is 100%.

Note 22: In November 2020, DECH sold Delta Electronics (France) SA to ELTEK POWER FRANCE SAS.

Note 23: In October 2020, DECH sold Delta Energy Systems (Sweden) AB to Eltek Power Sweden AB (renamed in November 2020, please refer to Note 10 for details.). Subsequently, Delta Energy Systems (Sweden) AB merged with Delta Electronics (Sweden) AB in January 2021, with Delta Electronics (Sweden) AB as the surviving company and Delta Energy Systems (Sweden) AB as the dissolved company.

Note 24: Because most of the shares were held by the Company, and other shareholdings are disaggregated, it was included in the consolidated financial statements.

Note 25: The company was established during 2021.

Note 26: The company was established or acquired through merger during 2020.

Note 27: The Cayman company, Kneron Holding Corporation (“Kneron”), plans to acquire all of the issued shares of Vatics Inc. in cash from Vatics Inc.’s original shareholders and the shareholders have approved the share transfer at their meeting on March 25, 2021. The share transfer has been submitted to the Competent Authority for review and the temporary effective date was set on May 31, 2021. After the share transfer, Vivotek will no longer hold shares in Vatics Inc.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group:

As at March 31, 2021, December 31, 2020 and March 31, 2020, the non-controlling interest amounted to \$31,930,811, \$32,690,303 and \$32,595,816, respectively. The information on non-controlling interest and respective subsidiary is as follows:

Name of subsidiary	Principal place of business	Non-controlling interest			
		March 31, 2021		December 31, 2020	
		Amount	Ownership (%)	Amount	Ownership (%)
Vivotek Inc. (Vivotek)	Taiwan	\$ 3,618,899	47.35%	\$ 3,618,610	47.35%
Delta Electronics (Thailand) Public Company limited (DET)	Thailand	27,833,831	36.22%	28,697,265	36.22%

Name of subsidiary	Principal place of business	Non-controlling interest	
		March 31, 2020	
		Amount	Ownership (%)
Vivotek Inc. (Vivotek)	Taiwan	\$ 3,954,323	50.13%
Delta Electronics (Thailand) Public Company limited (DET)	Thailand	28,520,303	36.22%

Summarised financial information of the subsidiary:

Balance sheet

	DET		
	March 31, 2021	December 31, 2020	March 31, 2020
Current assets	\$ 42,005,558	\$ 39,887,645	\$ 32,394,905
Non-current assets	59,255,721	58,101,498	62,616,902
Current liabilities	(21,743,878)	(16,133,275)	(14,115,964)
Non-current liabilities	(2,312,439)	(2,293,690)	(2,153,979)
Total net assets	<u>\$ 77,204,962</u>	<u>\$ 79,562,178</u>	<u>\$ 78,741,864</u>

	Vivotek		
	March 31, 2021	December 31, 2020	March 31, 2020
Current assets	\$ 3,294,646	\$ 3,377,240	\$ 3,232,658
Non-current assets	6,230,670	6,112,662	6,379,232
Current liabilities	(1,515,152)	(1,474,665)	(1,325,857)
Non-current liabilities	(367,293)	(372,977)	(397,897)
Total net assets	<u>\$ 7,642,871</u>	<u>\$ 7,642,260</u>	<u>\$ 7,888,136</u>

Statement of comprehensive income

	DET	
	Three months ended March 31,	
	2021	2020
Revenue	\$ 17,573,059	\$ 12,185,616
Profit before income tax	1,318,274	389,316
Income tax (expense) benefit	(55,427)	38,040
Profit for the period from continuing operations	1,262,847	427,356
Other comprehensive income, net of tax	406,283	626,009
Total comprehensive income for the period	<u>\$ 1,669,130</u>	<u>\$ 1,053,365</u>
Comprehensive income attributable to non-controlling interest	<u>\$ 604,840</u>	<u>\$ 379,239</u>
Dividends paid to non-controlling interest	<u>\$ 1,364,066</u>	<u>\$ 767,376</u>

	Vivotek	
	Three months ended March 31,	
	2021	2020
Revenue	\$ 1,281,272	\$ 1,579,240
Profit before income tax	20,342	57,215
Income tax expense	(18,374)	(25,693)
Profit for the period from continuing operations	1,968	31,522
Other comprehensive (loss) income, net of tax	(1,357)	2,243
Total comprehensive income for the period	<u>\$ 611</u>	<u>\$ 33,765</u>
Comprehensive (loss) income attributable to non-controlling interest	<u>(\$ 2,635)</u>	<u>\$ 17,015</u>

Statements of cash flows

	DET	
	Three months ended March 31,	
	2021	2020
Net cash provided by operating activities	\$ 572,633	\$ 1,286,758
Net cash used in investing activities	(1,374,139)	(2,181,392)
Net cash used in financing activities	(19,431)	(18,744)
Effect of exchange rates on cash and cash equivalents	(16,857)	(690,958)
Decrease in cash and cash equivalents	(837,794)	(1,604,336)
Cash and cash equivalents, beginning of period	13,043,385	12,515,101
Cash and cash equivalents, end of period	<u>\$ 12,205,591</u>	<u>\$ 10,910,765</u>

	Vivotek	
	Three months ended March 31,	
	2021	2020
Net cash used in operating activities	(\$ 29,398)	(\$ 36,196)
Net cash (used in) provided by investing activities	(215,482)	9,299
Net cash provided by (used in) financing activities	71,281	(17,749)
Effect of exchange rates on cash and cash equivalents	(1,688)	1,671
Decrease in cash and cash equivalents	(175,287)	(42,975)
Cash and cash equivalents, beginning of period	1,425,014	1,023,213
Cash and cash equivalents, end of period	<u>\$ 1,249,727</u>	<u>\$ 980,238</u>

(4) Employee benefits

A. Pensions

(a) Defined contribution plan

Under the defined contribution plan, the contributions are recognised as pension expenses when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plan

- i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of

government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.

- ii. Remeasurements arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.
- iii. Past service costs are recognised immediately in profit or loss.
- iv. Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. And, the related information is disclosed accordingly.

B. Employees', directors' and supervisors' remuneration

Employees' remuneration and directors' and supervisors' remuneration are recognised as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employees' compensation is distributed by shares, the Group calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(5) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.
- B. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is

determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

- D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.
- F. The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

There was no significant change in the reporting period. Please refer to Note 5 in the consolidated financial statements for the year ended December 31, 2020.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Cash on hand	\$ 5,752	\$ 5,437	\$ 7,770
Checking accounts and demand deposits	44,687,484	44,121,426	30,143,928
Time deposits	16,141,477	14,446,742	19,439,145
Cash equivalents	23,382	138,380	-
	<u>\$ 60,858,095</u>	<u>\$ 58,711,985</u>	<u>\$ 49,590,843</u>

- A. The Group associates with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.
- B. Details of the Group's cash and cash equivalents pledged to others as collateral are provided in Note 8.

(2) Financial assets at fair value through profit or loss

<u>Asset Items</u>	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Listed stocks	\$ 365,378	\$ 446,452	\$ 419,037
Derivatives	190,905	290,505	17,991
Hybrid instrument- Convertible bonds	34,398	47,827	101,282
	<u>590,681</u>	<u>784,784</u>	<u>538,310</u>
Valuation adjustment	<u>342,244</u>	<u>276,559</u>	<u>92,952</u>
	<u>\$ 932,925</u>	<u>\$ 1,061,343</u>	<u>\$ 631,262</u>
Non-current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Listed stocks	\$ 368,048	\$ 368,048	\$ 475,423
Emerging stocks	324,000	289,600	81,000
Unlisted stocks	1,489,792	1,572,384	2,286,696
Convertible preferred stocks	197,148	-	-
Hybrid instrument- Convertible bonds	900,000	974,983	74,983
	<u>3,278,988</u>	<u>3,205,015</u>	<u>2,918,102</u>
Valuation adjustment	<u>(31,667)</u>	<u>(262,819)</u>	<u>(761,260)</u>
	<u>\$ 3,247,321</u>	<u>\$ 2,942,196</u>	<u>\$ 2,156,842</u>
<u>Liability Items</u>			
Current items:			
Valuation adjustment of derivatives	<u>\$ 209,728</u>	<u>\$ 60,060</u>	<u>\$ 304,590</u>

A. The Group has recognised financial assets and liabilities at fair value through profit or loss of \$77,965 and (\$771,288) for the three months ended March 31, 2021 and 2020, respectively.

B. Explanations of the transactions and contract information in respect of derivative financial assets and liabilities that the Group does not adopt hedge accounting are as follows:

March 31, 2021

Financial instruments	Contract amount (nominal principal) (in thousands)		Contract period
Forward exchange contracts:			
- Sell AUD / Buy USD	AUD	6,750	2020.11.25~2021.08.03
- Sell BRL / Buy USD	BRL	18,908	2021.02.03~2021.04.08
- Sell EUR / Buy CAD	EUR	3,252	2021.01.19~2021.07.05
- Sell EUR / Buy NOK	EUR	4,000	2020.12.03~2021.07.05
- Sell EUR / Buy USD	EUR	46,500	2020.09.25~2021.08.03
- Sell HKD / Buy USD	HKD	60,000	2020.11.25~2021.08.03
- Sell INR / Buy USD	INR	438,683	2021.03.03~2021.04.28
- Sell JPY / Buy USD	JPY	1,252,580	2020.11.16~2021.07.19
- Sell PLN / Buy NOK	PLN	14,600	2020.12.11~2021.06.30
Sell THB / Buy JPY	THB	42,677	2021.02.03~2021.06.25
Sell THB / Buy USD	THB	2,625,453	2021.03.31~2021.04.08
Sell TWD / Buy USD	TWD	1,914,990	2021.01.21~2021.10.26
Sell USD / Buy BRL	USD	1,500	2021.03.08~2021.04.08
Sell USD / Buy CZK	USD	400	2021.03.25~2021.04.21
- Sell USD / Buy JPY	USD	6,200	2021.02.05~2021.05.25
- Sell USD / Buy NOK	USD	4,000	2021.02.15~2021.05.06
- Sell USD / Buy RMB	USD	251,646	2020.12.14~2021.07.09
- Sell USD / Buy SGD	USD	22,117	2020.11.02~2021.07.06
- Sell USD / Buy THB	USD	176,000	2020.12.29~2021.07.09
- Sell USD / Buy TWD	USD	2,000	2021.03.05~2021.04.19
Cross currency swap:			
- Sell EUR / Buy NOK	EUR	14,000	2020.12.03~2021.06.07
- Sell SEK / Buy NOK	SEK	30,000	2020.12.23~2021.06.30
- Sell USD / Buy NOK	USD	6,500	2020.12.03~2021.06.07

December 31, 2020

Financial instruments	Contract amount (nominal principal) (in thousands)		Contract period
Forward exchange contracts:			
- Sell AUD / Buy USD	AUD	7,250	2020.08.24~2021.05.04
- Sell BRL / Buy USD	BRL	18,121	2020.12.04~2021.02.04
- Sell EUR / Buy NOK	EUR	9,000	2020.10.28~2021.05.06
- Sell EUR / Buy USD	EUR	39,500	2020.07.15~2021.06.02
- Sell GBP / Buy NOK	GBP	1,500	2020.12.21~2021.02.04
- Sell INR / Buy USD	INR	442,905	2020.12.16~2021.01.28
- Sell JPY / Buy USD	JPY	1,783,610	2020.07.24~2021.05.19
- Sell THB / Buy JPY	THB	26,113	2020.11.17~2021.03.26
- Sell USD / Buy JPY	USD	3,700	2020.11.30~2021.02.25
- Sell USD / Buy NOK	USD	7,000	2020.12.03~2021.04.08
- Sell USD / Buy RMB	USD	309,009	2020.10.12~2021.04.09
- Sell USD / Buy SGD	USD	26,305	2020.07.03~2021.05.03
- Sell USD / Buy THB	USD	170,000	2020.09.22~2021.04.02
- Sell USD / Buy AUD	USD	706	2020.10.29~2021.03.03
- Sell USD / Buy CZK	USD	400	2020.12.21~2021.01.21
- Sell HKD / Buy USD	HKD	90,000	2020.11.02~2021.05.04
Cross currency swap:			
- Sell EUR / Buy NOK	EUR	13,955	2020.09.03~2021.03.04
- Sell RUB / Buy USD	RUB	74,720	2020.12.04~2021.02.04
- Sell SEK / Buy NOK	SEK	30,000	2020.12.23~2021.06.30
- Sell USD / Buy NOK	USD	2,000	2020.12.07~2021.01.06

March 31, 2020

Financial instruments	Contract amount (nominal principal) (in thousands)		Contract period
Forward exchange contracts:			
- Sell AUD / Buy USD	AUD	1,550	2019.12.17~2020.08.04
- Sell BRL / Buy USD	BRL	30,394	2020.02.05~2020.05.06
- Sell EUR / Buy GBP	EUR	1,000	2020.02.17~2020.04.03
- Sell EUR / Buy NOK	EUR	6,000	2019.10.29~2020.07.03
- Sell EUR / Buy USD	EUR	32,000	2019.11.05~2020.08.04
- Sell GBP / Buy NOK	GBP	1,000	2020.02.10~2020.04.03
- Sell HKD / Buy USD	HKD	120,000	2020.01.03~2020.07.02
- Sell INR / Buy USD	INR	135,878	2020.03.04~2020.05.06
- Sell JPY / Buy USD	JPY	629,011	2020.01.03~2020.05.20
- Sell THB / Buy JPY	THB	18,995	2020.01.30~2020.06.26
- Sell USD / Buy CZK	USD	300	2020.03.17~2020.04.21
- Sell USD / Buy JPY	USD	4,700	2020.03.13~2020.05.22
- Sell USD / Buy NOK	USD	9,000	2019.12.09~2020.06.05
- Sell USD / Buy RMB	USD	129,862	2020.01.03~2020.06.19
- Sell USD / Buy RUB	USD	700	2020.02.11~2020.04.03
- Sell USD / Buy SGD	USD	10,469	2019.12.02~2020.06.04
- Sell USD / Buy THB	USD	118,300	2019.12.24~2020.06.22
Cross currency swap:			
- Sell EUR / Buy NOK	EUR	7,000	2019.12.04~2020.06.05
- Sell EUR / Buy RUB	EUR	500	2020.02.05~2020.04.03
- Sell NOK / Buy EUR	NOK	40,726	2020.01.30~2020.04.03
- Sell USD / Buy NOK	USD	9,000	2020.02.06~2020.08.05

The Group entered into forward exchange contracts and cross currency swap to manage exposures to foreign exchange rate fluctuations of import or export sales, loans between related parties and dividend distribution within the Group. However, the forward exchange transactions did not meet the criteria for hedge accounting. Therefore, the Group did not apply hedge accounting.

C. The Group has no financial assets at fair value through profit or loss pledged to others.

D. Information relating to credit risk is provided in Note 12(2).

(3) Financial assets at fair value through other comprehensive income

Items	March 31, 2021	December 31, 2020	March 31, 2020
Current items:			
Equity instruments			
Listed stocks	\$ -	\$ -	\$ 1,555,291
Valuation adjustment	-	-	(1,344,234)
	\$ -	\$ -	\$ 211,057
Non-current items:			
Equity instruments			
Listed stocks	\$ 1,608,699	\$ 1,608,699	\$ 1,608,699
Unlisted stocks	674,640	672,828	688,407
	2,283,339	2,281,527	2,297,106
Valuation adjustment	(320,479)	(353,844)	(1,037,304)
	\$ 1,962,860	\$ 1,927,683	\$ 1,259,802

- A. The Group has elected to classify investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to \$1,962,860, \$1,927,683 and \$1,470,859 as at March 31, 2021, December 31, 2020 and March 31, 2020, respectively.
- B. For the three months ended March 31, 2021 and 2020, the Group sold listed stocks whose fair value were \$0 and \$185,486, respectively, to adjust the stock position, resulting to an accumulated loss on disposal and valuation of \$0 and \$515,277, respectively.
- C. Amounts recognised in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	Three months ended March 31,	
	2021	2020
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	\$ 33,365	(\$ 462,518)
Cumulative loss reclassified to retained earnings due to derecognition	\$ -	(\$ 515,277)

- D. As at March 31, 2021, December 31, 2020 and March 31, 2020, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at fair value through other comprehensive income held by the Group was \$1,962,860, \$1,927,683 and \$1,470,859, respectively.
- E. The Group has no financial assets at fair value through other comprehensive income pledged to others as collateral.

(4) Hedging financial assets and liabilities

A. As at March 31, 2021, December 31, 2020 and March 31, 2020, there were no financial assets and liabilities used for hedging.

B. Information on cash flow hedges and hedges of net investments in foreign operations recognised in profit or loss and other comprehensive income:

	<u>Cash flow hedges</u>	<u>Hedges of net investments in foreign operations</u>
<u>Other equity</u>		
At January 1, 2021	\$ -	\$ 130,616
Add: Loss on hedge effectiveness- amount recognised in other comprehensive income	-	(33)
At March 31, 2021	<u>\$ -</u>	<u>\$ 130,583</u>

	<u>Cash flow hedges</u>	<u>Hedges of net investments in foreign operations</u>
<u>Other equity</u>		
At January 1, 2020	\$ -	\$ 147,256
Add: Loss on hedge effectiveness- amount recognised in other comprehensive income	-	(30,918)
At March 31, 2020	<u>\$ -</u>	<u>\$ 116,338</u>

(a) The purpose of hedge accounting is that the hedged highly probable forecast transactions denominated in foreign currency are expected to occur during the next 12 months. Amounts accumulated in other comprehensive income as at March 31, 2021, December 31, 2020 and March 31, 2020 are recycled into profit or loss in the period or periods when the hedged item affects profit or loss.

(b) Since the hedging instrument for cash flow hedge expired and the hedging relationship ceased to meet the qualifying criteria, the accumulated amount in the cash flow hedge reserve had been reclassified to profit or loss.

(c) Hedges of net investments in foreign operations

In the first quarter of 2018, due to the reorganisation of the Group, the risk of USD exchange rate fluctuating by fair value initially designated as hedged items of hedges of net investments in foreign operations was no longer material. Consequently, the hedge relationship did not meet the conditions of hedge accounting. The effective portion of hedges of net investments in foreign operations was accumulated in other equity previously. Since the foreign operations was not disposed, it was not reclassified from equity to profit or loss.

(5) Notes and accounts receivable

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Notes receivable	<u>\$ 3,480,763</u>	<u>\$ 3,733,595</u>	<u>\$ 3,332,497</u>
Accounts receivable	\$ 57,472,799	\$ 59,684,699	\$ 45,968,452
Less: Allowance for uncollectible accounts	(<u>471,213</u>)	(<u>507,266</u>)	(<u>1,089,672</u>)
	<u>\$ 57,001,586</u>	<u>\$ 59,177,433</u>	<u>\$ 44,878,780</u>
Overdue receivables (shown as other non-current assets)	\$ 328,364	\$ 354,282	\$ 184,986
Less: Allowance for uncollectible accounts	(<u>328,364</u>)	(<u>354,282</u>)	(<u>184,986</u>)
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

A. The aging analysis of accounts receivable is as follows:

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Not past due	\$ 53,071,918	\$ 53,883,754	\$ 39,741,123
1 to 90 days	3,692,433	4,956,368	4,442,286
91 to 180 days	215,350	367,326	570,895
181 to 365 days	205,187	139,939	507,016
Over 366 days	287,911	337,312	707,132
	<u>\$ 57,472,799</u>	<u>\$ 59,684,699</u>	<u>\$ 45,968,452</u>

The above aging analysis was based on past due date.

B. As at March 31, 2021, December 31, 2020 and March 31, 2020, there was no notes receivable past due.

C. As at March 31, 2021, December 31, 2020 and March 31, 2020, accounts receivable and notes receivable were all from contracts with customers. As at January 1, 2020, the balance of receivables from contracts with customers amounted to \$56,771,734.

D. The Group has no notes receivable and accounts receivable pledged to others as collateral.

E. As at March 31, 2021, December 31, 2020 and March 31, 2020, without taking into account any collateral held or other credit enhancements, the maximum hedge to credit risk in respect of the amount that best represents the Group's notes receivable were \$3,480,763, \$3,733,595 and \$3,332,497, and accounts receivable were \$57,001,586, \$59,177,433 and \$44,878,780, respectively.

F. Information relating to credit risk is provided in Note 12(2).

(6) Transfer of financial assets

The Group entered into a factoring agreement with financial institutions to sell its accounts receivable. Under the agreement, the Group is not required to bear the default risk of the accounts receivable and

the percentage of advance payments is zero, but is liable for the losses incurred on any business dispute. As at March 31, 2021, December 31, 2020 and March 31, 2020, the relevant information on unsettled accounts receivable that were sold is set forth below:

March 31, 2021						
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognised	Facilities	Amount advanced	Amount available for advance	Interest rate of amount advanced
Taishin International Bank	\$ 4,375	\$ -	\$ 285,350	\$ -	\$ -	-

December 31, 2020						
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognised	Facilities	Amount advanced	Amount available for advance	Interest rate of amount advanced
Taishin International Bank	\$ 14,300	\$ -	\$ 280,950	\$ -	\$ -	-

March 31, 2020						
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognised	Facilities	Amount advanced	Amount available for advance	Interest rate of amount advanced
Taishin International Bank	\$ 15,460	\$ -	\$ 302,250	\$ -	\$ -	\$ -

(7) Inventories

	March 31, 2021		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 20,930,143	(\$ 2,648,820)	\$ 18,281,323
Work in process	5,639,596	(13,209)	5,626,387
Finished goods	28,139,435	(3,853,493)	24,285,942
Inventory in transit	950,519	-	950,519
	<u>\$ 55,659,693</u>	<u>(\$ 6,515,522)</u>	<u>\$ 49,144,171</u>

	December 31, 2020		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 17,738,335	(\$ 2,591,648)	\$ 15,146,687
Work in process	5,407,195	(8,298)	5,398,897
Finished goods	27,192,237	(3,897,457)	23,294,780
Inventory in transit	1,049,065	-	1,049,065
	<u>\$ 51,386,832</u>	<u>(\$ 6,497,403)</u>	<u>\$ 44,889,429</u>

	March 31, 2020		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 15,486,772	(\$ 2,818,349)	\$ 12,668,423
Work in process	4,553,672	(9,116)	4,544,556
Finished goods	23,554,556	(3,999,196)	19,555,360
Inventory in transit	1,196,470	-	1,196,470
	<u>\$ 44,791,470</u>	<u>(\$ 6,826,661)</u>	<u>\$ 37,964,809</u>

The cost of inventories recognised as expense or loss for the period:

	Three months ended March 31,	
	2021	2020
Cost of goods sold	\$ 49,753,704	\$ 39,508,620
Loss on market value decline and obsolete and slow-moving inventories	127,159	446,019
Others	(188,849)	(75,924)
	<u>\$ 49,692,014</u>	<u>\$ 39,878,715</u>

(8) Investments accounted for under the equity method

A. Details of investments accounted for under the equity method are set forth below:

	March 31, 2021		December 31, 2020		March 31, 2020	
	Ownership %	Book value	Ownership %	Book value	Ownership %	Book value
Associates:						
Optovue, Inc.	29.50	\$ 722,051	29.50	\$ 728,129	29.50	\$ 825,591
Others		65,355		56,873		49,376
		<u>\$ 787,406</u>		<u>\$ 785,002</u>		<u>\$ 874,967</u>

B. The carrying amount of the Group's interests in all individually immaterial associates and the Group's share of the operating results are summarised below:

As at March 31, 2021, December 31, 2020 and March 31, 2020, the carrying amount of the Group's individually immaterial associates amounted to \$787,406, \$785,002 and \$874,967, respectively.

	Three months ended March 31,	
	2021	2020
Loss for the period from continuing operations	(\$ 18,394)	(\$ 26,017)
Other comprehensive (loss) income, net of tax	(43)	54,010
Total comprehensive (loss) income	<u>(\$ 18,437)</u>	<u>\$ 27,993</u>

C. The Group is the single largest shareholder of Optovue, Inc. with a 29.5% equity interest. Given that other top ten shareholders (non-related parties) hold more shares than the Group and there is no agreement among shareholders to consult with each other or to make decisions collectively, which indicates that the Group has no ability to direct the relevant decision of Optovue, Inc., the Group has no control, but only has significant influence, over the investee.

(9) Property, plant and equipment

	Land	Buildings and structures	Machinery and equipment	Testing equipment	Others	Unfinished construction and equipment under acceptance	Total
<u>At January 1, 2021</u>							
Cost	\$ 14,267,858	\$ 44,204,419	\$ 46,515,093	\$ 18,755,289	\$ 19,836,201	\$ 10,592,148	\$ 154,171,008
Accumulated depreciation and impairment	(11,704)	(21,744,675)	(33,043,800)	(14,919,634)	(16,009,220)	-	(85,729,033)
	<u>\$ 14,256,154</u>	<u>\$ 22,459,744</u>	<u>\$ 13,471,293</u>	<u>\$ 3,835,655</u>	<u>\$ 3,826,981</u>	<u>\$ 10,592,148</u>	<u>\$ 68,441,975</u>
<u>2021</u>							
Opening net book amount	\$ 14,256,154	\$ 22,459,744	\$ 13,471,293	\$ 3,835,655	\$ 3,826,981	\$ 10,592,148	\$ 68,441,975
Additions	-	28,666	1,231,903	303,533	420,744	3,728,763	5,713,609
Disposal	-	(4,745)	(39,342)	(15,973)	(14,922)	-	(74,982)
Transfer	-	123,482	844,312	172,829	100,204	(1,240,827)	-
Depreciation charge	-	(453,030)	(1,534,462)	(527,452)	(587,568)	-	(3,102,512)
Net exchange differences	(8,875)	39,634	44,538	12,109	(7,784)	39,613	119,235
Closing net book amount	<u>\$ 14,247,279</u>	<u>\$ 22,193,751</u>	<u>\$ 14,018,242</u>	<u>\$ 3,780,701</u>	<u>\$ 3,737,655</u>	<u>\$ 13,119,697</u>	<u>\$ 71,097,325</u>
<u>At March 31, 2021</u>							
Cost	\$ 14,258,408	\$ 44,506,691	\$ 48,116,755	\$ 19,047,492	\$ 20,173,535	\$ 13,119,697	\$ 159,222,578
Accumulated depreciation and impairment	(11,129)	(22,312,940)	(34,098,513)	(15,266,791)	(16,435,880)	-	(88,125,253)
	<u>\$ 14,247,279</u>	<u>\$ 22,193,751</u>	<u>\$ 14,018,242</u>	<u>\$ 3,780,701</u>	<u>\$ 3,737,655</u>	<u>\$ 13,119,697</u>	<u>\$ 71,097,325</u>

	Land	Buildings and structures	Machinery and equipment	Testing equipment	Others	Unfinished construction and equipment under acceptance	Total
<u>At January 1, 2020</u>							
Cost	\$ 14,365,775	\$ 43,455,591	\$ 43,103,641	\$ 17,246,547	\$ 19,083,533	\$ 5,740,443	\$ 142,995,530
Accumulated depreciation and impairment	(11,919)	(20,256,373)	(30,637,055)	(13,726,976)	(14,772,226)	-	(79,404,549)
	<u>\$ 14,353,856</u>	<u>\$ 23,199,218</u>	<u>\$ 12,466,586</u>	<u>\$ 3,519,571</u>	<u>\$ 4,311,307</u>	<u>\$ 5,740,443</u>	<u>\$ 63,590,981</u>
<u>2020</u>							
Opening net book amount	\$ 14,353,856	\$ 23,199,218	\$ 12,466,586	\$ 3,519,571	\$ 4,311,307	\$ 5,740,443	\$ 63,590,981
Additions	-	41,541	1,099,705	394,945	344,535	2,198,478	4,079,204
Acquired through business combinations	-	-	-	-	47,035	-	47,035
Disposals	(9,079)	(4,703)	(17,677)	(4,443)	(5,328)	-	(41,230)
Transfer	-	72,559	602,526	194,726	85,185	(954,996)	-
Depreciation charge	-	(472,729)	(1,154,164)	(540,590)	(582,774)	-	(2,750,257)
Net exchange differences	(83,272)	(147,803)	(313,319)	(31,580)	(162,503)	(371,410)	(1,109,887)
Closing net book amount	<u>\$ 14,261,505</u>	<u>\$ 22,688,083</u>	<u>\$ 12,683,657</u>	<u>\$ 3,532,629</u>	<u>\$ 4,037,457</u>	<u>\$ 6,612,515</u>	<u>\$ 63,815,846</u>
<u>At March 31, 2020</u>							
Cost	\$ 14,273,546	\$ 43,273,237	\$ 43,673,426	\$ 17,558,533	\$ 19,004,683	\$ 6,612,515	\$ 144,395,940
Accumulated depreciation and impairment	(12,041)	(20,585,154)	(30,989,769)	(14,025,904)	(14,967,226)	-	(80,580,094)
	<u>\$ 14,261,505</u>	<u>\$ 22,688,083</u>	<u>\$ 12,683,657</u>	<u>\$ 3,532,629</u>	<u>\$ 4,037,457</u>	<u>\$ 6,612,515</u>	<u>\$ 63,815,846</u>

- A. The Group's property, plant and equipment are mainly owner-occupied.
- B. No interest expense was capitalised on property, plant and equipment.
- C. Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

(10) Leasing arrangements - lessee

A. The Group leases various assets including land, buildings and transportation equipment. Rental contracts are typically made for periods of 1 to 21 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
	<u>Book value</u>	<u>Book value</u>	<u>Book value</u>
Land	\$ 1,602,532	\$ 1,602,097	\$ 1,672,165
Buildings and structures	1,268,227	1,323,106	1,290,552
Transportation equipment	62,849	71,012	72,506
Other equipment	22,679	24,531	36,357
	<u>\$ 2,956,287</u>	<u>\$ 3,020,746</u>	<u>\$ 3,071,580</u>

	<u>Three months ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 11,784	\$ 10,820
Buildings and structures	125,341	120,222
Transportation equipment	16,619	20,002
Other equipment	1,811	2,782
	<u>\$ 155,555</u>	<u>\$ 153,826</u>

C. For the three months ended March 31, 2021 and 2020, the additions to right-of-use assets (excluding those acquired through business combinations) were \$68,343 and \$137,224, respectively.

D. Information on profit or loss in relation to lease contracts is as follows:

	<u>Three months ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	<u>\$ 5,560</u>	<u>\$ 5,988</u>
Expense on short-term lease contracts	<u>\$ 113,761</u>	<u>\$ 108,453</u>

E. For the three months ended March 31, 2021 and 2020, the Group's total cash outflow for leases were \$256,716 and \$306,707, respectively.

F. Extension options

- (a) Extension options are included in the Group's lease contracts pertaining to certain land. These terms and conditions are the lessor's general practice and for the Group to effectively utilise the assets.
- (b) In determining the lease term, the Group takes into consideration all facts and circumstances that create an economic incentive to exercise an extension option. The assessment of lease period is reviewed if a significant event occurs which affects the assessment.

(11) Intangible assets










	<u>Trademarks</u>	<u>Patents</u>	<u>Goodwill</u>	<u>Customer Relationship</u>	<u>Technical Skill</u>	<u>Others</u>	<u>Total</u>
<u>At January 1, 2021</u>							
Cost	\$ 3,943,732	\$ 1,979,798	\$ 54,297,182	\$ 17,495,795	\$ 11,376,981	\$ 4,227,079	\$ 93,320,567
Accumulated amortisation and impairment	(1,180,179)	(1,507,416)	(797,390)	(8,254,610)	(3,063,190)	(3,058,152)	(17,860,937)
	<u>\$ 2,763,553</u>	<u>\$ 472,382</u>	<u>\$ 53,499,792</u>	<u>\$ 9,241,185</u>	<u>\$ 8,313,791</u>	<u>\$ 1,168,927</u>	<u>\$ 75,459,630</u>
<u>2021</u>							
Opening net book amount	\$ 2,763,553	\$ 472,382	\$ 53,499,792	\$ 9,241,185	\$ 8,313,791	\$ 1,168,927	\$ 75,459,630
Additions - acquired separately	-	886	-	-	8,742	470,797	480,425
Additions - acquired through business combinations (Note)	-	-	9,015	-	-	-	9,015
Reclassifications (Note)	-	-	137,896	(25,631)	(112,265)	-	-
Amortisation	(59,620)	(40,258)	-	(340,385)	(271,282)	(197,094)	(908,639)
Net exchange differences	<u>25,365</u>	<u>1,209</u>	<u>669,242</u>	<u>123,537</u>	<u>122,920</u>	<u>9,377</u>	<u>951,650</u>
Closing net book amount	<u>\$ 2,729,298</u>	<u>\$ 434,219</u>	<u>\$ 54,315,945</u>	<u>\$ 8,998,706</u>	<u>\$ 8,061,906</u>	<u>\$ 1,452,007</u>	<u>\$ 75,992,081</u>
<u>At March 31, 2021</u>							
Cost	\$ 3,988,190	\$ 1,985,492	\$ 55,125,700	\$ 17,688,809	\$ 11,450,816	\$ 4,678,226	\$ 94,917,233
Accumulated amortisation and impairment	(1,258,892)	(1,551,273)	(809,755)	(8,690,103)	(3,388,910)	(3,226,219)	(18,925,152)
	<u>\$ 2,729,298</u>	<u>\$ 434,219</u>	<u>\$ 54,315,945</u>	<u>\$ 8,998,706</u>	<u>\$ 8,061,906</u>	<u>\$ 1,452,007</u>	<u>\$ 75,992,081</u>

(Note) The additions - acquired through business combinations and reclassifications resulted from the adjustment of the contingent proceeds and the reallocation of the purchase price relative to the acquisition of Trihedral. The allocation of acquisition price was completed in the first quarter of 2021 and the acquisition price increased by \$9,015 based on the adjustment terms in the contract.

	<u>Trademarks</u>	<u>Patents</u>	<u>Goodwill</u>	<u>Customer Relationship</u>	<u>Technical Skill</u>	<u>Others</u>	<u>Total</u>
<u>At January 1, 2020</u>							
Cost	\$ 4,048,477	\$ 1,834,746	\$ 56,540,954	\$ 18,231,633	\$ 11,560,170	\$ 4,199,806	\$ 96,415,786
Accumulated amortisation and impairment	(1,068,347)	(1,286,923)	(7,291)	(7,006,646)	(1,732,370)	(2,881,556)	(13,983,133)
	<u>\$ 2,980,130</u>	<u>\$ 547,823</u>	<u>\$ 56,533,663</u>	<u>\$ 11,224,987</u>	<u>\$ 9,827,800</u>	<u>\$ 1,318,250</u>	<u>\$ 82,432,653</u>
<u>2020</u>							
Opening net book amount	\$ 2,980,130	\$ 547,823	\$ 56,533,663	\$ 11,224,987	\$ 9,827,800	\$ 1,318,250	\$ 82,432,653
Additions - acquired separately	-	1,577	-	-	-	152,559	154,136
Additions - acquired through business combinations	-	-	219,391	145,429	-	46,091	410,911
Amortisation	(62,030)	(39,496)	-	(440,434)	(290,254)	(156,657)	(988,871)
Net exchange differences	<u>15,266</u>	<u>28,724</u>	<u>365,910</u>	<u>114,328</u>	<u>77,862</u>	<u>(71,628)</u>	<u>530,462</u>
Closing net book amount	<u>\$ 2,933,366</u>	<u>\$ 538,628</u>	<u>\$ 57,118,964</u>	<u>\$ 11,044,310</u>	<u>\$ 9,615,408</u>	<u>\$ 1,288,615</u>	<u>\$ 82,539,291</u>
<u>At March 31, 2020</u>							
Cost	\$ 4,003,343	\$ 1,941,117	\$ 57,126,885	\$ 18,516,346	\$ 12,023,036	\$ 3,878,601	\$ 97,489,328
Accumulated amortisation and impairment	(1,069,977)	(1,402,489)	(7,921)	(7,472,036)	(2,407,628)	(2,589,986)	(14,950,037)
	<u>\$ 2,933,366</u>	<u>\$ 538,628</u>	<u>\$ 57,118,964</u>	<u>\$ 11,044,310</u>	<u>\$ 9,615,408</u>	<u>\$ 1,288,615</u>	<u>\$ 82,539,291</u>

A. Details of amortisation on intangible assets are as follows:

	Three months ended March 31,	
	2021	2020
Operating costs	\$ 12,937	\$ 12,823
Selling expenses	401,396	504,280
Administrative expenses	36,860	36,429
Research and development expenses	457,446	435,339
	<u>\$ 908,639</u>	<u>\$ 988,871</u>

B. The Group acquired registered or under-application trademark rights such as   , , VIVITEK, 麗訊, ,  ELTEK, ,  and . Trademarks are assessed to have finite useful lives. The remaining trademarks which have indefinite useful lives shall not be amortised but are tested for impairment annually.

C. Goodwill and trademarks with indefinite useful lives are allocated as follows to the Group's cash-generating units identified according to operating segment:

	March 31, 2021	December 31, 2020	March 31, 2020
Goodwill:			
DET	\$ 33,928,384	\$ 33,405,219	\$ 35,937,809
Cyntec	5,146,053	5,146,053	5,146,053
Eltek	4,916,491	4,840,681	5,207,673
Vivotek	3,232,954	3,232,954	3,232,954
DCI	2,367,400	2,330,895	2,507,610
DGC	1,640,277	1,614,985	1,737,423
Amerlux	1,106,907	1,089,838	1,172,940
Loy Tec	518,013	510,026	1,398,016
Others	1,459,466	1,329,141	778,486
	<u>\$ 54,315,945</u>	<u>\$ 53,499,792</u>	<u>\$ 57,118,964</u>
Trademarks:			
Automation business	\$ 691,811	\$ 691,811	\$ 691,811
Infrastructure business	386,823	386,823	386,823
	<u>\$ 1,078,634</u>	<u>\$ 1,078,634</u>	<u>\$ 1,078,634</u>

Acquisition prices in business combination are calculated based on the price of acquisition and direct costs related to the acquisition. The amount of goodwill recognised is the difference between the acquisition price and the net fair value of identifiable assets acquired. The amortisation duration of acquisition price shall not exceed one year after the acquisition.

D. The Group's goodwill arose from business combinations in order to improve benefit comprising of potential customer relations and operating revenue in the location of acquired companies. Based on IAS 36, goodwill acquired in a business combination should be tested at least annually

for impairment. For the impairment testing of goodwill, goodwill acquired in a business combination is allocated to each of the cash-generating units that are expected to benefit from the synergies of the business combination. Each company may be a cash-generating unit which can generate independent cash flows.

In assessing the impairment of goodwill and trademarks with indefinite useful lives, for the goodwill of DET and Vivotek, as there is an open market quotation, the recoverable amount is the higher of the companies' fair value less costs of disposal and value in use; for the goodwill and trademarks with indefinite useful lives of other companies, the impairment is calculated based on value in use and carrying amount of net assets of each company. The key assumptions used for value in use calculations are operating profit margin, growth rate and discount rate.

Management determined budgeted operating profit margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant operating segments.

(12) Other non-current assets

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Prepayments for business facilities	\$ 1,021,683	\$ 846,839	\$ 1,245,790
Guarantee deposits paid	240,484	256,693	340,250
Other financial assets	174,967	187,257	48,309
Prepayments for long-term investments	111,393	81,059	72,259
Cash surrender value of life insurance	42,010	43,512	55,396
Others	521,625	524,227	677,773
	<u>\$ 2,112,162</u>	<u>\$ 1,939,587</u>	<u>\$ 2,439,777</u>

(13) Short-term borrowings

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Unsecured bank loans	\$ 1,678,806	\$ 2,001,532	\$ 9,846,267
Credit lines	\$ 65,415,765	\$ 69,185,543	\$ 75,760,249
Interest rate range	<u>0.48%~4.85%</u>	<u>0.39%~4.85%</u>	<u>0.40%~7.00%</u>

(14) Other payables

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Salary and bonus payable	\$ 17,985,232	\$ 17,957,602	\$ 14,336,020
Dividends payable	1,364,066	-	767,376
Others	15,053,265	14,926,619	11,919,168
	<u>\$ 34,402,563</u>	<u>\$ 32,884,221</u>	<u>\$ 27,022,564</u>

(15) Long-term borrowings

<u>Type of borrowings</u>	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Credit loans	\$ 36,142,891	\$ 39,008,242	\$ 28,758,525
Collateral loans	349,256	353,865	370,551
	<u>36,492,147</u>	<u>39,362,107</u>	<u>29,129,076</u>
Less: Current portion (shown as other current liabilities)	(46,745)	(48,117)	(61,580)
	<u>\$ 36,445,402</u>	<u>\$ 39,313,990</u>	<u>\$ 29,067,496</u>
Credit lines	<u>\$ 84,266,599</u>	<u>\$ 83,362,621</u>	<u>\$ 78,986,914</u>
Interest rate range	<u>0.31%~6.23%</u>	<u>0.31%~6.23%</u>	<u>0.31%~6.23%</u>

A. As at March 31, 2021, the revolving loans of \$35,779,160 can be drawn down during the period from June 29, 2020 to August 31, 2022 and are payable before the due date under the agreement.

B. Information in relation to the assets pledged to others as collateral for bank borrowings is provided in Note 8.

(16) Pensions

A. Defined benefit plan

(a) The Group has a defined benefit pension plan as follows:

- i. The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor Standards Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contribute monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is not enough to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic subsidiaries will make contribution for the deficit by next March.

- ii. Certain subsidiaries located in Mainland China maintain defined benefit retirement (resignation) plans with relative contribution scheme. The employees and the subsidiaries contribute an amount relatively based on a certain percentage of the monthly basic salary depending on the employee's position. When an employee retires or resigns, the total contribution from the employee is reimbursed based on the accumulated contribution (without interest) less withdrawals made by the employee in advance during the service period. The employee is also entitled to receive benefits calculated based on the accumulated contribution (without interest) from the related subsidiary multiplied by the approved benefit percentage for the employee's service years less withdrawals made by the employee in advance during the service period. The scheme mentioned above ceased on August 1, 2004. The amount contributed before was archived, and the payment scheme was not changed.
 - iii. The subsidiaries in Thailand, Switzerland and Norway, etc. have an obligation to pay certain retirement benefits when employees retire based on labor regulations.
- (b) For the aforementioned pension plan, the Group recognised pension costs of \$35,627 and \$36,782 for the three months ended March 31, 2021 and 2020, respectively.
 - (c) Expected contributions to the defined benefit pension plans of the Group within one year from March 31, 2021 are \$149,232.

B. Defined contribution plan

- (a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act, covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.
- (b) Other overseas companies have defined contribution plans in accordance with the local regulations. Other than the periodic contribution, the overseas companies have no further obligations.

(17) Share capital

- A. In accordance with the Company's Articles of Incorporation, the total authorised common stock is 4 billion shares (including 100 million shares for stock warrants conversion). As at March 31, 2021, the total issued and outstanding common stock was 2,597,543 thousand shares with par value of \$10 (in dollars) per share.
- B. On December 20, 2004, the Board of Directors of the Company adopted a resolution that allowed certain stockholders to issue 16 million units of global depository receipts (GDRs), represented by 80 million shares of common stock (Deposited Shares), with one unit of GDR representing 5 shares of common stock. After obtaining approval from SFB, these GDRs were listed on the

Securities Exchange of Luxembourg on March 29, 2005, with total proceeds of US\$134,666 thousand. The issuance of GDRs was represented by outstanding shares, therefore, there is no dilutive effect on the common shares' equity. The main terms and conditions of the GDRs are as follows:

(a) Voting rights

GDR holders may, pursuant to the Depositary Agreement and the relevant laws and regulations of the R.O.C., exercise the voting rights pertaining to the underlying common shares represented by the GDRs.

(b) Redemption of GDRs

For sales and redemption of the underlying common shares represented by the GDRs when the holders of the GDRs request the Depositary to redeem the GDRs in accordance with the relevant R.O.C. regulations and the provisions in the Depositary Agreement, the Depositary may (i) deliver the underlying common shares represented by the GDRs to the GDR holders, or (ii) sell the underlying common shares represented by the GDRs in the R.O.C. stock market on behalf of the GDR holder. The payment of proceeds from such sale shall be made subject to the relevant R.O.C. laws and regulations and the provisions in the Depositary Agreement.

(c) Distribution of dividends, preemptive rights and other rights

Distribution of dividends, preemptive rights and other rights and interests of GDR units bear the same rights as common shares.

(d) After considering the stock dividend distribution year by year, as at March 31, 2021, there were 962 thousand units outstanding, representing 4,810 thousand common shares of the Company's common stock.

(18) Capital surplus

Pursuant to the R.O.C. Company Law, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

(19) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall be distributed in the following order:

(a) Payment of all taxes and dues.

(b) Offset against prior years' operating losses, if any.

(c) Set aside 10% of the remaining amount as legal reserve, unless the accumulated amount of

the legal reserve has reached the total authorised capital of the Company.

- (d) Setting aside or reversing a special reserve according to relevant regulations when necessary.
- (e) The remainder along with beginning unappropriated earnings shall be stockholders' bonus. The appropriation of earnings shall be proposed by the Board of Directors and resolved by the shareholders. As the Company is in the growth stage, and taking into consideration the shareholders' benefits, financial health and business development, the amount of bonus distributed to shareholders shall not be less than 60% of the distributable earnings for the current period. Cash dividends shall be at least 15% of the bonus distributed to shareholders.
- B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.
- C. (a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
- (b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Order No. Financial-Supervisory-Securities-Corporate-1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently. Such amounts are reversed upon disposal or reclassified if the assets are investment property of land, and reversed over the use period if the assets are investment property other than land.
- D. The appropriations of 2020 earnings had been proposed by the Board of Directors on February 24, 2021 and the appropriations of 2019 earnings had been approved by the shareholders during their meeting on June 10, 2020. Details are summarised below:

	Years ended December 31,			
	2020		2019	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve appropriated	\$ 2,355,218		\$ 2,311,780	
Special reserve appropriated	4,921,173		61,002	
Cash dividends	14,286,488	\$ 5.5	12,987,717	\$ 5.0

As at April 28, 2021, the abovementioned 2020 earnings appropriation has not yet been approved by the shareholders. These financial statements do not reflect the dividends payable. Information about the appropriation of employees' bonus and directors' and supervisors' remuneration by the

Company as proposed by the Board of Directors and resolved by the stockholders will be posted in the “Market Observation Post System” at the website of the Taiwan Stock Exchange.

(20) Operating revenue

	Three months ended March 31,	
	2021	2020
Revenue from contracts with customers	\$ 72,485,283	\$ 55,678,341

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major business:

	Three months ended March 31, 2021				
	Power electronics	Automation	Infrastructure	Others	Total
Revenue from external customer contracts	\$ 43,527,028	\$ 10,618,037	\$ 18,264,109	\$ 76,109	\$ 72,485,283
Timing of revenue recognition					
At a point in time	43,527,028	10,199,029	17,407,143	50,611	71,183,811
Over time	-	419,008	856,966	25,498	1,301,472
	<u>\$ 43,527,028</u>	<u>\$ 10,618,037</u>	<u>\$ 18,264,109</u>	<u>\$ 76,109</u>	<u>\$ 72,485,283</u>
	Three months ended March 31, 2020				
	Power electronics	Automation	Infrastructure	Others	Total
Revenue from external customer contracts	\$ 30,593,023	\$ 8,496,223	\$ 16,509,689	\$ 79,406	\$ 55,678,341
Timing of revenue recognition					
At a point in time	30,589,980	7,764,432	15,653,238	17,983	54,025,633
Over time	3,043	731,791	856,451	61,423	1,652,708
	<u>\$ 30,593,023</u>	<u>\$ 8,496,223</u>	<u>\$ 16,509,689</u>	<u>\$ 79,406</u>	<u>\$ 55,678,341</u>

B. Contract assets and liabilities

The Group has recognised the revenue-related contract assets primarily from automation equipment contracts and resolution of communication equipment power resource system; contract liabilities primarily pertain to advance sales receipts, advance receipts for automation equipment contract and resolution of communication equipment power resource system, etc.

Revenue recognised that was included in the contract liability balance at the beginning of the period is as follows:

	Three months ended March 31,	
	2021	2020
Revenue recognised that was included in the contract liability balance at the beginning of the period		
Advance sales receipts, advance receipts for automation equipment contract and resolution of communication equipment power resource system, etc.	\$ 3,041,658	\$ 3,352,208

(21) Interest income

	Three months ended March 31,	
	2021	2020
Interest income from bank deposits	\$ 117,189	\$ 163,045
Other interest income	216	-
	<u>\$ 117,405</u>	<u>\$ 163,045</u>

(22) Other income

	Three months ended March 31,	
	2021	2020
Sample sales income	\$ 78,198	\$ 77,473
Dividend income	57,886	8,126
Testing fee income	47,630	15,188
Mold fee income	42,445	22,202
Rental income	29,793	31,435
Others	467,768	865,425
	<u>\$ 723,720</u>	<u>\$ 1,019,849</u>

(23) Other gains and losses

	Three months ended March 31,	
	2021	2020
Loss on disposal of property, plant and equipment	(\$ 17,590)	(\$ 13,755)
Loss on disposal of investments (Note)	-	(84,685)
Net currency exchange gain	535,102	735,531
Gain (loss) on financial assets/liabilities at fair value through profit or loss	77,965	(771,288)
Miscellaneous disbursements	(35,979)	(52,829)
	<u>\$ 559,498</u>	<u>(\$ 187,026)</u>

(Note) The Group recognised a gain (loss) as a result of measuring at fair value its 41% equity interest in DPI, held before the business combination. Please refer to Note 6(30) for more information.

(24) Finance costs

	Three months ended March 31,	
	2021	2020
Interest expense	\$ 69,206	\$ 112,825

(25) Expenses by nature

	Three months ended March 31,	
	2021	2020
Employee benefit expense	\$ 16,144,539	\$ 12,981,128
Depreciation charges on property, plant and equipment	3,102,512	2,750,257
Depreciation charges on right-of-use assets	155,555	153,826
Amortisation charges on intangible assets	908,639	988,871
	<u>\$ 20,311,245</u>	<u>\$ 16,874,082</u>

(26) Employee benefit expense

	Three months ended March 31,	
	2021	2020
Post-employment benefits		
Defined contribution plan	\$ 236,650	\$ 245,594
Defined benefit plan	35,627	36,782
	<u>272,277</u>	<u>282,376</u>
Other employee benefits	15,872,262	12,698,752
	<u>\$ 16,144,539</u>	<u>\$ 12,981,128</u>

- A. According to the Articles of Incorporation of the Company, a ratio of profit of the current year distributable, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 3% for employees' compensation and shall not be higher than 1% for directors' remuneration.
- B. For the three months ended March 31, 2021 and 2020, employees' compensation was accrued at \$785,126 and \$310,715, respectively; while directors' remuneration was accrued at \$10,600 and \$9,449, respectively. The aforementioned amounts were recognised in salary expenses.

For the three months ended March 31, 2021, the employees' compensation and directors' remuneration were estimated and accrued based on profit of current year distributable as prescribed by the Company's Articles of Incorporation. The employees' compensation of \$2,421,097 and directors' remuneration of \$29,400 for 2020 were resolved by the Board of Directors on February 24, 2021. Employees' compensation and directors' remuneration as resolved by the Board of Directors were in agreement with the amount recognised in the 2020 financial statements.

Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(27) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Three months ended March 31,	
	2021	2020
Current tax:		
Current tax on profits for the year	\$ 1,210,758	\$ 590,464
Tax on undistributed surplus earnings	-	15,255
Total current tax	1,210,758	605,719
Deferred tax:		
Origination and reversal of temporary differences	560,194	2,728
	<u>\$ 1,770,952</u>	<u>\$ 608,447</u>

(b) The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	Three months ended March 31,	
	2021	2020
Currency translation differences	\$ 98,153	(\$ 119,976)
Gain or loss on hedging instruments	(4)	(3,435)
	<u>\$ 98,149</u>	<u>(\$ 123,411)</u>

B. The status of the Company and its domestic subsidiaries' assessed and approved income tax returns are as follows:

	Latest year assessed by Tax Authority
The Company and Cyntec	2017
DECC, DelBio, UNICOM, Power Forest Technology Corporation, Vivotek and Vatics Inc.	2018
AMT, Lidlight Inc., Realwin., Otus Imaging and Aetek Inc.	2019

(28) Earnings per share

	<u>Three months ended March 31, 2021</u>		
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (shares in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	<u>\$ 6,580,300</u>	<u>2,597,543</u>	<u>\$ 2.53</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 6,580,300	2,597,543	
Assumed conversion of all dilutive potential ordinary shares:			
Employees' compensation	<u>-</u>	<u>7,054</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 6,580,300</u>	<u>2,604,597</u>	<u>\$ 2.53</u>
	<u>Three months ended March 31, 2020</u>		
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (shares in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	<u>\$ 2,067,299</u>	<u>2,597,543</u>	<u>\$ 0.80</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 2,067,299	2,597,543	
Assumed conversion of all dilutive potential ordinary shares:			
Employees' compensation	<u>-</u>	<u>11,827</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 2,067,299</u>	<u>2,609,370</u>	<u>\$ 0.79</u>

(29) Share-based payment

A. For the three months ended March 31, 2021 and 2020, the Group's share-based payment arrangements were as follows:

<u>Type of arrangement</u>	<u>Grant date</u>	<u>Quantity granted</u>	<u>Contract period</u>	<u>Vesting conditions</u>
Power Forest - Employee stock options	2017.3.3	1,000,000	6 years (Note)	1 year's service: 40% vested 2 years' service: 70% vested 3 years' service: 100% vested
//	2018.3.30	500,000	6 years (Note)	1 year's service: 40% vested 2 years' service: 70% vested 3 years' service: 100% vested
Vatics Inc. - Employee stock options	2016.11.8	2,116,000	4 years	1~3 years' service
Vivotek - Plan of restricted stocks to employees	2019.8.19	800,000	2 years	1~2 years' performance

Note: As Power Forest and Cyntec converted shares on July 1, 2020, in accordance with the issuance of employee stock option certificates and exercise methods, the options may be subject to accelerated vesting.

B. Details of the share-based payment arrangements are as follows:

(a) Employee share options

	<u>2021</u>		<u>2020</u>	
	<u>No. of options</u>	<u>Weighted-average exercise price (in dollars)</u>	<u>No. of options</u>	<u>Weighted-average exercise price (in dollars)</u>
Options outstanding opening balance at January 1	-	\$ -	1,672,000	\$ 15.79
Options forfeited	-	-	(100,000)	15.00
Options expired	-	-	(36,000)	16.50
Options outstanding at March 31	-	\$ -	<u>1,536,000</u>	<u>\$ 15.83</u>
Options exercisable at March 31	-	\$ -	<u>1,438,000</u>	<u>\$ 15.88</u>

(b) Restricted stocks to employees

	2021	2020
	No. of shares	No. of shares
January 1	374,000	798,000
Expired during the year	-	(10,000)
March 31	<u>374,000</u>	<u>788,000</u>

C. The expiry date and exercise price of stock options outstanding at the balance sheet date are as follows:

March 31, 2021 and December 31, 2020: None.

		March 31, 2020	
Issue date approved	Expiry date	No. of shares	Exercise price (in dollars)
November 8, 2016	November 7, 2020	846,000	\$ 16.50
March 3, 2017	March 2, 2023	365,000	15.00
March 30, 2018	March 29, 2024	325,000	15.00

D. The fair value of stock options granted is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility	Expected option life (years)	Expected dividends	Risk-free interest rate	Fair value per unit (in dollars)
Power Forest- Employee stock options	2017.3.3	\$ 18.38	\$ 15.00	32.08%~ 33.22% (Note)	3.5~4.5	5%	0.79%~ 0.88%	4.0053~ 4.0960
"	2018.3.30	16.42	15.00	32.43%~ 33.08% (Note)	3.5~4.5	5%	0.63%~ 0.68%	3.0262~ 3.0767
Vatics Inc.- Employee stock options	2016.11.8	14.60	16.50	36.37%~ 37.25% (Note)	2.5~3.5	Not applicable	0.57%~ 0.67%	2.7995~ 3.3727
Vivotek - Plan of restricted stocks to employees	2019.8.19	102.50	-	Not applicable	1~2	Not applicable	Not applicable	102.50

Note: Expected price volatility rate was estimated by using the stock prices of the most recent period with length of this period approximate to the length of the stock options' expected life, and the standard deviation of return on the stock during this period.

E. Expenses incurred on share-based payment transactions are shown below:

	Three months ended March 31,	
	2021	2020
Equity-settled	\$ -	\$ 9,925

(30) Business combinations

A. The Group has no business combinations during the three months ended March 31, 2021. Business combinations of the Group for the year ended March 31, 2020 are as follows:

(a) On January 6, 2020, the Group acquired 59% of the share capital of the Group's associate, DPI, for \$250,380 and obtained control over DPI. As a result of the acquisition, the Group is expected to strengthen the product lines in projector market.

(b) On November 3, 2020, the Group acquired 100% of the share capital of Trihedral, for \$885,725 originally and obtained control over Trihedral. As a result of the acquisition, the Group is expected to strengthen industrial automation and systems integration layout. The allocation of the acquisition price of Trihedral was completed in the first quarter of 2021, and the acquisition price increased by \$9,015 based on the adjustment terms in the contract.

B. The following table summarises the consideration paid for the abovementioned acquired subsidiaries and the fair values of the assets acquired, liabilities assumed and the non-controlling interest at the acquisition date:

	<u>Trihedral (Note)</u>	<u>DPI</u>
Purchase consideration		
Cash	\$ 885,725	\$ 250,380
Contingent consideration	134,759	-
	<u>1,020,484</u>	<u>250,380</u>
Fair value of DPI's equity interest held before the business combination	<u>-</u>	<u>173,132</u>
	<u>1,020,484</u>	<u>423,512</u>
Fair value of the identifiable assets acquired and liabilities assumed		
Cash and cash equivalents	18,234	29,756
Other current assets	72,912	413,005
Property, plant and equipment	6,852	47,035
Intangible assets	236,302	154,346
Other non-current assets	-	23,543
Other current liabilities	(9,666)	(496,015)
Deferred tax liabilities	(1,814)	-
Other non-current liabilities	-	(4,723)
Total identifiable net assets	<u>322,820</u>	<u>166,947</u>
Goodwill	<u>\$ 697,664</u>	<u>\$ 256,565</u>

Note: Represents the amount after the allocation of acquisition price.

- C. The allocation of the acquisition price of Trihedral was completed in the first quarter of 2021 and the fair values of the acquired identifiable intangible assets and goodwill were \$236,302 and \$697,664, respectively.
- D. The allocation of the acquisition price of DPI was completed in the second quarter of 2020 and the fair values of the acquired identifiable intangible assets and goodwill were \$154,346 and \$256,565, respectively.
- E. The Group originally held 41% of share ownership in DPI before the business combination. Loss on remeasurement of fair value for the first quarter of 2020 amounted to \$47,636.

(31) Supplemental cash flow information

Financing activities with no cash flow effects

	<u>Three months ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
Cash dividends declared but yet to be paid to non-controlling interest	<u>\$ 1,364,066</u>	<u>\$ 767,376</u>

(32) Changes in liabilities from financing activities

	<u>Short-term borrowings</u>	<u>Long-term borrowings (including current portion)</u>	<u>Liabilities from financing activities-gross</u>
At January 1, 2021	\$ 2,001,532	\$ 39,362,107	\$ 41,363,639
Changes in cash flow from financing activities	(322,726)	(2,869,960)	(3,192,686)
At March 31, 2021	<u>\$ 1,678,806</u>	<u>\$ 36,492,147</u>	<u>\$ 38,170,953</u>

	<u>Short-term borrowings</u>	<u>Long-term borrowings (including current portion)</u>	<u>Liabilities from financing activities-gross</u>
At January 1, 2020	\$ 7,575,932	\$ 27,814,375	\$ 35,390,307
Changes in cash flow from financing activities	2,270,335	1,314,701	3,585,036
At March 31, 2020	<u>\$ 9,846,267</u>	<u>\$ 29,129,076</u>	<u>\$ 38,975,343</u>

7. RELATED PARTY TRANSACTIONS

(1) Names and relationship of related parties

<u>Names and relationship of related parties</u>	<u>Relationship with the Group</u>
Optovue, Inc.	Associate
Compower AS	"
Fujian Kaixin Constructon Engineering Co., Ltd.	"
Delta Networks (Xiamen) Ltd.	"
Digital Projection Asia Pte Ltd.	"

(2) Significant transactions and balances with related parties

A. Operating revenue

	<u>Three months ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
Sales of goods:		
Associates	\$ 43,924	\$ 20,902
Sales of services:		
Associates	733	-
	<u>\$ 44,657</u>	<u>\$ 20,902</u>

The Group sells commodities to related parties based on mutually agreed selling prices and terms as there is no similar transaction to be compared with. Sales of services to related parties arise mainly from licensing patent technologies and intellectual property and recognised as revenue on a usage basis.

B. Purchases of goods

	<u>Three months ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
Purchases of goods:		
Associates	<u>\$ 13,281</u>	<u>\$ 14,643</u>

The purchase terms, including prices and payments, are based on mutual agreement and have no similar transaction to be compared with.

C. Period-end balances arising from sales of goods and services

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Receivables from related parties:			
Associates	<u>\$ 28,527</u>	<u>\$ 42,284</u>	<u>\$ 28,695</u>

The receivables from related parties arise mainly from sales transactions. The receivables are due 75 days after the date of sale. The receivables are unsecured in nature and bear no interest.

D. Period-end balances arising from purchases of goods

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Payables to related Associates	<u>\$ 7,596</u>	<u>\$ 29,641</u>	<u>\$ 14,162</u>

The payables to related parties arise mainly from purchase transactions and are due 70 days after the date of purchase. The payables bear no interest.

E. Period-end balances arising from other transactions

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Other receivables-related parties			
Associates	<u>\$ 41</u>	<u>\$ 199</u>	<u>\$ 656</u>

The above pertain mainly to payments on behalf of others.

(3) Key management compensation

	<u>Three months ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
Short-term employee benefits	\$ 75,933	\$ 37,312
Post-employment benefits	157	192
	<u>\$ 76,090</u>	<u>\$ 37,504</u>

8. PLEGDED ASSETS

The Group's assets pledged as collateral are as follows:

<u>Pledged assets</u>	<u>Book Value</u>			<u>Pledge purpose</u>
	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>	
Demand deposits and time deposits (shown as other current assets)	\$ 496,395	\$ 483,361	\$ 258,792	Performance bonds, custom guarantee, court attachments and other guarantee deposits
Demand deposits and time deposits (shown as other non-current assets)	174,967	187,257	48,309	Performance bonds and custom guarantee
Property, plant and equipment	565,442	567,141	577,413	Long-term borrowings and credit line
	<u>\$ 1,236,804</u>	<u>\$ 1,237,759</u>	<u>\$ 884,514</u>	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

None.

(2) Commitments

Capital expenditures contracted for at the balance sheet date but not yet incurred are as follows:

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Property, plant and equipment	\$ 5,472,614	\$ 6,213,358	\$ 8,276,737
Costs of computer software	\$ 12,175	\$ 72,804	\$ 171,786

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital risk management

The Group's objectives when managing capital are to maintain an integrity credit rating and good capital structure to support operations and maximize stockholders' equity.

(2) Financial instruments

A. Financial instruments by category

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
<u>Financial assets</u>			
Financial assets at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	<u>\$ 4,180,246</u>	<u>\$ 4,003,539</u>	<u>\$ 2,788,104</u>
Financial assets at fair value through other comprehensive income			
Selected designated investments in equity instruments	<u>\$ 1,962,860</u>	<u>\$ 1,927,683</u>	<u>\$ 1,470,859</u>
<u>Financial assets at amortised cost</u>			
Cash and cash equivalents	\$ 60,858,095	\$ 58,711,985	\$ 49,590,843
Notes receivable	3,480,763	3,733,595	3,332,497
Accounts receivable	57,030,113	59,219,717	44,907,475
Other receivables	1,799,154	1,803,498	1,504,223
Guarantee deposits paid	240,484	256,693	340,250
Other financial assets	<u>671,362</u>	<u>863,642</u>	<u>307,101</u>
	<u>\$ 124,079,971</u>	<u>\$ 124,589,130</u>	<u>\$ 99,982,389</u>
<u>Financial liabilities</u>			
Financial liabilities at fair value through profit or loss			
Financial liabilities designated as at fair value through profit or loss	<u>\$ 209,728</u>	<u>\$ 60,060</u>	<u>\$ 304,590</u>
<u>Financial liabilities at amortised cost</u>			
Short-term borrowings	\$ 1,678,806	\$ 2,001,532	\$ 9,846,267
Notes payable	4,295	2,770	11,304
Accounts payable	47,781,151	46,717,151	34,509,700
Other payables	34,402,563	32,884,221	27,022,564
Long-term borrowings (including current portion)	36,492,147	39,362,107	29,129,076
Guarantee deposits received	<u>347,019</u>	<u>418,754</u>	<u>406,962</u>
	<u>\$ 120,705,981</u>	<u>\$ 121,386,535</u>	<u>\$ 100,925,873</u>
Lease liabilities (including current portion)	<u>\$ 1,880,645</u>	<u>\$ 1,949,698</u>	<u>\$ 1,952,302</u>

B. Financial risk management policies

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall

risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial position and financial performance. The Group uses derivative financial instruments to hedge certain risk exposures (see Note 6(2)).

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD, RMB, EUR and THB. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.
- ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. To manage their foreign exchange risk arising from future commercial transactions and recognised assets and liabilities, entities in the Group use forward foreign exchange contracts, foreign exchange swap contracts and options, transacted with Group treasury.
- iii. The Group adopts the derivative financial instruments like forward exchange contracts / forward exchange transactions, etc. to hedge the fair value risk and cash flow risk due to foreign exchange rate fluctuations. The Group monitors at any time and pre-sets a "stop loss" amount to limit its foreign exchange risk.
- iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: USD, RMB and THB). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

March 31, 2021

	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:RMB (Note)	\$ 483,455	6.5551	\$ 13,795,389
USD:NTD	458,181	28.5350	13,074,206
USD:THB (Note)	308,283	31.1892	8,796,842
EUR:USD (Note)	117,423	1.1733	3,931,323
RMB:USD (Note)	726,887	0.1526	3,164,232
<u>Non-monetary items</u>			
USD:NTD	\$ 5,659,841	28.5350	\$ 161,503,577
THB:USD (Note)	50,913,140	0.0321	46,580,432
RMB:USD (Note)	9,374,712	0.1526	40,809,340
USD:THB (Note)	548,680	31.1892	15,656,579
NOK:USD (Note)	3,608,542	0.1172	12,065,991
THB:NTD	4,797,831	0.9149	4,389,536
EUR:USD (Note)	46,522	1.1733	1,557,559
CAD:USD (Note)	45,669	0.7938	1,034,410
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 490,492	28.5350	\$ 13,996,180
USD:THB (Note)	345,283	31.1892	9,852,651
USD:RMB (Note)	340,920	6.5551	9,728,155
RMB:USD (Note)	1,660,735	0.1526	7,229,396
EUR:USD (Note)	51,316	1.1733	1,718,064
SGD:USD (Note)	55,169	0.7433	1,170,140

Note: Certain consolidated entities' functional currency is not NTD. Therefore, the Group shall consider these items when disclosing the above information.

December 31, 2020

(Foreign currency: functional currency)	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 563,902	28.0950	\$ 15,842,840
USD:RMB (Note)	409,156	6.5300	11,495,240
USD:THB (Note)	233,393	29.9010	6,557,173
RMB:USD (Note)	1,033,179	0.1531	4,445,203
EUR:USD (Note)	101,021	1.2251	3,477,153
<u>Non-monetary items</u>			
USD:NTD	\$ 5,497,174	28.0950	\$ 154,443,093
THB:USD (Note)	51,035,064	0.0334	47,952,546
RMB:USD (Note)	8,976,208	0.1531	38,619,685
USD:THB (Note)	576,424	29.9010	16,194,634
NOK:USD (Note)	3,688,108	0.1164	12,056,903
THB:NTD	4,864,229	0.9396	4,570,430
EUR:USD (Note)	44,778	1.2251	1,541,250
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 517,975	28.0950	\$ 14,552,505
RMB:USD (Note)	2,039,318	0.1531	8,774,065
USD:THB (Note)	264,943	29.9010	7,443,584
USD:RMB (Note)	241,984	6.5300	6,798,533
EUR:USD (Note)	47,675	1.2251	1,640,967
SGD:USD (Note)	53,296	0.7528	1,127,213

Note: Certain consolidated entities' functional currency is not NTD. Therefore, the Group shall consider these items when disclosing the above information.

	March 31, 2020		
(Foreign currency: functional currency)	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 305,509	30.2250	\$ 9,234,023
EUR:USD (Note)	83,419	1.0998	2,772,861
RMB:USD (Note)	1,296,865	0.1410	5,525,321
USD:RMB (Note)	289,403	7.0942	8,747,213
USD:THB (Note)	151,548	32.6052	4,580,528
<u>Non-monetary items</u>			
USD:NTD	\$ 4,764,276	30.2250	\$ 144,000,240
THB:USD (Note)	51,327,064	0.0307	47,580,188
RMB:USD (Note)	8,820,927	0.1410	37,581,738
USD:THB (Note)	523,645	32.6052	15,827,181
NOK:USD (Note)	4,291,826	0.0952	12,345,823
THB:NTD	4,709,376	0.9270	4,365,592
EUR:USD (Note)	74,585	1.0998	2,479,192
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 279,719	30.2250	\$ 8,454,496
RMB:USD (Note)	1,835,320	0.1410	7,819,419
USD:RMB (Note)	209,373	7.0942	6,328,305
USD:THB (Note)	171,477	32.6052	5,182,900

Note: Certain consolidated entities' functional currency is not NTD. Therefore, the Group shall consider these items when disclosing the above information.

- v. Total exchange gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the three months ended March 31, 2021 and 2020 amounted to \$535,102 and \$735,531, respectively.

vi. Analysis of foreign currency market risk arising from significant foreign exchange variation:

(Foreign currency: functional currency)	Three months ended March 31, 2021		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:RMB (Note)	1%	\$ 137,954	\$ -
USD:NTD	1%	130,742	-
USD:THB (Note)	1%	87,968	-
EUR:USD (Note)	1%	39,313	-
RMB:USD (Note)	1%	31,642	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 139,962	\$ -
USD:THB (Note)	1%	98,527	-
USD:RMB (Note)	1%	97,282	-
RMB:USD (Note)	1%	72,294	-
EUR:USD (Note)	1%	17,181	-
SGD:USD (Note)	1%	11,701	-

Note: Certain consolidated entities' functional currency is not NTD. Therefore, the Group shall consider these items when disclosing the above information.

(Foreign currency: functional currency)	Three months ended March 31, 2020		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 92,340	\$ -
EUR:USD (Note)	1%	27,729	-
RMB:USD (Note)	1%	55,253	-
USD:RMB (Note)	1%	87,472	-
USD:THB (Note)	1%	45,805	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 84,545	\$ -
RMB:USD (Note)	1%	78,194	-
USD:RMB (Note)	1%	63,283	-
USD:THB (Note)	1%	51,829	-

Note: Certain consolidated entities' functional currency is not NTD. Therefore, the Group shall consider these items when disclosing the above information.

Price risk

- i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.
- ii. The Group's investments in equity securities comprise shares issued by the domestic and foreign companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the three months ended March 31, 2021 and 2020 would have increased/decreased by \$16,597 and \$9,763, respectively, as a result of gain/loss on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by \$15,536 and \$10,479, respectively, as a result of other comprehensive income classified equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- i. The Group's main interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group's borrowings mainly bear fixed and variable interest rate. During the three months ended March 31, 2021 and 2020, the Group's borrowings at variable rate were denominated in NTD, USD and JPY.
- ii. As at March 31, 2021 and 2020, if the interest rate increases by 0.25%, with all other variables held constant, profit, net of tax for the three months ended March 31, 2021 and 2020 would have decreased by \$18,240 and \$14,559, respectively. The main factor is that changes in interest expense result from floating rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of financial instruments which were settled in accordance with trading conditions.
- ii. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors.

- iii. Individual risk limits are set based on internal or external ratings in accordance with limits set by the credit controller. The utilisation of credit limits is regularly monitored.
- iv. For banks and financial institutions, only well rated parties are accepted.
- v. The Group adopts the assumption under IFRS 9, that is, if the contract payments are past due over 180 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
- vi. The Group adopts the assumption under IFRS 9, that is, the default occurs when the contract payments are not expected to be recovered and are transferred to overdue receivables.
- vii. The Group classifies customer's accounts receivable and contract assets in accordance with customer types. The Group applies the simplified approach using the provision matrix based on the loss rate methodology to estimate expected credit loss.
- viii. The Group uses the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable. On March 31, 2021, December 31, 2020 and March 31, 2020, the provision matrix is as follows:

	<u>Not past due</u>	<u>1-90 days past due</u>	<u>91-180 days past due</u>
<u>At March 31, 2021</u>			
Expected loss rate	0.05%	1.14%	19.83%
Total book value	\$ 53,071,918	\$ 3,692,433	\$ 215,350
Loss allowance	\$ 27,359	\$ 42,188	\$ 42,713
	<u>181-365 days past due</u>	<u>Over 366 days past due</u>	<u>Total</u>
Expected loss rate	45.75%	92.07%	
Total book value	\$ 205,187	\$ 287,911	\$ 57,472,799
Loss allowance	\$ 93,881	\$ 265,072	\$ 471,213
	<u>Not past due</u>	<u>1-90 days past due</u>	<u>91-180 days past due</u>
<u>At December 31, 2020</u>			
Expected loss rate	0.00%	0.92%	23.59%
Total book value	\$ 53,883,754	\$ 4,956,368	\$ 367,326
Loss allowance	\$ 1,356	\$ 45,703	\$ 86,651
	<u>181-365 days past due</u>	<u>Over 366 days past due</u>	<u>Total</u>
Expected loss rate	37.46%	95.21%	
Total book value	\$ 139,939	\$ 337,312	\$ 59,684,699
Loss allowance	\$ 52,415	\$ 321,141	\$ 507,266

	<u>Not past due</u>	<u>1-90 days past due</u>	<u>91-180 days past due</u>
<u>At March 31, 2020</u>			
Expected loss rate	0.02%	1.82%	17.86%
Total book value	\$ 39,741,123	\$ 4,442,286	\$ 570,895
Loss allowance	\$ 6,498	\$ 80,682	\$ 101,950
	<u>181-365 days</u>	<u>Over 366 days</u>	
	<u>past due</u>	<u>past due</u>	<u>Total</u>
Expected loss rate	42.57%	96.83%	
Total book value	\$ 507,016	\$ 707,132	\$ 45,968,452
Loss allowance	\$ 215,860	\$ 684,682	\$ 1,089,672

- ix. Movements in relation to the Group applying the simplified approach to provide loss allowance for notes receivable, accounts receivable, contract assets and overdue receivables are as follows:

	<u>2021</u>				
	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Contract assets</u>	<u>Overdue receivables</u>	<u>Total</u>
At January 1	\$ -	\$ 507,266	\$ -	\$ 354,282	\$ 861,548
Reversal of impairment loss	-	(37,907)	-	(20,954)	(58,861)
Write-offs during the period	-	(1)	-	(4,964)	(4,965)
Effect of foreign exchange	-	1,855	-	-	1,855
At March 31	\$ -	\$ 471,213	\$ -	\$ 328,364	\$ 799,577
	<u>2020</u>				
	<u>Notes receivable</u>	<u>Accounts receivable</u>	<u>Contract assets</u>	<u>Overdue receivables</u>	<u>Total</u>
At January 1	\$ -	\$ 1,009,193	\$ -	\$ 213,405	\$ 1,222,598
Provision for (reversal of) impairment loss	-	84,772	-	(9,022)	75,750
Acquired from business combinations	-	26,588	-	-	26,588
Write-offs during the period	-	(15)	-	(5,424)	(5,439)
Effect of foreign exchange	-	(30,866)	-	(13,973)	(44,839)
At March 31	\$ -	\$ 1,089,672	\$ -	\$ 184,986	\$ 1,274,658

For provisioned loss for the three months ended March 31, 2021 and 2020, the reversal of (provision for) impairment loss arising from customers' contracts amounted to \$58,861 and (\$75,750), respectively.

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.
- ii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative

financial liabilities and to the expected maturity date for derivative financial liabilities:

Non-derivative financial liabilities:

<u>March 31, 2021</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>Over 5 years</u>
Short-term borrowings	\$ 1,678,806	\$ -	\$ -	\$ -
Notes and accounts payable (including related parties)	47,785,446	-	-	-
Other payables	34,402,563	-	-	-
Lease liabilities (including current portion)	529,758	346,549	468,270	536,068
Long-term borrowings (including current portion)	46,745	31,675,153	4,368,365	401,884

Non-derivative financial liabilities:

<u>December 31, 2020</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>Over 5 years</u>
Short-term borrowings	\$ 2,001,532	\$ -	\$ -	\$ -
Notes and accounts payable (including related parties)	46,719,921	-	-	-
Other payables	32,884,221	-	-	-
Lease liabilities (including current portion)	538,386	361,912	497,277	552,123
Long-term borrowings (including current portion)	48,117	34,521,128	4,371,048	421,814

Non-derivative financial liabilities:

<u>March 31, 2020</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>Over 5 years</u>
Short-term borrowings	\$ 9,846,267	\$ -	\$ -	\$ -
Notes and accounts payable (including related parties)	34,521,004	-	-	-
Other payables	27,022,564	-	-	-
Lease liabilities (including current portion)	546,352	376,136	486,352	543,462
Long-term borrowings (including current portion)	61,580	26,373,994	2,230,630	462,872

Derivative financial liabilities:

As at March 31, 2021, December 31, 2020 and March 31, 2020, the Group's derivative financial liabilities are due within 1 year.

- iii. The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis to be significantly earlier, nor expect the actual cash flow amount to be significantly different.

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

B. The carrying amounts of financial instruments not measured at fair value including cash and cash equivalents, notes receivable, accounts receivable, other receivables, short-term borrowings, notes payable, accounts payable, other payables and long-term borrowings (including current portion) are approximate to their fair values.

C. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:

<u>March 31, 2021</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity instruments	\$1,659,688	\$ -	\$1,201,250	\$2,860,938
Convertible preferred stocks	-	-	197,148	197,148
Hybrid instruments	31,255	900,000	-	931,255
Derivative instruments	-	190,905	-	190,905
Financial assets at fair value through other comprehensive income				
Equity instruments	<u>1,288,220</u>	<u>-</u>	<u>674,640</u>	<u>1,962,860</u>
	<u>\$2,979,163</u>	<u>\$1,090,905</u>	<u>\$2,073,038</u>	<u>\$6,143,106</u>
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivative instruments	<u>\$ -</u>	<u>\$ 209,728</u>	<u>\$ -</u>	<u>\$ 209,728</u>

<u>December 31, 2020</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity instruments	\$1,414,718	\$ -	\$1,270,756	\$2,685,474
Hybrid instruments	52,577	900,000	74,983	1,027,560
Derivative instruments	-	290,505	-	290,505
Financial assets at fair value through other comprehensive income				
Equity instruments	<u>1,254,855</u>	<u>-</u>	<u>672,828</u>	<u>1,927,683</u>
	<u>\$2,722,150</u>	<u>\$1,190,505</u>	<u>\$2,018,567</u>	<u>\$5,931,222</u>
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivative instruments	<u>\$ -</u>	<u>\$ 60,060</u>	<u>\$ -</u>	<u>\$ 60,060</u>
<u>March 31, 2020</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity instruments	\$ 976,310	\$ -	\$1,616,815	\$2,593,125
Hybrid instruments	102,005	-	74,983	176,988
Derivative instruments	-	17,991	-	17,991
Financial assets at fair value through other comprehensive income				
Equity instruments	<u>782,452</u>	<u>-</u>	<u>688,407</u>	<u>1,470,859</u>
	<u>\$1,860,767</u>	<u>\$ 17,991</u>	<u>\$2,380,205</u>	<u>\$4,258,963</u>
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivative instruments	<u>\$ -</u>	<u>\$ 304,590</u>	<u>\$ -</u>	<u>\$ 304,590</u>

D. The methods and assumptions that the Group used to measure fair value are as follows:

- (a) The instruments that the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Listed shares</u>	<u>Convertible (exchangeable)</u>
Market quoted price	Closing price	Closing price

- (b) Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques that are approved for financial management.
- (c) When assessing non-standard and low-complexity financial instruments, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
- (d) The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.
- (e) The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using the valuation model is adjusted accordingly with additional inputs. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.
- (f) The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty.
- E. For the three months ended March 31, 2021 and 2020, there was no transfer between Level 1 and Level 2.
- F. The following chart is the movement of Level 3 for the three months ended March 31, 2021 and 2020:

	2021			
	Hybrid instruments	Debt instruments	Equity instruments	Total
At January 1	\$ 74,983	\$ -	\$ 1,943,584	\$ 2,018,567
Losses recognised in profit and loss	(5,131)	-	(25,312)	(30,443)
Acquired during the period	-	197,148	20,073	217,221
Disposals during the period	(69,852)	-	(31,626)	(101,478)
Transfers out from Level 3	-	-	(34,400)	(34,400)
Net exchange differences	-	-	3,571	3,571
At March 31	<u>\$ -</u>	<u>\$ 197,148</u>	<u>\$ 1,875,890</u>	<u>\$ 2,073,038</u>

	2020		
	<u>Hybrid instruments</u>	<u>Equity instruments</u>	<u>Total</u>
At January 1	\$ -	\$ 2,272,745	\$ 2,272,745
Losses recognised in profit or loss	-	(4,276)	(4,276)
Acquired during the period	74,983	33,300	108,283
Net exchange differences	-	3,453	3,453
At March 31	<u>\$ 74,983</u>	<u>\$ 2,305,222</u>	<u>\$ 2,380,205</u>

G. In the first quarter of 2021, the Group obtained sufficient observable market information for certain financial assets at fair value through profit or loss. These equity securities were transferred from Level 3 into Level 1 at the end of the month in which they were listed.

H. Investment department is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions and periodical review.

The capital department establishes valuation policies, valuation processes and ensures compliance with the related requirements in IFRS. The related valuation results are reported to the management monthly. The management is responsible for managing and reviewing valuation processes.

I. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at March 31, 2021	Valuation technique	Significant unobservable input	Range (median)	Relationship of inputs to fair value
Non-derivative equity instruments:					
Unlisted shares	\$ 1,610,489	Most recent non-active market price	Not applicable	-	Not applicable
"	265,400	Market comparable companies	Price to book ratio multiple	0.91~1.77 (1.20)	The higher the multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value
			Price to asset ratio multiple	1.43~13.65 (1.83)	
			Price to earning ratio multiple	11.30~92.6 (12.3)	
			Discount for lack of marketability	20% (20%)	
Non-derivative debt instruments:					
Convertible preferred stocks	197,148	Option pricing model of VC Method	Value multiple	39.0~49.8 (44.4)	The higher the multiple, the higher the fair value

	Fair value at December 31, 2020	Valuation technique	Significant unobservable input	Range (median)	Relationship of inputs to fair value
Non-derivative equity instruments:					
Unlisted shares	\$ 1,678,184	Most recent non-active market price	Not applicable	-	Not applicable
"	265,400	Market comparable companies	Price to book ratio multiple	0.99~1.77 (1.08)	The higher the multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value
			Price to asset ratio multiple	1.43~13.65 (1.81)	
			Price to earning ratio multiple	12.20~109.2 (20.4)	
			Discount for lack of marketability	20% (20%)	
Hybrid instruments:					
Convertible bonds	74,983	Most recent non-active market price	Not applicable	-	Not applicable
Non-derivative equity instruments:					
Unlisted shares	\$ 2,039,822	Most recent non-active market price	Not applicable	-	Not applicable
"	265,400	Market comparable companies	Price to book ratio multiple	1.96~19.97	The higher the multiple, the higher the fair value
			Discount for lack of marketability	20%	The discount for lack of marketability, the lower the fair value
Hybrid instruments:					
Convertible bonds	74,983	Most recent non-active market price	Not applicable	-	Not applicable

J. The Group's valuation techniques are based on the most recent non-active market price after carefully assessing the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

		March 31, 2021					
				Recognised in		Recognised in other	
				profit or loss		comprehensive income (loss)	
	Input	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change	
Financial assets							
Equity instruments	Discount for lack of marketability	± 1%	\$ -	\$ -	\$ 3,040	(\$ 3,040)	
Financial assets							
Debt instrument	Value multiple	± 1%	\$ 1,097	(\$ 1,097)	\$ -	\$ -	
		December 31, 2020					
				Recognised in		Recognised in other	
				profit or loss		comprehensive income (loss)	
	Input	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change	
Financial assets							
Equity instruments	Discount for lack of marketability	± 1%	\$ -	\$ -	\$ 3,476	(\$ 3,476)	
		March 31, 2020					
				Recognised in		Recognised in other	
				profit or loss		comprehensive income (loss)	
	Input	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change	
Financial assets							
Equity instruments	Discount for lack of marketability	± 1%	\$ -	\$ -	\$ 3,275	(\$ 3,275)	

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: Please refer to table 1.

B. Provision of endorsements and guarantees to others: Please refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.

- D. Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital: None.
- E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 4.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 5.
- I. Trading in derivative instruments undertaken during the reporting periods: Please refer to Notes 6(2), 6(4) and 12(2).
- J. Significant inter-company transactions during the reporting periods: Please refer to table 6.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 7.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 8.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland China: Please refer to table 4, 5 and 6 for significant transactions of purchases, sales, receivables and payables of investee companies in the Mainland China, and transactions between the Company indirectly through investees in a third area, Delta Electronics Int'l (Singapore) Pte. Ltd. (DEIL-SG), with investee companies in the Mainland China, for the three months ended March 31, 2021.

(4) Major shareholders information

Please refer to table 9.

14. OPERATING SEGMENT INFORMATION

(1) General information

The Group's management has determined the reportable segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Group considers the business from a product perspective. The Group's business is segregated into power electronics business, automation business and infrastructure business. Breakdown of the revenue from all sources is as follows:

- A. Power electronics: Component, Embedded Power, Fans and Thermal Management, Automotive Electronics and Merchant & Mobile Power.
- B. Automation: Industrial Automation and Building Automation.
- C. Infrastructure: ICT Infrastructure and Energy Infrastructure.

Because of the change in product classification, the Group's internal business segments were restructured. Accordingly, the prior period information was restated for comparative purposes.

(2) Measurement of segment information

The Group's segment profit (loss) is measured with the operating profit (loss) before tax, which is used as a basis for the Group in assessing the performance of the operating segments. The accounting policies of the operating segments are in agreement with the significant accounting policies summarized in Note 4.

(3) Segment information

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

	<u>Three months ended March 31, 2021</u>			
	Power electronics business	Automation business	Infrastructure business	Total
Revenue from external customers	<u>\$ 43,527,028</u>	<u>\$ 10,618,037</u>	<u>\$ 18,264,109</u>	<u>\$ 72,409,174</u>
Segment income (Note)	<u>\$ 5,061,756</u>	<u>\$ 1,270,178</u>	<u>\$ 1,169,290</u>	<u>\$ 7,501,224</u>
	<u>Three months ended March 31, 2020</u>			
	Power electronics business	Automation business	Infrastructure business	Total
Revenue from external customers	<u>\$ 30,593,023</u>	<u>\$ 8,496,223</u>	<u>\$ 16,509,689</u>	<u>\$ 55,598,935</u>
Segment income (Note)	<u>\$ 1,669,008</u>	<u>\$ 344,227</u>	<u>(\$ 33,745)</u>	<u>\$ 1,979,490</u>

(Note) Segment income represents income after eliminating inter-segment transactions.

(4) Reconciliation information for segment income (loss)

- A. The revenue from external customers reported to the chief operating decision-maker is measured in a manner consistent with that of the statement of comprehensive income.
- B. A reconciliation of reportable segments income or loss to income (loss) before tax from continuing operations for the three months ended March 31, 2021 and 2020 is provided as follows:

	<u>Three months ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
Reportable segments income	\$ 7,501,224	\$ 1,979,490
Non-operating income and expenses	1,313,023	857,026
Income before tax from continuing operations	<u>\$ 8,814,247</u>	<u>\$ 2,836,516</u>

Delta Electronics, Inc. and Subsidiaries

Loans to others

Three months ended March 31, 2021

Expressed in thousands of New Taiwan dollars, except as otherwise indicated

Table 1

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the three months ended March 31, 2021 (Note 2)	Balance at March 31, 2021	Actual amount drawn down	Interest rate	Nature of loan (Note 7)	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			
1	Fairview Assets Ltd.	Delta Controls Inc.	Other receivables - related parties	Yes	\$ 2,653,755	\$ 2,653,755	\$ 1,712,100	0.50%	2	\$ -	Additional operating capital	\$ -	None	\$ -	\$ 29,482,319	\$ 29,482,319	Note 5
1	Fairview Assets Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Other receivables - related parties	Yes	17,449,153	17,449,153	17,449,153	0.5%- 0.7%	2	-	Additional operating capital	-	None	-	29,482,319	29,482,319	Note 5
2	Delta Networks Holding Limited	Delta Electronics Int'l (Singapore) Pte. Ltd.	Other receivables - related parties	Yes	827,515	827,515	827,515	0.50%	2	-	Additional operating capital	-	None	-	3,143,303	3,143,303	Note 5
3	Delta International Holding Limited	Drake Investment (HK) Limited	Other receivables - related parties	Yes	713,375	713,375	713,375	0.70%	2	-	Additional operating capital	-	None	-	69,341,240	69,341,240	Note 5
3	Delta International Holding Limited	Delta Electronics Int'l (Singapore) Pte. Ltd.	Other receivables - related parties	Yes	2,282,800	2,282,800	2,282,800	0.70%	2	-	Additional operating capital	-	None	-	69,341,240	69,341,240	Note 5
3	Delta International Holding Limited	Delta Electronics (H.K.) Ltd.	Other receivables - related parties	Yes	12,555,400	12,555,400	12,555,400	0.70%	2	-	Additional operating capital	-	None	-	69,341,240	69,341,240	Note 5
3	Delta International Holding Limited	Delta Electronics (Netherlands) B.V.	Other receivables - related parties	Yes	19,403,800	19,403,800	18,462,145	0.5%- 0.7%	2	-	Additional operating capital	-	None	-	69,341,240	69,341,240	Note 5
4	Eltek AS	Eltek Italia S.r.l.	Other receivables - related parties	Yes	33,480	33,480	33,381	1.90%	2	-	Additional operating capital	-	None	-	3,066,980	3,066,980	Note 5
4	Eltek AS	Delta Solutions (Finland) OY	Other receivables - related parties	Yes	33,480	33,480	33,480	0.60%	2	-	Additional operating capital	-	None	-	3,066,980	3,066,980	Note 5
4	Eltek AS	Eltek Power France SAS	Other receivables - related parties	Yes	83,700	83,700	83,700	0.60%	2	-	Additional operating capital	-	None	-	3,066,980	3,066,980	Note 5
4	Eltek AS	Delta Electronics (Sweden) AB	Other receivables - related parties	Yes	98,400	98,400	98,400	0.60%	2	-	Additional operating capital	-	None	-	3,066,980	3,066,980	Note 5
4	Eltek AS	Delta Electronics (Poland) Sp. z. o.o.	Other receivables - related parties	Yes	105,178	105,178	105,178	0.60%	2	-	Additional operating capital	-	None	-	3,066,980	3,066,980	Note 5
5	Delta Electronics (Wuhu) Co., Ltd.	Delta Electronics (Jiangsu) Ltd.	Other receivables - related parties	Yes	1,523,596	1,523,596	1,523,596	4.65%	2	-	Additional operating capital	-	None	-	4,383,925	4,383,925	Note 5

Table 1-1

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the three months ended March 31, 2021 (Note 2)	Balance at March 31, 2021	Actual amount drawn down	Interest rate	Nature of loan (Note 7)	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			
6	Vivotek Inc.	Vatics Inc.	Other receivables - related parties	Yes	\$ 270,000	\$ 270,000	\$ 238,368	1.09%	2	\$ -	Additional operating capital	\$ -	None	\$ -	\$ 295,090	\$ 590,181	Note 6
7	Delta Energy Systems (Germany) GmbH	Delta Energy Systems Property (Germany) GmbH	Other receivables - related parties	Yes	401,760	401,760	401,760	0.40%	2	-	Additional operating capital	-	None	-	662,096	662,096	Note 5
8	DET International Holding Limited	Delta Electronics India Pvt. Ltd.	Other receivables - related parties	Yes	1,426,750	1,426,750	1,426,750	4.00%	2	-	Additional operating capital	-	None	-	6,483,022	6,483,022	Note 5
9	Delta Greentech (Netherlands) BV	Eltek s.r.o.	Other receivables - related parties	Yes	234,360	234,360	200,880	0.40%	2	-	Additional operating capital	-	None	-	1,160,265	1,160,265	Note 5
10	Delta Greentech (China) Co., Ltd.	Cyntec Electronics (WuHu) Co., Ltd.	Other receivables - related parties	Yes	217,657	217,657	56,591	3.85%	2	-	Additional operating capital	-	None	-	2,625,700	2,625,700	Note 4

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

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

Note 2: Maximum outstanding balance during the current period was translated into New Taiwan dollars using the exchange rate at March 31, 2021, which the Company reported to the Securities and Futures Bureau.

Note 3: Limit on loans granted by the Company to a single party is 20% of the Company's net assets based on the latest audited or reviewed financial statements, and limit on total loans is 40% of the Company's net assets based on the latest audited or reviewed financial statements.

Note 4: Limit on loans granted by subsidiaries to a single party is 40% of the subsidiaries' net assets based on the latest audited or reviewed financial statements, and limit on total loans is 40% of the subsidiaries' net assets based on the latest audited or reviewed financial statements.

Note 5: Limit on loans for financing granted by and to subsidiaries of which the ultimate parent directly or indirectly holds 100% of its voting shares is the lender's net assets based on the latest audited or reviewed financial statements, and limit on total loans is the lender's net assets based on the latest audited or reviewed financial statements.

Note 6: The calculation and amount on ceiling of loans of Vivotek Inc. are as follows:

- (1) The ceiling on total amount of loans to others shall not exceed 20% of the subsidiary's net assets value in the latest financial statements which were audited or reviewed by independent auditors.
- (2) For the short-term financing, the limit on loans granted to a single party shall not exceed the subsidiary's paid-in capital and 10% of the subsidiary's net assets value in the latest financial statements which were audited or reviewed by independent auditors.

Note 7: Nature of loans:

- (1) Business transaction: 1.
- (2) Short-term financing: 2.

Delta Electronics, Inc. and Subsidiaries
Provision of endorsements and guarantees to others
Three months ended March 31, 2021

Table 2

Expressed in thousands of New Taiwan dollars, except as otherwise indicated

Number (Note 1)	Endorser / guarantor	Party being endorsed/guaranteed		Limit on endorsements / guarantees provided for a single party	Maximum outstanding endorsement / guarantee amount as at March 31, 2021	Outstanding endorsement / guarantee amount at March 31, 2021	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 (Note 4)											
1	ELTEK AS	ELTEK AUSTRALIA PTY LIMITED	4	\$ 3,076,082	\$ 128,408	\$ 128,408	\$128,408	\$ -	0.08%	\$ 7,690,204	N	N	N	Note 2

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

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

Note 2: In accordance with Eltek's "Procedures for Provision of Endorsements and Guarantees," limit on total endorsements is 5% of the Company's net assets based on the latest audited or reviewed financial statements, and limit on endorsements to a single party is 2% of the Company's net assets based on the latest audited or reviewed financial statements.

Note 3: The Company's net assets based on the latest audited or reviewed financial statements were \$153,804,087 thousand (2021/3/31).

Note 4: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories:

- (1) Having business relationship.
- (2) The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.
- (3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.
- (4) The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.
- (5) Mutual guarantee of the trade made by the endorsed/guaranteed company or joint contractor as required under the construction contract.
- (6) Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.
- (7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.

Delta Electronics, Inc. and Subsidiaries
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)
March 31, 2021

Table 3

Expressed in thousands of New Taiwan dollars, except as otherwise indicated

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As at March 31, 2021				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
Delta Electronics, Inc.	United Renewable Energy Co., Ltd. common stock	None	Financial assets at fair value through other comprehensive income - non-current	55,308,750	\$ 829,631	2.08	\$ 829,631	
Delta Electronics, Inc.	Lanner Electronics Inc. common stock	None	Financial assets at fair value through other comprehensive income - non-current	6,763,845	458,589	5.73	458,589	
Delta Electronics, Inc.	Lanner Electronics Inc. convertible bonds	None	Financial assets at fair value through profit or loss - non-current	-	900,000	-	900,000	
Delta Electronics, Inc.	WK Technology Fund. common stock, etc.	None	Financial assets at fair value through other comprehensive income and Financial assets at fair value through profit or loss	-	188,877	-	188,877	
Delta Electronics Capital Company	Tong Hsing Electronic Industries, Ltd. common stock	None	Financial assets at fair value through profit or loss	1,369,750	280,114	0.77	280,114	
Delta Electronics Capital Company	Fusheng Precision Co., Ltd. common stock	None	Financial assets at fair value through profit or loss - current	1,069,000	242,129	0.82	242,129	
Delta Electronics Capital Company	Nien Made Enterprise Co., Ltd. common stock	None	Financial assets at fair value through profit or loss - current	427,043	169,963	0.15	169,963	
Delta Electronics Capital Company	TaskEasy, Inc. common stock	None	Financial assets at fair value through profit or loss - non-current	2,633,872	141,008	7.51	141,008	
Delta Electronics Capital Company	Allied Supreme Corp. common stock	None	Financial assets at fair value through profit or loss - non-current	1,000,000	176,550	1.45	176,550	
Delta Electronics Capital Company	Ampak Technology Inc. common stock	None	Financial assets at fair value through profit or loss - non-current	1,800,000	159,858	2.99	159,858	
Delta Electronics Capital Company	Acer E-enabling Service Business Inc. common stock	None	Financial assets at fair value through profit or loss - non-current	800,000	125,536	2.19	125,536	
Delta Electronics Capital Company	H20, Inc. common stock, etc.	None	Financial assets at fair value through profit or loss	-	1,443,352	-	1,443,352	

Table 3-1

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As at March 31, 2021				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
Delta Electronics (Netherlands) B.V.	ZENTERA SYSTEMS, INC. preferred stock	None	Financial assets at fair value through other comprehensive income - non-current	1,838,235	\$ 142,675	10.46	\$ 142,675	
Delta Electronics (Netherlands) B.V.	Grace Connection Microelectronics Limited common stock	None	Financial assets at fair value through profit or loss - non-current	141,065	114,140	19.90	114,140	
Delta Electronics (Netherlands) B.V.	Noda RF Technologies Co., Ltd. common stock, etc.	None	Financial assets at fair value through other comprehensive income - non-current	-	52,274	-	52,274	
Cyntec Co., Ltd.	SUSUMU Co., Ltd. common stock	None	Financial assets at fair value through other comprehensive income - non-current	200,000	104,081	11.53	104,081	
Cyntec Co., Ltd.	GaN Systems Inc. preferred stock, etc.	None	Financial assets at fair value through other comprehensive income - non-current	-	161,319	-	161,319	
Delta Electronics (Japan), Inc.	Macy Inc. common stock	None	Financial assets at fair value through other comprehensive income - non-current	74,000,000	32,001	19.79	32,001	
Delta America, Ltd.	VPT Inc. common stock	None	Financial assets at fair value through other comprehensive income - non-current	860,000	4,994	17.52	4,994	
Delta Electronics (Pingtan) Co., Ltd.	Pingtang Hi Tech Investment Development Shares Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	-	32,648	15.00	32,648	
Vivotek Inc.	Kneron Holding Corporation preferred stock	None	Financial assets at fair value through profit or loss - non-current	1,310,003	197,148	2.43	197,148	

Table 3-2

Delta Electronics, Inc. and Subsidiaries
Purchases or sales of goods from or to related parties reaching \$100 million or 20% of the Company's paid-in capital or more
Three months ended March 31, 2021
Expressed in thousands of New Taiwan dollars, except as otherwise indicated

Table 4

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)	
Delta Electronics (Dongguan) Co., Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	Operating revenue	\$ 952,373	13.10	70 days			\$ 1,081,427	18.36	
Delta Electronics (Dongguan) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	6,248,570	85.94	70 days			4,748,298	80.60	
Delta Electronics (Jiangsu) Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	Operating revenue	4,295,645	23.42	70 days			4,898,236	46.79	
Delta Electronics (Jiangsu) Ltd.	Delta Electronics (Wuhu) Co., Ltd.	Affiliated enterprise	Operating revenue	141,177	0.76	70 days			144,651	1.38	
Delta Electronics (Jiangsu) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	13,781,225	75.15	70 days			5,345,991	51.06	
Delta Electronics (Shanghai) Co., Ltd.	Delta Greentech (China) Co., Ltd.	Affiliated enterprise	Operating revenue	4,223,353	57.22	70 days			4,800,265	54.24	
Delta Electronics (Shanghai) Co., Ltd.	Delta Electronics (Pingtan) Co., Ltd.	Affiliated enterprise	Operating revenue	562,282	7.62	70 days			638,395	7.21	
Delta Electronics (Shanghai) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	234,966	3.19	70 days			236,227	2.67	
Delta Networks (Dongguan) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	1,413,692	99.19	70 days			1,143,365	98.88	
Delta Electronics (Wuhu) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	1,747,881	96.65	70 days			949,087	95.39	
Delta Electronics (Chenzhou) Co., Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	Operating revenue	177,594	16.53	70 days			167,337	17.86	
Delta Electronics (Chenzhou) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	896,829	83.47	70 days			769,796	82.14	

Table 4-1

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)	
Chenzhou Delta Technology Co., Ltd.	Delta Electronics (Dongguan) Co., Ltd.	Affiliated enterprise	Operating revenue	\$ 395,959	62.57	70 days			\$ 290,587	57.34	
Chenzhou Delta Technology Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	148,517	23.47	70 days			125,071	24.67	
Cyntec Co., Ltd.	Delta Electronics, Inc.	Ultimate parent company	Operating revenue	465,595	27.47	Note 1	Note 1	Note 1	488,943	39.56	
Cyntec Electronics (Suzhou) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	3,700,877	99.47	Note 2	Note 2	Note 2	1,898,842	98.74	
Delta Energy Systems (Germany) GmbH	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	Operating revenue	572,332	82.01	70 days			50,210	38.37	
Delta Electronics (Japan), Inc.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	281,595	19.01	70 days			175,987	20.25	
Delta Electronics (Netherlands) B.V.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	137,705	10.26	70 days			-	-	
Delta Electronics (Netherlands) B.V.	Delta Greentech Electronics Industry LLC	Affiliated enterprise	Operating revenue	223,236	16.61	70 days			415,143	42.93	
ELTEK AS	Eltek Deutschland GmbH	Affiliated enterprise	Operating revenue	158,231	14.64	70 days			120,391	12.13	
ELTEK AS	ELTEK POWER FRANCE SAS	Affiliated enterprise	Operating revenue	164,397	15.18	70 days			163,714	16.49	
ELTEK AS	Eltek s.r.o.	Affiliated enterprise	Operating revenue	102,957	9.50	70 days			85,716	8.64	
Delta Electronics Int'l (Singapore) Pte. Ltd.	ELTEK AUSTRALIA PTY LIMITED	Affiliated enterprise	Operating revenue	116,064	0.24	70 days			116,170	0.26	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Switzerland) AG	Affiliated enterprise	Operating revenue	475,405	0.94	70 days			516,943	1.12	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Dongguan) Co., Ltd.	Affiliated enterprise	Operating revenue	4,138,069	8.11	70 days			2,729,127	5.95	

Table 4-2

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)	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Jiangsu) Ltd.	Affiliated enterprise	Operating revenue	\$ 7,090,604	13.90	70 days			\$ 1,707,156	3.72	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Networks (Dongguan) Ltd.	Affiliated enterprise	Operating revenue	1,264,498	2.48	70 days			188,546	0.42	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Wuhu) Co., Ltd.	Affiliated enterprise	Operating revenue	1,324,782	2.58	70 days			760,178	1.66	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Chenzhou) Co., Ltd.	Affiliated enterprise	Operating revenue	751,471	1.49	70 days			817,028	1.79	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Cyntec Co., Ltd.	Affiliated enterprise	Operating revenue	394,922	0.78	70 days			408,043	0.88	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Cyntec Electronics (Suzhou) Co., Ltd.	Affiliated enterprise	Operating revenue	150,269	0.27	70 days			151,781	0.34	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics India Pvt. Ltd.	Affiliated enterprise	Operating revenue	346,613	0.67	90 days after delivery			463,944	1.01	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Japan), Inc.	Affiliated enterprise	Operating revenue	758,653	1.48	70 days			693,242	1.51	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Netherlands) B.V.	Affiliated enterprise	Operating revenue	596,162	1.17	70 days			550,965	1.20	
Delta Electronics Int'l (Singapore) Pte. Ltd.	ELTEK AS	Affiliated enterprise	Operating revenue	216,630	0.42	70 days			170,801	0.37	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	Operating revenue	361,893	0.72	70 days			366,915	1	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics, Inc.	Ultimate parent company	Operating revenue	4,874,129	9.53	70 days			7,590,737	16.54	
Delta Electronics Int'l (Singapore) Pte. Ltd.	DEI Logistics (USA) Corp.	Affiliated enterprise	Operating revenue	3,275,872	6.41	90 days after delivery			4,539,944	9.90	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Americas) Ltd.	Affiliated enterprise	Operating revenue	422,868	0.84	70 days			400,564	0.88	

Table 4-3

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)	
Delta Electronics Int'l (Singapore) Pte. Ltd.	DELTA ELECTRONICS (USA) INC.	Affiliated enterprise	Operating revenue	\$ 1,700,785	3.34	70 days			\$ 1,663,744	3.63	
Delta Electronics (Slovakia) s.r.o.	Delta Electronics (Netherlands) B.V.	Affiliated enterprise	Operating revenue	114,964	12.01	70 days			109,380	10.34	
Delta Electronics (Slovakia) s.r.o.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	408,565	42.73	70 days			474,167	22.42	
Delta Electronics (Slovakia) s.r.o.	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	Operating revenue	334,136	34.90	70 days			353,357	33.42	
Eltek s.r.o.	ELTEK AS	Affiliated enterprise	Operating revenue	386,929	74.28	70 days			166,372	49.83	
Eltek s.r.o.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	130,665	25.19	70 days			154,155	46.17	
Delta Electronics (Thailand) Public Company Limited	Delta Electronics India Pvt. Ltd.	Affiliated enterprise	Operating revenue	110,825	0.73	90 days after delivery			114,561	0.78	
Delta Electronics (Thailand) Public Company Limited	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	281,904	1.89	70 days			280,051	1.87	
Delta Electronics (Thailand) Public Company Limited	DET Logistics (USA) Corporation	Affiliated enterprise	Operating revenue	5,300,539	35.35	90 days after delivery			6,739,484	45.66	
Delta Electronics (Thailand) Public Company Limited	Delta Electronics (Americas) Ltd.	Affiliated enterprise	Operating revenue	331,927	2.22	70 days			342,405	2.32	
Delta Electronics, Inc.	Delta Electronics (Jiangsu) Ltd.	Subsidiary	Operating revenue	168,231	1.13	70 days			167,926	1.57	
Delta Electronics, Inc.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Subsidiary	Operating revenue	147,116	0.98	70 days			1,570,983	14.77	
Delta Electronics, Inc.	Delta Electronics (Thailand) Public Company Limited	Subsidiary	Operating revenue	704,045	4.69	70 days			427,926	3.97	
Delta Electronics, Inc.	DEI Logistics (USA) Corp.	Subsidiary	Operating revenue	1,528,949	10.24	90 days after delivery			1,733,824	16.12	

Table 4-4

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)	
Delta Electronics, Inc.	Delta Electronics (Americas) Ltd.	Subsidiary	Operating revenue	\$ 315,270	2.12	70 days			\$ 271,767	2.53	
Delta Electronics, Inc.	DELTA ELECTRONICS (USA) INC.	Subsidiary	Operating revenue	146,988	0.98	70 days			127,927	1.19	
Delta Electronics (Americas) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	132,739	6.50	70 days			8,714	0.79	
Vivotek Inc.	Vivotek USA, Inc.	Affiliated enterprise	Operating revenue	106,541	10.00	90 days	Note 3	Note 3	108,343	0.17	

Note 1: Sales revenue is cost plus handling charges and necessary processing costs. The collection term for related parties is 75 days from next month, and to third parties is 30~120 days after monthly billings.

Note 2: Sales revenue is cost plus necessary profit, and the collection term for related parties is 75 days from next month.

Note 3: Vivotek Inc. determined the prices and terms of goods sold to Vivotek USA, Inc. based on the economic conditions and market competitiveness of the sales area, and there is no comparable prices and terms available for the goods sold to third parties.

Table 4-5

Delta Electronics, Inc. and Subsidiaries
Receivables from related parties reaching \$100 million or 20% of the Company's paid-in capital or more
March 31, 2021

Table 5

Expressed in thousands of New Taiwan dollars, except as otherwise indicated

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2021 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance date (Note 2)	Allowance for doubtful accounts
					Amount	Action taken		
Delta Electronics (Dongguan) Co., Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	\$ 1,081,427	4.60	\$ -		\$ -	
Delta Electronics (Dongguan) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	4,748,298	4.73	-		-	
Delta Electronics (Jiangsu) Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	4,898,236	2.94	-		1,997,534	
Delta Electronics (Jiangsu) Ltd.	Delta Electronics (Wuhu) Co., Ltd.	Affiliated enterprise	144,651	4.19	10		53	
Delta Electronics (Jiangsu) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	5,345,991	10.20	4,247		-	
Delta Electronics (Shanghai) Co., Ltd.	Delta Electronics (Jiangsu) Ltd.	Affiliated enterprise	100,264	2.22	54		44,080	
Delta Electronics (Shanghai) Co., Ltd.	Delta Greentech (China) Co., Ltd.	Affiliated enterprise	4,800,265	3.41	-		1,820,720	
Delta Electronics (Shanghai) Co., Ltd.	Delta Electronics (Pingtan) Co., Ltd.	Affiliated enterprise	638,395	3.32	-		197,700	
Delta Electronics (Shanghai) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	236,227	3.52	-		-	
Delta Networks (Dongguan) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	1,143,365	4.45	3,955		370,430	
Delta Electronics (Wuhu) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	949,087	7.43	-		-	
Delta Electronics (Chenzhou) Co., Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	167,337	3.90	-		99,969	
Delta Electronics (Chenzhou) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	769,796	4.90	2,663		313,885	
Chenzhou Delta Technology Co., Ltd.	Delta Electronics (Dongguan) Co., Ltd.	Affiliated enterprise	290,587	5.11	-		242,446	
Chenzhou Delta Technology Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	125,071	4.44	-		65,631	

Table 5-1

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2021 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance date (Note 2)	Allowance for doubtful accounts
					Amount	Action taken		
Cyntec Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	\$ 145,117	-	\$ -		\$ 145,117	
Cyntec Co., Ltd.	Delta Electronics, Inc.	Ultimate parent company	488,943	3.56	-		186,256	
Cyntec Electronics (Suzhou) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	1,898,842	6.80	-		144,992	
Delta Electronics (Japan), Inc.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	175,987	6.57	-		90,213	
Delta Electronics (Netherlands) B.V.	Delta Greentech Electronics Industry LLC	Affiliated enterprise	415,143	2.45	109,164		-	
ELTEK AS	Eltek Deutschland GmbH	Affiliated enterprise	120,391	4.22	-		60,229	
ELTEK AS	ELTEK POWER FRANCE SAS	Affiliated enterprise	163,714	4.31	-		-	
Delta Electronics Int'l (Singapore) Pte. Ltd.	ELTEK AUSTRALIA PTY LIMITED	Affiliated enterprise	116,170	4.03	-		20,980	
Delta Electronics Int'l (Singapore) Pte. Ltd.	DELTA ELECTRONICS BRASIL LTDA	Affiliated enterprise	105,097	2.79	-		-	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Switzerland) AG	Affiliated enterprise	516,943	3.36	-		85,891	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Dongguan) Co., Ltd.	Affiliated enterprise	2,729,127	5.22	303,615		856,075	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics Power (Dongguan) Co., Ltd.	Affiliated enterprise	112,410	0.35	101,635		-	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Jiangsu) Ltd.	Affiliated enterprise	1,707,156	16.48	-		1,062,020	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Networks (Dongguan) Ltd.	Affiliated enterprise	188,546	12.63	-		152,928	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Wuhu) Co., Ltd.	Affiliated enterprise	760,178	7.78	23,373		-	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Chenzhou) Co., Ltd.	Affiliated enterprise	817,028	3.95	393,783		285,350	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Cyntec Co., Ltd.	Affiliated enterprise	408,043	4.37	5,992		-	

Table 5-2

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2021 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance date (Note 2)	Allowance for doubtful accounts
					Amount	Action taken		
Delta Electronics Int'l (Singapore) Pte. Ltd.	Cyntec Electronics (Suzhou) Co., Ltd.	Affiliated enterprise	\$ 151,781	4.54	\$ -		\$ -	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics India Pvt. Ltd.	Affiliated enterprise	463,944	2.95	3,041		852	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Japan), Inc.	Affiliated enterprise	693,242	4.31	17,285		276,481	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Netherlands) B.V.	Affiliated enterprise	550,965	5.48	-		-	
Delta Electronics Int'l (Singapore) Pte. Ltd.	ELTEK AS	Affiliated enterprise	170,801	2.58	-		33,209	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	1,970,548	3.76	5,987		136,875	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics, Inc.	Ultimate parent company	7,590,737	2.49	13,122		742,270	
Delta Electronics Int'l (Singapore) Pte. Ltd.	DEI Logistics (USA) Corp.	Affiliated enterprise	4,539,944	2.60	27,184		505,098	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Americas) Ltd.	Affiliated enterprise	400,564	3.73	3,453		71,511	
Delta Electronics Int'l (Singapore) Pte. Ltd.	DELTA ELECTRONICS (USA) INC.	Affiliated enterprise	1,663,744	5.35	6,159		8,282	
Delta Electronics (Slovakia) s.r.o.	Delta Electronics (Netherlands) B.V.	Affiliated enterprise	109,380	4.00	18		807	
Delta Electronics (Slovakia) s.r.o.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	474,167	3.57	149		85,143	
Delta Electronics (Slovakia) s.r.o.	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	353,357	3.56	-		110,181	
Eltek s.r.o.	ELTEK AS	Affiliated enterprise	166,372	10.09	488		166,372	
Eltek s.r.o.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	154,155	4.95	-		25,809	
Delta Electronics (Thailand) Public Company Limited	Delta Electronics India Pvt. Ltd.	Affiliated enterprise	114,561	4.29	5,904		-	
Delta Electronics (Thailand) Public Company Limited	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	280,051	4.19	3,795		44,252	

Table 5-3

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2021 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance date (Note 2)	Allowance for doubtful accounts
					Amount	Action taken		
Delta Electronics (Thailand) Public Company Limited	DET Logistics (USA) Corporation	Affiliated enterprise	\$ 6,739,484	3.35	\$ 100,418		\$ 346,867	
Delta Electronics (Thailand) Public Company Limited	Delta Electronics (Americas) Ltd.	Affiliated enterprise	342,405	4.02	-		5,316	
Delta Electronics, Inc.	Delta Electronics (Jiangsu) Ltd.	Subsidiary	167,926	0.98	-		-	
Delta Electronics, Inc.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Subsidiary	2,024,946	0.28	59,095		1,992,521	
Delta Electronics, Inc.	Delta Electronics (Thailand) Public Company Limited	Subsidiary	644,752	7.36	23,438		410,814	
Delta Electronics, Inc.	DEI Logistics (USA) Corp.	Subsidiary	1,733,824	3.03	389		68,865	
Delta Electronics, Inc.	Delta Electronics (Americas) Ltd.	Subsidiary	271,767	4.25	4,135		122,875	
Delta Electronics, Inc.	DELTA ELECTRONICS (USA) INC.	Subsidiary	127,927	5.05	-		66,837	
Delta International Holding Limited	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	576,018	-	-		576,018	
Delta Networks Holding Limited	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	828,549	-	-		-	
DET International Holding Limited	Delta Electronics India Pvt. Ltd.	Affiliated enterprise	1,426,750	-	-		-	
Delta Energy Systems (Germany) GmbH	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	208,254	-	-		208,254	
Fairview Assets Ltd.	Delta Controls Inc.	Affiliated enterprise	1,712,837	-	-		-	
Fairview Assets Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	17,475,815	-	-		-	
Delta International Holding Limited	Delta Electronics (Netherlands) B.V.	Affiliated enterprise	18,494,040	-	-		-	
Delta International Holding Limited	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	2,286,795	-	-		-	

Table 5-4

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2021 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance date (Note 2)	Allowance for doubtful accounts
					Amount	Action taken		
Delta International Holding Limited	Drake Investment (HK) Limited	Affiliated enterprise	\$ 714,623	-	\$ -		\$ -	
Delta International Holding Limited	Delta Electronics (H.K.) Ltd.	Affiliated enterprise	12,577,372	-	-		-	
Eltek AS	Delta Electronics (Poland) Sp. z. o.o.	Affiliated enterprise	105,374	-	-		-	
Delta Electronics (Wuhu) Co., Ltd.	Delta Electronics (Jiangsu) Ltd.	Affiliated enterprise	1,581,651	-	-		-	
Delta Greentech (Netherlands) B.V.	Eltek s.r.o.	Affiliated enterprise	201,217	-	-		-	
Delta Energy Systems (Germany) GmbH	Delta Energy Systems Property (Germany) GmbH	Affiliated enterprise	401,760	-	-		-	
Vivotek Inc.	Vatics Inc.	Affiliated enterprise	238,422	-	-		16	
Vivotek Inc.	Vivotek USA, INC.	Affiliated enterprise	108,343	3.90	-		-	

Note 1: Including other receivables in excess of \$100,000.

Note 2: The amount represents collections subsequent to March 31, 2021 up to April 28, 2021.

Delta Electronics, Inc. and Subsidiaries
Significant inter-company transactions during the reporting period
Three months ended March 31, 2021

Table 6

Expressed in thousands of New Taiwan dollars, except as otherwise indicated

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount (Note 8)	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Delta Electronics, Inc.	DEI Logistics (USA) Corp.	Subsidiary	Operating revenue	\$ 1,528,949	(Note 5)	2.11
1	Delta Electronics (Dongguan) Co., Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	Operating revenue	952,373	(Note 4)	1.31
1	Delta Electronics (Dongguan) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	6,248,570	(Note 4)	8.62
2	Delta Electronics (Jiangsu) Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	Operating revenue	4,295,645	(Note 4)	5.93
2	Delta Electronics (Jiangsu) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	13,781,225	(Note 4)	19.01
3	Delta Electronics (Shanghai) Co., Ltd.	Delta Greentech (China) Co., Ltd.	Affiliated enterprise	Operating revenue	4,223,353	(Note 4)	5.83
4	Delta Networks (Dongguan) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	1,413,692	(Note 4)	1.95
5	Delta Electronics (Wuhu) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	1,747,881	(Note 4)	2.41
6	Delta Electronics (Chenzhou) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	896,829	(Note 4)	1.24
7	Cyntec Electronics (Suzhou) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	3,700,877	(Note 7)	5.11
8	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Dongguan) Co., Ltd.	Affiliated enterprise	Operating revenue	4,138,069	(Note 4)	5.71
8	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Jiangsu) Ltd.	Affiliated enterprise	Operating revenue	7,090,604	(Note 4)	9.78
8	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Networks (Dongguan) Ltd.	Affiliated enterprise	Operating revenue	1,264,498	(Note 4)	1.74
8	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Wuhu) Co., Ltd.	Affiliated enterprise	Operating revenue	1,324,782	(Note 4)	1.83
8	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Chenzhou) Co., Ltd.	Affiliated enterprise	Operating revenue	751,471	(Note 4)	1.04

Table 6-1

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount (Note 8)	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
8	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Japan), Inc.	Affiliated enterprise	Operating revenue	\$ 758,653	(Note 4)	1.05
8	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics, Inc.	Ultimate parent company	Operating revenue	4,874,129	(Note 4)	6.72
8	Delta Electronics Int'l (Singapore) Pte. Ltd.	DEI Logistics (USA) Corp.	Affiliated enterprise	Operating revenue	3,275,872	(Note 5)	4.52
8	Delta Electronics Int'l (Singapore) Pte. Ltd.	DELTA ELECTRONICS (USA) INC.	Affiliated enterprise	Operating revenue	1,700,785	(Note 4)	2.35
9	Delta Electronics (Thailand) Public Company Limited	DET Logistics (USA) Corporation	Affiliated enterprise	Operating revenue	5,300,539	(Note 5)	7.31
1	Delta Electronics (Dongguan) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Accounts receivable	4,748,298	(Note 4)	1.38
2	Delta Electronics (Jiangsu) Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	Accounts receivable	4,898,236	(Note 4)	1.42
2	Delta Electronics (Jiangsu) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Accounts receivable	5,345,991	(Note 4)	1.55
3	Delta Electronics (Shanghai) Co., Ltd.	Delta Greentech (China) Co., Ltd.	Affiliated enterprise	Accounts receivable	4,800,265	(Note 4)	1.40
8	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics, Inc.	Ultimate parent company	Accounts receivable	7,590,737	(Note 4)	2.21
8	Delta Electronics Int'l (Singapore) Pte. Ltd.	DEI Logistics (USA) Corp.	Affiliated enterprise	Accounts receivable	4,539,944	(Note 5)	1.32
9	Delta Electronics (Thailand) Public Company Limited	DET Logistics (USA) Corporation	Affiliated enterprise	Accounts receivable	6,739,484	(Note 5)	1.96
10	Fairview Assets Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Other receivables - related parties	17,475,815	(Note 6)	5.08
11	Delta International Holding Limited	Delta Electronics (Netherlands) B.V.	Affiliated enterprise	Other receivables - related parties	18,494,040	(Note 6)	5.38

Table 6-2

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount (Note 8)	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
11	Delta International Holding Limited	Delta Electronics (H.K.) Ltd.	Affiliated enterprise	Other receivables - related parties	\$ 12,577,372	(Note 6)	3.66

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: There is no similar transaction to compare with. It will follow the agreed price and transaction terms and all the credit terms are 70 days.

Note 5: It will follow the agreed price and transaction terms, and all the credit terms are 90 days after delivery.

Note 6: Lending of capital.

Note 7: Sales revenue is cost plus necessary profit, the collection term for related parties is 75 days from next month.

Note 8: The disclosure requirement for the above disclosed amounts is 1% of the consolidated total assets for balance sheet accounts and 1% of the consolidated total revenue for income statement accounts.

Delta Electronics, Inc. and Subsidiaries
Information on investees
Three months ended March 31, 2021

Table 7

Expressed in thousands of New Taiwan dollars, except as otherwise indicated

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2021			Net profit (loss) of the investee for the three months ended March 31, 2021	Investment income (loss) recognised by the Company for the three months ended March 31, 2021	Footnote
				Balance as at March 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value			
Delta Electronics, Inc.	Delta International Holding Limited	Malta	Equity investments	\$ 8,922,118	\$ 8,922,118	67,680,000	100.00	\$ 69,606,746	\$ 496,898	\$ 558,655	(Note 6)
Delta Electronics, Inc.	Delta Networks Holding Limited	Cayman Islands	Equity investments	29,582	29,582	83,800,000	100.00	3,160,380	32,307	(144)	(Note 6)
Delta Electronics, Inc.	Delta Electronics (Netherlands) B.V.	Netherlands	Sales of power products, display solution products, electronic components, industrial automation products and materials	4,529,355	4,529,355	128,492,272	100.00	18,607,544	1,273,581	1,210,150	(Note 6)
Delta Electronics, Inc.	Delta Electronics (Thailand) Public Company Limited	Thailand	Manufacturing and exporting power supplies, other electronic parts and components	4,780,487	4,780,487	69,128,140	5.54	4,389,536	1,618,319	59,788	(Notes 6 and 13)
Delta Electronics, Inc.	Cyntec Co., Ltd.	Taiwan	Research, development, manufacturing and sales of film optic-electronic devices	12,067,931	12,067,931	2,341,204,333	100.00	33,284,093	281,871	234,813	(Note 6)
Delta Electronics, Inc.	DelBio Inc.	Taiwan	Manufacturing, wholesale and retail of medical equipment	900,000	900,000	21,761,836	100.00	221,818	16,896	15,896	(Note 6)
Delta Electronics, Inc.	Delta Electronics Capital Company	Taiwan	Equity investments	3,253,241	3,253,241	350,000,000	100.00	3,739,890	267,870	267,870	(Note 6)
Delta Electronics, Inc.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Singapore	Sales of electronic products	34,498	34,498	45,234,240	100.00	39,844,705	3,394,054	3,445,964	(Note 6)
Delta Electronics, Inc.	Allied Material Technology Corp.	Taiwan	Lease services, etc.	2,113,978	2,113,978	211,400,909	99.97	1,652,524	(22,980)	(22,973)	(Note 6)
Delta Electronics, Inc.	Delta America Ltd.	U.S.A.	Equity investments	103,065	103,065	2,100,000	10.26	289,909	150,578	(8,293)	(Notes 6 and 9)
Delta Electronics, Inc.	Vivotek Inc.	Taiwan	Manufacturing and sales of video compression software and encoding, network video server, webcam and its related components	4,217,006	4,217,016	45,782,058	52.65	3,906,607	52,183	3,953	(Note 6)
Delta Electronics, Inc.	Chunghwa SEA Holdings	Taiwan	Equity investments	8,800	-	880,000	44.00	8,783	(39)	(17)	(Note 18)
Delta International Holding Limited	Delta Electronics (Thailand) Public Company Limited	Thailand	Manufacturing and exporting power supplies, other electronic parts and components	12,292,228	12,292,228	191,984,450	15.39	11,930,094	1,618,319	193,977	(Note 13)
Delta International Holding Limited	DEI Logistics (USA) Corp.	U.S.A.	Warehousing and logistics services	28,535	28,535	1,000,000	100.00	224,536	3,993	3,993	(Note 1)
Delta International Holding Limited	Delta Electronics (Japan), Inc.	Japan	Sales of power products, display solution products, electronic components, industrial automation products and materials	81,580	81,580	5,600	100.00	713,392	67,723	67,723	(Note 1)
Delta International Holding Limited	Digital Projection International Ltd.	Britain	Equity investments	403,099	403,099	46,949,667	100.00	270,749	(36,368)	(38,948)	(Note 1)
Delta International Holding Limited	Vivitek Corporation	U.S.A.	Sales of projector products and their materials	42,803	42,803	9,000,000	100.00	104,677	(8,492)	(8,492)	(Note 1)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2021			Net profit (loss) of the investee for the three months ended March 31, 2021	Investment income (loss) recognised by the Company for the three months ended March 31, 2021	Footnote
				Balance as at March 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value			
Delta International Holding Limited	Delta Electronics (Switzerland) AG	Switzerland	Equity investments, research, development and sales of electronic products	\$ 580,528	\$ 580,528	10,000	100.00	\$ 887,237	\$ 132,415	\$ 130,969	(Note 1)
Delta International Holding Limited	DELTA ELECTRONICS HOLDING (USA) INC.	U.S.A.	Equity investments	1,948,653	1,948,653	1,060,624	100.00	2,260,918	231,805	231,271	(Note 1)
Delta International Holding Limited	Eltek AS	Norway	Research, development and sales of power supplies and others	14,186,674	14,186,674	93,531,101	100.00	12,065,991	33,886	(136,948)	(Note 1)
Delta International Holding Limited	Delta Controls Inc.	Canada	Provide solutions to building management and control	2,140,125	2,140,125	75,000,000	100.00	2,593,031	16,896	16,896	(Note 1)
Delta International Holding Limited	Delta Electronics Europe Ltd.	Britain	Repair centre and providing support services	104,438	104,438	500,000	100.00	57,380	(2,768)	(2,768)	(Note 1)
Delta Electronics (H.K.) Ltd.	Delta Electronics International Mexico S. A. DE C. V.	Mexico	Sales of power management system of industrial automation product and telecommunications equipment	172,637	172,637	2,314,592	100.00	142,600	4,016	4,016	(Note 2)
Delta Electronics (Netherlands) B.V.	Delta Electronics (H.K.) Ltd.	Hong Kong	Equity investments, operations management and engineering services	9,370,811	9,370,811	2,549,297,600	100.00	21,601,641	899,085	899,085	(Note 8)
Delta Electronics (Netherlands) B.V.	Boom Treasure Limited	Hong Kong	Equity investments	2,485,994	2,485,994	1	100.00	1,966,795	62,482	33,627	(Note 8)
Delta Electronics (Netherlands) B.V.	Drake Investment (HK) Limited	Hong Kong	Equity investments	4,911,340	4,911,340	304,504,306	100.00	4,988,747	155,965	154,901	(Note 8)
Delta Electronics (Netherlands) B.V.	Delta America Ltd.	U.S.A.	Equity investments	1,473,303	1,473,303	18,374,182	89.74	2,502,665	150,578	134,923	(Notes 8 and 9)
Delta Electronics (Netherlands) B.V.	Optovue, Inc.	U.S.A.	Research, development, design, manufacturing and sales of medical equipment	1,055,795	1,055,795	5,190,330	29.50	722,051	(52,971)	(17,108)	(Note 8)
Delta Electronics (Netherlands) B.V.	Delta Greentech Electronics Industry LLC	Turkey	Marketing and sales of electronic products	160,367	160,367	940,687	100.00	72,852	24,377	29,337	(Note 8)
Delta Electronics (Netherlands) B.V.	Delta Greentech (Brasil) S.A.	Brazil	Manufacturing and sales of electronic products	202,884	202,884	4,315,657	100.00	179,908	17,709	17,709	(Note 8)
Delta Electronics (Netherlands) B.V.	DELTA ELECTRONICS BRASIL LTDA.	Brazil	Manufacturing and sales of electronic products	578,790	578,790	87,000,000	100.00	397,607	(15,245)	(15,245)	(Note 8)
Delta Electronics (Netherlands) B.V.	Amerlux, LLC	U.S.A.	Design and producing of dedicated lighting system and facilities	2,788,412	2,788,412	-	100.00	2,779,328	9,554	(10,166)	(Note 8)
Delta Electronics (Netherlands) B.V.	Delta Greentech SGP Pte. Ltd.	Singapore	Equity investments	797,001	797,001	12,175,470	100.00	648,847	19,660	10,929	(Note 8)
Delta Electronics (Netherlands) B.V.	Trihedral Engineering Limited	Canada	Software and associated engineering service	1,017,973	1,008,818	51,495	100.00	1,034,410	27,144	21,614	(Note 8)
Delta America Ltd.	Delta Electronics (Americas) Ltd.	U.S.A.	Sales of electronic components	215,561	215,561	250,000	100.00	1,405,715	102,107	102,107	(Note 15)

Table 7-2

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2021			Net profit (loss) of the investee for the three months ended March 31, 2021	Investment income (loss) recognised by the Company for the three months ended March 31, 2021	Footnote
				Balance as at March 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value			
Delta America Ltd.	Delta Solar Solutions LLC	U.S.A.	Equity investments	\$ 64,774	\$ 64,774	-	100.00	\$ 45,873	\$ 1,268	\$ 1,268	(Note 15)
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Thailand) Public Company Limited	Thailand	Manufacturing and exporting power supplies, other electronic parts and components	34,140,753	34,140,753	534,479,306	42.85	34,426,763	1,618,319	540,086	(Note 13)
Delta Electronics Int'l (Singapore) Pte. Ltd.	ELTEK POWER INCORPORATED	Philippines	Sales of power supplies and others	21,496	21,496	11,400,000	100.00	12,641	(2,047)	(2,047)	(Note 7)
Delta Electronics Int'l (Singapore) Pte. Ltd.	ELTEK POWER CO., LTD.	Thailand	Sales of power supplies and others	-	-	40,000	100.00	223,575	(6,361)	(6,361)	(Note 7)
Delta Electronics Int'l (Singapore) Pte. Ltd.	ELTEK POWER (CAMBODIA) LTD.	Cambodia	Sales of power supplies and others	-	-	1,000	100.00	(17,875)	-	-	(Note 7)
Delta Electronics Int'l (Singapore) Pte. Ltd.	ELTEK POWER (MALAYSIA) SDN. BHD.	Malaysia	Sales of power supplies and others	58,935	58,935	300,000	100.00	(54,244)	3,106	3,106	(Note 7)
Delta Electronics Int'l (Singapore) Pte. Ltd.	Loy Tec Electronics GmbH	Austria	Provide solutions to building management and control	2,315,885	2,315,885	-	100.00	1,557,559	26,709	13,559	(Note 7)
Delta Networks Holding Limited	Delta Networks, Inc.	Cayman Islands	Equity investments	5,075,206	5,075,206	1,196,886,000	100.00	2,008,910	31,692	31,569	(Note 3)
Delta Networks, Inc.	Delta Networks (HK) Limited	Hong Kong	Equity investments	998,725	998,725	35,000,000	100.00	1,986,132	32,128	32,128	(Note 4)
Digital Projection International Ltd.	Digital Projection Holdings Ltd.	Britain	Equity investments	168,764	168,764	40,526,221	100.00	(186,559)	(36,368)	(36,368)	(Note 17)
Cyntec Co., Ltd.	Fairview Assets Ltd.	Cayman Islands	Equity investments	1,116,521	1,116,521	32,740,062	100.00	29,482,319	211,383	211,383	(Note 5)
Cyntec Co., Ltd.	Power Forest Technology Corporation	Taiwan	IC design of power management	347,387	347,387	24,134,934	100.00	266,420	9,344	7,594	(Note 5)
Delta Electronics (Thailand) Public Company Limited	DET International Holding Limited	Cayman Islands	Equity investments	8,645,531	8,645,531	264,357,330	100.00	6,726,419	(97,335)	(97,335)	(Note 16)
Delta Electronics (Thailand) Public Company Limited	Delta Green Industrial (Thailand) Co., Ltd.	Thailand	Integration, sales, trading, installation and providing services of uninterruptible power supply, photovoltaic inverter, electric cars charger and data center	188,469	188,469	20,600,000	100.00	92,048	(2,931)	(2,931)	(Note 16)
Delta Electronics (Thailand) Public Company Limited	Delta Energy Systems (Singapore) PTE. LTD.	Singapore	Equity investments, trading, management and consultancy	5,099,542	5,099,542	146,586,590	100.00	8,930,160	(15,995)	(15,995)	(Note 16)
Delta Electronics (Thailand) Public Company Limited	DELTA ELECTRONICS (VIETNAM) COMPANY LIMITED	Vietnam	Sales of electronic products	2,773	2,773	-	100.00	719	(2,072)	(2,072)	(Note 16)
Delta Electronics (Thailand) Public Company Limited	DELTA ELECTRONICS INDIA MANUFACTURING PRIVATE LIMITED	India	Manufacturing and marketing of electronic products	421	-	110,999	100.00	421	-	-	(Notes 16 and 18)
Vivotek Inc.	Vatics Inc.	Taiwan	Designing and sales of multimedia integrated circuits	305,651	305,651	141,706	50.53	(47,426)	(18,772)	(6,979)	(Note 11)

Table 7-3

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2021			Net profit (loss) of the investee for the three months ended March 31, 2021	Investment income (loss) recognised by the Company for the three months ended March 31, 2021	Footnote
				Balance as at March 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value			
Vivotek Inc.	Vivotek Holdings, Inc.	U.S.A.	Holding company	\$ 31,555	\$ 31,555	1,050	100.00	\$ 265,976	\$ 17,676	\$ 30,013	(Note 11)
Vivotek Inc.	Realwin Investment Inc.	Taiwan	A venture capital company	173,696	173,696	17,369,635	100.00	111,066	1,124	1,629	(Note 11)
Vivotek Inc.	Vivotek Netherlands B.V.	Netherlands	Sales service	11,418	11,418	3,000	100.00	11,241	217	217	(Note 11)
Vivotek Inc.	Otus Imaging, Inc.	Taiwan	Sales of webcams and related components	44,294	44,294	6,000,000	100.00	47,602	1,676	1,676	(Note 11)
Vivotek Inc.	Vivotek (Japan) Inc.	Japan	Sales service	17,939	17,939	6,600	100.00	23,974	179	179	(Note 11)
Vivotek Holdings, Inc.	Vivotek USA, Inc.	U.S.A.	Sales of webcams and related components	28,480	28,480	10,000,000	100.00	322,823	17,679	17,679	(Note 10)
Realwin Investment Inc.	Skywatch INC.	Taiwan	Wholesale of electronic equipment	755	755	50,070	0.88	-	(442)	-	(Note 14)
Realwin Investment Inc.	Wellstates Investment, LLC	U.S.A.	Investment and commercial lease of real estate	34,859	34,859	-	100.00	48,850	759	759	(Note 12)
Realwin Investment Inc.	Aetek Inc.	Taiwan	Sales of webcams and related components	34,045	34,045	3,372,500	56.21	50,603	4,951	2,783	(Note 12)
Realwin Investment Inc.	Vivotek Middle East FZCO	United Arab Emirates	Sales of webcams and related components	11,242	11,242	1,322	89.99	(10,075)	(543)	(489)	(Note 12)
Realwin Investment Inc.	Lidlight Inc.	Taiwan	Sales of lighting equipment	10,200	10,200	1,020,000	51.00	1,541	(2,334)	(1,190)	(Note 12)
Realwin Investment Inc.	Vatics Inc.	Taiwan	Designing and sales of multimedia integrated circuits	31,123	31,123	10,892	3.88	(2,389)	(18,772)	(729)	(Note 12)

Note 1: The Company's second-tier subsidiary or subsidiary's investee accounted for under equity method, which was recognised as investment gains/losses through Delta International Holding Limited.

Note 2: The Company's third-tier subsidiary, which was recognised as investment gains/losses through Delta Electronics (H.K.) Ltd.

Note 3: The Company's second-tier subsidiary, which was recognised as investment gains/losses through Delta Networks Holding Limited.

Note 4: The Company's third-tier subsidiary, which was recognised as investment gains/losses through Delta Networks, Inc.

Note 5: The Company's second-tier subsidiary, which was recognised as investment gains/losses through Cytotec Co., Ltd.

Note 6: The investment income /loss is net of the elimination of intercompany transactions.

Note 7: The Company's second-tier subsidiary, which was recognised as investment gains/losses through Delta Electronics Int'l (Singapore) Pte. Ltd.

Note 8: The Company's second-tier subsidiary, which was recognised as investment gains/losses through Delta Electronics (Netherlands) B.V.

Note 9: The Company indirectly acquired 89.74% equity shares of Delta America Ltd. through Delta Electronics (Netherlands) B.V.. Considering the 10.26% equity shares held by the Company, the total ownership was 100%.

Note 10: The Company's third-tier subsidiary, which was recognised as investment gains/losses through Vivotek Holdings, Inc.

Note 11: The Company's second-tier subsidiary, which was recognised as investment gains/losses through Vivotek Inc.

Note 12: The Company's third-tier subsidiary, which was recognised as investment gains/losses through Realwin Investment Inc.

Note 13: The Company indirectly acquired 15.39% and 42.85% equity shares of Delta Electronics (Thailand) Public Company Limited through Delta International Holding Limited and Delta Electronics Int'l (Singapore) Pte. Ltd., respectively, considering 5.54% equity shares held by the Company, the total ownership was 63.78%.

Note 14: The Company's associate was recognised as investment gains/losses due to significant influence by the Company's second-tier subsidiary Realwin Investment Inc., which owns one board member in the Company.

Note 15: The Company's second-tier subsidiary, which was recognised as investment gains/losses through Delta America Ltd.

Note 16: The Company's third-tier subsidiary, which was recognised as investment gains/losses through Delta Electronics (Thailand) Public Company Limited.

Note 17: The Company's second-tier subsidiary, which was recognised as investment gains/losses through Digital Projection International Ltd.

Note 18: Established or invested during 2021.

Delta Electronics, Inc. and Subsidiaries
Information on investments in Mainland China
Three months ended March 31, 2021

Table 8

Expressed in thousands of New Taiwan dollars, 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 at January 1, 2021	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for three months ended March 31, 2021		Accumulated amount of remittance from Taiwan to Mainland China as at March 31, 2021	Net income (loss) of investee for the three months ended March 31, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the three months ended March 31, 2021 (Note 21)	Book value of investments in Mainland China as at March 31, 2021	Accumulated amount of investment income remitted back to Taiwan as at March 31, 2021	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Delta Electronics (Dongguan) Co., Ltd.	Manufacturing and sales of transformer and thermal products	\$ 2,791,008	Invested by DHK	\$ 2,197,028	\$ -	\$ -	\$ 2,197,028	\$ 74,134	100.00	\$ 73,881	\$ 3,965,180	\$ 275,649	(Notes 3 and 16)
Delta Electronics Power (Dongguan) Co., Ltd.	Manufacturing and sales of power supplies	1,201,324	Invested by DHK	675,909	-	-	675,909	46,980	100.00	46,980	2,481,947	383,396	(Notes 6 and 16)
Delta Electronics (Shanghai) Co., Ltd.	Product design, management consulting service and distribution of electronic products	3,452,772	Invested by DHK	446,386	-	-	446,386	843,633	100.00	847,023	7,957,420	-	(Notes 7 and 16)
Delta Electronics (Wuhu) Co., Ltd.	Manufacturing and sales of LED light source, power supplies and others	3,823,690	Invested by DHK	488,269	-	-	488,269	30,681	100.00	30,378	4,389,490	-	(Notes 8 and 16)
Delta Electronics (Chenzhou) Co., Ltd.	Manufacturing and sales of transformers	1,797,705	Invested by DHK	121,984	-	-	121,984	32,768	100.00	33,619	1,946,213	-	(Notes 9 and 16)
Delta Electronics (Jiangsu) Ltd.	Manufacturing and sales of power supplies and transformers	5,330,623	Invested by DHK	11,637,425	-	-	11,637,425	201,383	100.00	198,177	11,328,001	-	(Notes 13 and 16)
Delta Green (Tianjin) Industries Co., Ltd.	Manufacturing and sales of transformers	129,264	Invested by DHK	944,085	-	-	944,085	(7,457)	100.00	(7,457)	(51,376)	-	(Notes 10 and 16)
Eltek Energy Technology (Dongguan) Ltd.	Development, manufacturing and sales of intelligent power equipment and system for supporting access networking system, and manufacturing and sale of intelligent power equipment for supporting renewable energy	211,159	Invested by DHK	1,081,757	-	-	1,081,757	4,249	100.00	4,249	159,142	-	(Note 16)
Delta Electronics (Pingtan) Co., Ltd.	Wholesale and retail of electronic products and energy-saving equipment	130,594	Invested by DHK	148,231	-	-	148,231	17,040	100.00	17,040	209,948	-	(Note 16)
Delta Electronics (Beijing) Co., Ltd.	Installation of mechanic, electronic, telecommunication and circuit equipment	217,657	Invested by DHK	13,051	-	-	13,051	1,385	100.00	1,385	162,023	-	(Notes 11 and 16)
Delta Electronics (Xi'an) Co., Ltd.	Sales of computer, peripheral equipment and software	239,422	Invested by DHK	241,362	-	-	241,362	(3,253)	100.00	(3,253)	201,907	-	(Note 16)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as at January 1, 2021	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for three months ended March 31, 2021		Accumulated amount of remittance from Taiwan to Mainland China as at March 31, 2021	Net income (loss) of investee for the three months ended March 31, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the three months ended March 31, 2021 (Note 21)	Book value of investments in Mainland China as at March 31, 2021	Accumulated amount of investment income remitted back to Taiwan as at March 31, 2021	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Cyntec Electronics (Suzhou) Co., Ltd.	Research, development, manufacturing and sales of new-type electronic components (chip components, sensing elements, hybrid integrated circuits) and wholesale of similar products	\$ 5,764,070	Invested by CHK	\$ 5,663,124	\$ -	\$ -	\$ 5,663,124	\$ 207,353	100.00	\$ 207,353	\$ 8,157,936	\$ -	(Note 18)
Delta Networks (Dongguan) Ltd.	Manufacturing and sales of other radio-broadcast receivers and the equipment in relation to broadband access networking system	998,725	Invested by DNHK	1,275,695	-	-	1,275,695	35,440	100.00	35,440	1,839,650	627,770	(Notes 5 and 17)
Delta Networks (Xiamen) Ltd.	Operation of radio transmission apparatus, and automatic data processing, reception, conversion and transmission or regeneration of voice, images or other data of the machine, including switches and routers, with a special program to control a computer or word processor with memory business	64,201	Invested by DNHK	19,975	-	-	19,975	(3,243)	30.00	(973)	16,323	-	(Note 17)
DelBio (Wujiang) Co., Ltd.	Manufacturing, wholesale and retail of medical equipment	114,140	Invested by DelBio	114,140	-	-	114,140	11,043	100.00	11,043	186,772	-	(Note 19)
Chenzhou Delta Technology Co., Ltd.	Manufacturing and sales of transformers	111,005	Invested by DCZ	-	-	-	-	12,432	100.00	12,250	205,355	-	(Note 14)
Delta Energy Technology (Shanghai) Co., Ltd.	Energy performance contracting, development of energy-saving technology, energy-saving equipment and energy management system as well as consulting service, installation, sales, etc.	43,531	Invested by DPEC and DGC	-	-	-	-	151	96.32	151	33,733	-	(Note 14)
Delta Energy Technology Puhuan (Shanghai) Co., Ltd.	Energy technology, development and consulting of environmental technical skills, and design and sales of energy saving equipment	435	Invested by DET-SH	-	-	-	-	33	96.32	33	9,173	-	(Note 14)
Guangzhou Amerlux Lighting Co., Ltd.	Wholesale of lighting fixture and decorative objects	13,554	Invested by Amerlux Lighting Hong Kong Limited	171,852	-	-	171,852	7,448	100.00	7,448	48,969	-	(Notes 12 and 20)
Delta Greentech (China) Co., Ltd.	Sales of uninterruptible power systems	2,472,578	Invested by Drake-HK, Boom and DGSG	8,726,364	-	-	8,726,364	277,986	95.91	266,619	6,216,452	-	(Notes 4 and 15)
Cyntec Electronics (WuHu) Co., Ltd.	Research, development, manufacturing, processing and sales of new-type electronic components (chip components, sensing elements, hybrid integrated circuits) and molding as well as processing of semi-finished alloy steel powder; import and export of goods or technique.	428,025	Invested by DHK	28,535	399,490	-	428,025	(261,521)	100.00	(261,521)	115,861	-	(Note 16)

Table 8-2

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as at January 1, 2021	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for three months ended March 31, 2021		Accumulated amount of remittance from Taiwan to Mainland China as at March 31, 2021	Net income (loss) of investee for the three months ended March 31, 2021	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the three months ended March 31, 2021 (Note 21)	Book value of investments in Mainland China as at March 31, 2021	Accumulated amount of investment income remitted back to Taiwan as at March 31, 2021	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Fujian Kaixin Construction Engineering Co., Ltd.	Constructions of buildings and structures, steel structures, building decoration, earth work, municipal public works and landscape as well as design and construction of hydraulic and hydroelectric engineering and structural reinforcement and reconditioning	\$ 108,828	Invested by DPT	\$ -	\$ -	\$ -	\$ -	\$ -	40.00	\$ -	\$ 12,189	\$ -	(Note 14)

Note 1: The capital was translated based on the capital certified report of the investee companies into New Taiwan Dollars at the average exchange rate of RMB 6.55505 to US\$1 and NTD 4.35313 to RMB\$1.

Note 2: The accumulated remittance as at January 1, 2021, remitted or collected this period, accumulated remittance as at March 31, 2021 and investment income remitted back as at March 31, 2021 was translated into New Taiwan Dollars at the average exchange rate of NTD 28.535 to US\$1 at the balance sheet date.

Note 3: Except for the facility of US\$76,994 thousand permitted by Investment Commission, the capitalisation of earnings of US\$27,081 thousand permitted by Investment Commission is excluded from the Company's amount of investment in Mainland China. Additionally, on October 27, 2020, Delta Electronics Power (Dongguan) Co., Ltd. merged with Delta Electronics (Dongguan) Co., Ltd. as permitted by Investment Commission. Under the merger procedure, Delta Electronics (Dongguan) Co., Ltd. would be the surviving company and Delta Electronics Power (Dongguan) Co., Ltd. would be the dissolved company. As of March 31, 2021 the procedure was still in process.

Note 4: Except for the facility of US\$305,813 thousand permitted by Investment Commission, the capitalisation of earnings of US\$980 thousand permitted by Investment Commission is excluded from the Company's amount of investment in Mainland China.

Note 5: Except for the facility of US\$44,706 thousand permitted by Investment Commission, the capitalisation of earnings of US\$11,312 thousand permitted by Investment Commission is excluded from the Company's amount of investment in Mainland China.

Note 6: Except for the facility of US\$23,687 thousand permitted by Investment Commission, the capitalisation of earnings of US\$22,654 thousand permitted by Investment Commission is excluded from the Company's amount of investment in Mainland China. Additionally, on October 27, 2020, Delta Electronics Power (Dongguan) Co., Ltd. merged with Delta Electronics (Dongguan) Co., Ltd. as permitted by Investment Commission. Under the merger procedure, Delta Electronics (Dongguan) Co., Ltd. would be the surviving company and Delta Electronics Power (Dongguan) Co., Ltd. would be the dissolved company. As of March 31, 2021 the procedure was still in process.

Note 7: Except for the facility of US\$15,643 thousand permitted by Investment Commission, the capitalisation of earnings of US\$110,401 thousand permitted by Investment Commission is excluded from the Company's amount of investment in Mainland China.

Note 8: Except for the facility of US\$17,111 thousand permitted by Investment Commission, the capitalisation of earnings of US\$120,320 thousand permitted by Investment Commission is excluded from the Company's amount of investment in Mainland China.

Note 9: Except for the facility of US\$4,275 thousand permitted by Investment Commission, the capitalisation of earnings of US\$59,220 thousand permitted by Investment Commission is excluded from the Company's amount of investment in Mainland China.

Note 10: Except for the facility of US\$33,085 thousand permitted by Investment Commission, the capitalisation of earnings of US\$265 thousand permitted by Investment Commission is excluded from the Company's amount of investment in Mainland China.

Note 11: Except for the facility of US\$457 thousand permitted by Investment Commission, the capitalisation of earnings of US\$7,268 thousand permitted by Investment Commission is excluded from the Company's amount of investment in Mainland China.

Note 12: On July 15, 2020, the Investment Commission permitted that the unused facility of US\$3,578 thousand from the facility of US\$9,600 thousand initially permitted by Investment Commission was retired as the payment of transfer price was made.

Note 13: Delta Electronics (Jiangsu) Ltd. merged with Delta Electronics Components (Wujiang) Ltd. and Delta Video Display System (Wujiang) Ltd. on January 1, 2021. Under the merger, Delta Electronics (Jiangsu) Ltd. was the surviving company while Delta Electronics Components (Wujiang) Ltd. and Delta Video Display System (Wujiang) Ltd. were the dissolved companies.

Note 14: According to the regulations of the Investment Commission, the reinvestment of the investee companies in Mainland China is not required to obtain the approval of the Investment Commission; thus the investment amounts are excluded from the calculation of investment the Company's ceiling of amount in Mainland China.

Note 15: Jointly invested through Drake Investment (HK) Limited, DELTA GREENTECH SGP Pte. Ltd. and Boom Treasure Limited.

Note 16: Invest through Delta Electronics (H.K.) Ltd.

Note 17: Invest through Delta Networks (HK) Limited.

Note 18: Invest through Cyntec Holding (HK) Limited.

Note 19: Invest through DelBio Inc.

Note 20: Invest through Amerlux Lighting Hong Kong Limited.

Note 21: Except for Delta Green (Tianjin) Industries Co., Ltd., Delta Electronics (Pingtan) Co., Ltd., Delta Energy Technology (Shanghai) Co., Ltd., DelBio (Wujiang) Co., Ltd., Eltek Energy Technology (Dongguan) Ltd., Delta Energy Technology Puhuan (shanghai) Co., Ltd., Delta Electronics (Beijing) Co., Ltd., Delta Electronics (Xi'an) Co., Ltd., Amerlux Lighting Co., Ltd., Cyntec Electronics (WuHu) Co., Ltd., Delta Networks (Xiamen) Ltd. and Fujian Kaixin Construction Engineering Co., Ltd. whose investment income (loss) was recognised based on recognised gain or loss on investment based on financial statement prepared by each company, others were recognised.

Company name	Accumulated amount remitted from Taiwan to Mainland China as at March 31, 2021	Investment amount approved by the Investment Commission of Ministry of Economic Affairs (MOEA)	Ceiling of investments in Mainland China imposed by the Investment Commission of MOEA
Delta Electronics, Inc. (Notes 2 and 3)	\$ 28,098,576	\$ 29,042,941	\$ -
Cyntec Co., Ltd.	5,663,124	5,663,124	16,383,663
DelBio Inc. (Note 4)	114,140	114,140	134,378

Note 1: The accumulated amount remitted out of Taiwan to Mainland China and investment amount approved by the investment commission was translated into New Taiwan Dollars at the average exchange rate of NTD28.535 to US\$1 at the balance sheet date.

Note 2: The investment income of US\$22,000 thousand, US\$18,000 thousand, US\$10,509 thousand and US\$14,351 thousand were remitted back on March 11, 2011, June 27, 2012, August 14, 2012, June 24, 2009 and December 29, 2005, respectively, from the investee companies in Mainland China and was permitted by Investment Commission on August 3, 2012, August 28, 2012, July 17, 2009 and January 6, 2006, respectively, which are deductible from the Company's accumulated amount remitted out of Taiwan to Mainland China.

Note 3: According to "Regulation Governing the Approval of Investment or Technical Cooperation in Mainland China", the Company obtained the approval of operation headquarters from Industrial Development Bureau of Ministry of Economic Affairs. There is no ceiling of investment amount.

Note 4: The ceiling is calculated based on DelBio Inc.'s 60% of net assets as at March 31, 2021.

Delta Electronics, Inc. and Subsidiaries
Major shareholders information
March 31, 2021

Table 9

Name of major shareholders	Shares	No. of shares held	Ownership (%)
DEICO INTERNATIONAL LTD.		267,556,280	10.30%
DELTRON HOLDING LTD.		218,211,168	8.40%