

CLEVO CO. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
SEPTEMBER 30, 2020 AND 2019

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.

INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of CLEVO CO.

Introduction

We have reviewed the accompanying consolidated balance sheets of Clevo Co. and subsidiaries (the “Group”) as at September 30, 2020 and 2019, and the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, as well as the consolidated statements of changes in equity and of cash flows for the nine-month periods 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 these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Statement of Auditing Standards No. 65, “Review of Financial Information Performed by the Independent Auditor of the Entity” in the Republic of China. A review of consolidated financial statements 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) and 6(5), the financial statements of certain insignificant consolidated subsidiaries and investments accounted for using equity method were not reviewed by independent auditors. Those statements reflect total assets (including investments accounted for using equity method) of NT\$13,834,906 thousand and NT\$11,612,552 thousand, constituting 14% and 11% of the consolidated total assets, and total liabilities of NT\$1,936,925 thousand and NT\$2,158,990 thousand, constituting 3% and 3% of the consolidated total liabilities as at September 30, 2020 and 2019, respectively, and total comprehensive income (including share of other comprehensive income (loss) of

associates and joint ventures accounted for using equity method) of NT\$163,174 thousand, (NT\$193,711) thousand, NT\$54,298 thousand and NT\$21,360 thousand, constituting 12%, (16%), (15%) and 183% of the consolidated total comprehensive income (loss) for the three-month and nine-month periods then ended, respectively.

Qualified Conclusion

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and investments accounted for using equity method been reviewed by independent auditors, that we might have become aware of had it not been for the situation described above, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at September 30, 2020 and 2019, and of its consolidated financial performance for the three-month and nine-month periods then ended and its consolidated cash flows for the nine-month periods then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed by the Financial Supervisory Commission.

Wu, Han-Chi

Liang, Hua-Ling

For and on behalf of PricewaterhouseCoopers, Taiwan

November 12, 2020

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 audit 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 independent auditors' report 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.

CLEVO CO. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2020, DECEMBER 31, 2019 AND SEPTEMBER 30, 2019
(Expressed in thousands of New Taiwan dollars)
(The balance sheets as of September 30, 2020 and 2019 are reviewed, not audited)

ASSETS		Notes	September 30, 2020		December 31, 2019		September 30, 2019	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 7,023,033	7	\$ 8,047,784	8	\$ 7,141,961	7
1110	Financial assets at fair value	6(2)						
	through profit or loss - current		1,647,700	1	1,022,194	1	1,734,202	2
1136	Financial assets at amortised	6(1)						
	cost - current		1,021,541	1	1,670,772	2	3,474,320	3
1170	Accounts receivable, net	6(3)	2,847,068	3	1,996,971	2	2,420,918	2
1180	Accounts receivable - related	6(3) and 7						
	parties		-	-	1,022	-	1,045	-
1220	Current income tax assets		268	-	272	-	87,607	-
130X	Inventories	6(4) and 8	3,899,798	4	4,163,768	4	5,058,814	5
1460	Non-current assets or disposal	6(11)						
	groups classified as held for							
	sale, net		3,735,669	4	3,786,016	4	3,848,919	4
1470	Other current assets	7 and 8	836,290	1	920,049	1	925,002	1
11XX	Total current assets		<u>21,011,367</u>	<u>21</u>	<u>21,608,848</u>	<u>22</u>	<u>24,692,788</u>	<u>24</u>
Non-current assets								
1535	Financial assets at amortised	6(1)						
	cost - non-current		122	-	23,517	-	22,011	-
1550	Investments accounted for	6(5)						
	using equity method, net		3,328,626	3	3,430,464	3	2,409,144	2
1600	Property, plant and equipment	6(6) and 8	5,651,247	6	5,822,337	6	6,920,173	7
1755	Right-of-use assets	6(7), 7 and 8	4,434,964	5	4,465,980	4	5,134,307	5
1760	Investment property, net	6(9) and 8	62,123,897	63	63,013,015	63	62,899,784	60
1780	Intangible assets	6(10)	33,329	-	29,926	-	31,689	-
1840	Deferred income tax assets	6(29)	214,012	-	181,794	-	193,556	-
1990	Other non-current assets	8	1,862,834	2	1,810,854	2	1,774,561	2
15XX	Total non-current assets		<u>77,649,031</u>	<u>79</u>	<u>78,777,887</u>	<u>78</u>	<u>79,385,225</u>	<u>76</u>
1XXX	Total assets		<u>\$ 98,660,398</u>	<u>100</u>	<u>\$ 100,386,735</u>	<u>100</u>	<u>\$ 104,078,013</u>	<u>100</u>

(Continued)

CLEVO CO. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2020, DECEMBER 31, 2019 AND SEPTEMBER 30, 2019
(Expressed in thousands of New Taiwan dollars)
(The balance sheets as of September 30, 2020 and 2019 are reviewed, not audited)

LIABILITIES AND EQUITY	Notes	September 30, 2020		December 31, 2019		September 30, 2019	
		AMOUNT	%	AMOUNT	%	AMOUNT	%
Current liabilities							
2100 Short-term borrowings	6(12)	\$ 8,859,163	9	\$ 9,228,429	9	\$ 10,729,956	10
2120 Financial liabilities at fair value through profit or loss - current	6(2)	7,341	-	1,008	-	-	-
2130 Contract liabilities - current	6(22)	258,226	-	574,301	1	1,199,631	1
2150 Notes payable		11,030	-	12,851	-	17,262	-
2170 Accounts payable		1,878,979	2	1,580,846	2	1,939,558	2
2180 Accounts payable - related parties	7	285,120	-	318,091	-	354,406	1
2200 Other payables	7	1,219,934	1	2,211,793	2	2,328,834	2
2230 Current income tax liabilities	6(29)	115,736	-	25,387	-	61,078	-
2250 Provisions	6(17)	53,523	-	50,523	-	50,523	-
2280 Lease liabilities - current	7	15,366	-	13,555	-	13,610	-
2320 Long-term liabilities, current portion	6(15)	8,506,211	9	4,946,751	5	5,822,240	6
2399 Other current liabilities	6(13) and 7	2,707,674	3	2,037,032	2	1,388,411	1
21XX Total current liabilities		<u>23,918,303</u>	<u>24</u>	<u>21,000,567</u>	<u>21</u>	<u>23,905,509</u>	<u>23</u>
Non-current liabilities							
2530 Corporate bonds payable	6(14)	5,000,000	5	5,000,000	5	5,000,000	5
2540 Long-term borrowings	6(15)	17,559,571	18	21,209,345	21	20,667,400	20
2570 Deferred income tax liabilities	6(29)	12,024,557	13	12,074,682	12	12,258,318	12
2580 Lease liabilities - non-current	7	99,416	-	52,348	-	57,111	-
2670 Other non-current liabilities	6(5)(16) and 7	1,159,347	1	1,254,532	1	1,340,950	1
25XX Total non-current liabilities		<u>35,842,891</u>	<u>37</u>	<u>39,590,907</u>	<u>39</u>	<u>39,323,779</u>	<u>38</u>
2XXX Total liabilities		<u>59,761,194</u>	<u>61</u>	<u>60,591,474</u>	<u>60</u>	<u>63,229,288</u>	<u>61</u>
Equity attributable to owners of parent							
Share capital	6(18)						
3110 Common Stock		6,697,630	7	6,697,630	7	6,697,630	6
Capital surplus	6(19)						
3200 Capital surplus		95,864	-	333,951	-	333,951	-
Retained earnings	6(20)						
3310 Legal reserve		1,831,206	2	1,724,342	2	1,724,342	2
3320 Special reserve		37,125,537	38	36,131,662	36	36,131,662	35
3350 Unappropriated retained earnings		317,906	-	1,100,739	1	1,254,622	1
Other equity interest							
3400 Other equity interest	6(21)	(5,515,248)	(6)	(4,836,021)	(5)	(3,940,382)	(4)
3500 Treasury shares	6(18)	(1,653,691)	(2)	(1,357,042)	(1)	(1,357,042)	(1)
31XX Total equity attributable to owners of parent		<u>38,899,204</u>	<u>39</u>	<u>39,795,261</u>	<u>40</u>	<u>40,844,783</u>	<u>39</u>
36XX Non-controlling interest		-	-	-	-	3,942	-
3XXX Total equity		<u>38,899,204</u>	<u>39</u>	<u>39,795,261</u>	<u>40</u>	<u>40,848,725</u>	<u>39</u>
Significant contingent liabilities and unrecognised contract commitments	9						
3X2X TOTAL LIABILITIES AND EQUITY		<u>\$ 98,660,398</u>	<u>100</u>	<u>\$ 100,386,735</u>	<u>100</u>	<u>\$ 104,078,013</u>	<u>100</u>

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

CLEVO CO. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020 AND 2019
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)
(REVIEWED, NOT AUDITED)

	Items	Notes	Three months ended September 30				Nine months ended September 30			
			2020		2019		2020		2019	
			AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(22) and 7	\$ 5,777,221	100	\$ 5,936,345	100	\$ 14,772,738	100	\$ 16,603,198	100
5000	Operating costs	6(4)(27)(28) and 7	(4,617,151)	(80)	(4,555,368)	(77)	(11,412,317)	(77)	(12,715,102)	(77)
5900	Net operating margin		<u>1,160,070</u>	<u>20</u>	<u>1,380,977</u>	<u>23</u>	<u>3,360,421</u>	<u>23</u>	<u>3,888,096</u>	<u>23</u>
	Operating expenses	6(27)(28)								
6100	Selling expenses		(303,521)	(5)	(487,933)	(8)	(786,676)	(5)	(1,418,034)	(9)
6200	General and administrative expenses		(352,397)	(6)	(414,937)	(7)	(890,286)	(6)	(1,413,186)	(8)
6300	Research and development expenses		(146,835)	(2)	(143,670)	(2)	(402,286)	(3)	(416,797)	(2)
6450	Impairment gain and reversal of impairment loss determined in accordance with IFRS 9	12(3)	<u>4,504</u>	<u>-</u>	<u>(1,986)</u>	<u>-</u>	<u>(2,919)</u>	<u>-</u>	<u>13,818</u>	<u>-</u>
6000	Total operating expenses		<u>(798,249)</u>	<u>(13)</u>	<u>(1,048,526)</u>	<u>(17)</u>	<u>(2,082,167)</u>	<u>(14)</u>	<u>(3,234,199)</u>	<u>(19)</u>
6900	Operating profit		<u>361,821</u>	<u>7</u>	<u>332,451</u>	<u>6</u>	<u>1,278,254</u>	<u>9</u>	<u>653,897</u>	<u>4</u>
	Non-operating income and expenses									
7100	Interest income	6(23)	10,696	-	38,650	1	59,367	-	152,815	1
7010	Other income	6(24)	38,558	1	123,948	2	140,607	1	300,136	2
7020	Other gains and losses	6(25) and 7	31,099	-	447,496	7	(120,289)	(1)	1,496,337	9
7050	Finance costs	6(26) and 7	(220,141)	(4)	(290,374)	(5)	(708,608)	(5)	(877,889)	(5)
7060	Share of profit/(loss) of associates and joint ventures accounted for using equity method	6(5)	<u>89,114</u>	<u>2</u>	<u>(19,858)</u>	<u>-</u>	<u>(61,552)</u>	<u>-</u>	<u>65,042</u>	<u>-</u>
7000	Total non-operating income and expenses		<u>(50,674)</u>	<u>(1)</u>	<u>299,862</u>	<u>5</u>	<u>(690,475)</u>	<u>(5)</u>	<u>1,136,441</u>	<u>7</u>
7900	Profit before income tax		311,147	6	632,313	11	587,779	4	1,790,338	11
7950	Income tax expense	6(29)	(99,618)	(2)	(174,339)	(3)	(269,873)	(2)	(559,429)	(4)
8200	Profit for the period		<u>\$ 211,529</u>	<u>4</u>	<u>\$ 457,974</u>	<u>8</u>	<u>\$ 317,906</u>	<u>2</u>	<u>\$ 1,230,909</u>	<u>7</u>
	Other comprehensive income									
	Components of other comprehensive income that will be reclassified to profit or loss									
8361	Financial statements translation differences of foreign operations	6(21)	\$ 1,031,285	18	(\$ 1,644,717)	(28)	(\$ 656,910)	(4)	(\$ 1,211,549)	(7)
8370	Share of other comprehensive (loss) income of associates and joint ventures accounted for using equity method	6(21)	48,639	1	(68,237)	(1)	(27,895)	-	(53,002)	-
8399	Income tax related to the components of other comprehensive income	6(29)	(9,728)	(1)	61,597	1	5,578	-	45,330	-
8360	Other comprehensive (loss) income that will be reclassified to profit or loss		<u>1,070,196</u>	<u>18</u>	<u>(1,651,357)</u>	<u>(28)</u>	<u>(679,227)</u>	<u>(4)</u>	<u>(1,219,221)</u>	<u>(7)</u>
8300	Total other comprehensive (loss) income for the period		<u>\$ 1,070,196</u>	<u>18</u>	<u>(\$ 1,651,357)</u>	<u>(28)</u>	<u>(\$ 679,227)</u>	<u>(4)</u>	<u>(\$ 1,219,221)</u>	<u>(7)</u>
8500	Total comprehensive (loss) income for the period		<u>\$ 1,281,725</u>	<u>22</u>	<u>(\$ 1,193,383)</u>	<u>(20)</u>	<u>(\$ 361,321)</u>	<u>(2)</u>	<u>\$ 11,688</u>	<u>-</u>
	Profit attributable to:									
8610	Owners of the parent		<u>\$ 211,529</u>	<u>4</u>	<u>\$ 453,457</u>	<u>8</u>	<u>\$ 317,906</u>	<u>2</u>	<u>\$ 1,225,873</u>	<u>7</u>
8620	Non-controlling interest		<u>\$ -</u>	<u>-</u>	<u>\$ 4,517</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>	<u>\$ 5,036</u>	<u>-</u>
	Comprehensive (loss) income attributable to:									
8710	Owners of the parent		<u>\$ 1,281,725</u>	<u>22</u>	<u>(\$ 1,197,717)</u>	<u>(20)</u>	<u>(\$ 361,321)</u>	<u>(2)</u>	<u>\$ 6,174</u>	<u>-</u>
8720	Non-controlling interest		<u>\$ -</u>	<u>-</u>	<u>\$ 4,334</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>	<u>\$ 5,514</u>	<u>-</u>
9750	Basic earnings per share		<u>\$ 0.36</u>		<u>\$ 0.75</u>		<u>\$ 0.53</u>		<u>\$ 2.00</u>	
9850	Diluted earnings per share		<u>\$ 0.35</u>		<u>\$ 0.75</u>		<u>\$ 0.53</u>		<u>\$ 1.99</u>	

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

CLEVO CO. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020 AND 2019
(Expressed in thousands of New Taiwan dollars)
(REVIEWED, NOT AUDITED)

		Equity attributable to owners of the parent											
		Capital Reserves			Retained Earnings			Other Equity Interest					
			Total capital surplus, additional paid-in capital	Capital surplus, treasury share transactions			Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Asset revaluation increment	Treasury shares	Total	Non-controlling interest	Total equity
	Notes	Ordinary share			Legal reserve	Special reserve							
<u>Nine-month period ended September 30, 2019</u>													
Balance at January 1, 2019		\$ 6,797,630	\$ 832,968	\$ 149,571	\$ 1,578,852	\$ 34,937,216	\$ 1,547,516	(\$ 2,741,605)	\$ 20,922	(\$ 1,283,228)	\$ 41,839,842	\$ 17,288	\$ 41,857,130
Profit for the period		-	-	-	-	-	1,225,873	-	-	-	1,225,873	5,036	1,230,909
Other comprehensive loss for the period	6(21)	-	-	-	-	-	-	(1,219,699)	-	-	(1,219,699)	478	(1,219,221)
Total comprehensive income (loss) for the period		-	-	-	-	-	1,225,873	(1,219,699)	-	-	6,174	5,514	11,688
Appropriations of 2018 earnings	6(20)												
Legal reserve		-	-	-	145,490	-	(145,490)	-	-	-	-	-	-
Special reserve		-	-	-	-	1,194,446	(1,194,446)	-	-	-	-	-	-
Cash dividends		-	-	-	-	-	(128,453)	-	-	-	(128,453)	-	(128,453)
Cash dividends from capital surplus		-	(513,810)	-	-	-	-	-	-	-	(513,810)	-	(513,810)
Treasury stock acquired	6(31)	-	-	-	-	-	-	-	-	(386,017)	(386,017)	-	(386,017)
Treasury stock retired	6(18)	(100,000)	(12,254)	(149,571)	-	-	(50,378)	-	-	312,203	-	-	-
Adjustment to capital surplus arising from dividends paid to subsidiaries		-	-	27,047	-	-	-	-	-	-	27,047	-	27,047
Change in non-controlling interests		-	-	-	-	-	-	-	-	-	-	(18,860)	(18,860)
Balance at September 30, 2019		\$ 6,697,630	\$ 306,904	\$ 27,047	\$ 1,724,342	\$ 36,131,662	\$ 1,254,622	(\$ 3,961,304)	\$ 20,922	(\$ 1,357,042)	\$ 40,844,783	\$ 3,942	\$ 40,848,725
<u>Nine-month period ended September 30, 2020</u>													
Balance at January 1, 2020		\$ 6,697,630	\$ 306,904	\$ 27,047	\$ 1,724,342	\$ 36,131,662	\$ 1,100,739	(\$ 4,856,943)	\$ 20,922	(\$ 1,357,042)	\$ 39,795,261	\$ -	\$ 39,795,261
Profit for the period		-	-	-	-	-	317,906	-	-	-	317,906	-	317,906
Other comprehensive loss for the period	6(21)	-	-	-	-	-	-	(679,227)	-	-	(679,227)	-	(679,227)
Total comprehensive income (loss) for the period		-	-	-	-	-	317,906	(679,227)	-	-	(361,321)	-	(361,321)
Appropriations of 2019 earnings	6(20)												
Legal reserve		-	-	-	106,864	-	(106,864)	-	-	-	-	-	-
Special reserve		-	-	-	-	993,875	(993,875)	-	-	-	-	-	-
Cash dividends from capital surplus	6(20)	-	(248,906)	-	-	-	-	-	-	-	(248,906)	-	(248,906)
Treasury stock acquired	6(31)	-	-	-	-	-	-	-	-	(296,649)	(296,649)	-	(296,649)
Adjustment to capital surplus arising from dividends paid to subsidiaries		-	-	10,819	-	-	-	-	-	-	10,819	-	10,819
Balance at September 30, 2020		\$ 6,697,630	\$ 57,998	\$ 37,866	\$ 1,831,206	\$ 37,125,537	\$ 317,906	(\$ 5,536,170)	\$ 20,922	(\$ 1,653,691)	\$ 38,899,204	\$ -	\$ 38,899,204

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

CLEVO CO. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020 AND 2019
(Expressed in thousands of New Taiwan dollars)
(REVIEWED, NOT AUDITED)

	Notes	Nine-month periods ended September 30, 2020	2019
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 587,779	\$ 1,790,338
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(6)(7)(27)	218,663	220,999
Amortisation	6(10)(27)	8,651	6,571
Expected credit loss (gain)	12(3)	2,919	(13,818)
Net gain on financial assets (liabilities) mandatorily measured at fair value through profit or loss	6(25)	(235,744)	(538,384)
Interest expense	6(26)	708,608	877,889
Interest income	6(23)	(59,367)	(152,815)
Dividend income	6(24)	(30,434)	(25,178)
Share of loss (profit) of associates and joint ventures accounted for using the equity method	6(5)	61,552	(65,042)
Loss (gain) on disposal of investment property	6(25)	4,252	(463,078)
Gain of disposal of property, plant and equipment	6(25)	(1,043)	(2,218)
Loss (gain) on disposal of investments	6(25)	31,782	(65,089)
Impairment loss on non-financial assets	6(11)	-	160,539
Loss (gain) on adjustment of investment properties at fair value	6(9)(25)	102,503	(848,197)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets measured at fair value through profit or loss		(432,965)	121,197
Accounts receivable, net		(853,525)	(781,521)
Inventories		78,167	813,011
Capitalisation of interest (inventories)	6(4)	(20,581)	(24,928)
Other current assets		77,953	427,030
Other non-current assets		95,503	23,733
Changes in operating liabilities			
Contract liabilities		(91,722)	(567,826)
Notes payable		(1,821)	2,127
Accounts payable		298,133	349,143
Accounts payable - related parties		(32,971)	92,177
Other payables		(347,719)	(448,442)
Provisions		3,000	-
Other current liabilities		25,614	(147,420)
Other non-current liabilities		(6,258)	(57,167)
Cash inflow generated from operations		190,929	683,631
Interest received		64,893	119,367
Dividends received		30,434	19,172
Interest paid		(731,190)	(904,415)
Income taxes paid		(98,131)	(543,791)
Net cash flows used in operating activities		(543,065)	(626,036)

(Continued)

CLEVO CO. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020 AND 2019
(Expressed in thousands of New Taiwan dollars)
(REVIEWED, NOT AUDITED)

	Notes	Nine-month periods ended September 30,	
		2020	2019
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Disposal of subsidiaries	6(31)	\$ -	\$ 961,722
Acquisition of property, plant and equipment	6(31)	(273,553)	(718,549)
Proceeds from disposal of property, plant and equipment	6(31)	4,274	174,216
Acquisition of intangible assets	6(10)	(12,308)	(17,871)
Acquisition of investment properties	6(31)	(189,901)	82,460
Proceeds from disposal of investment properties	6(9)	12,440	4,066,394
Interest paid (capitalisation of interest)	6(9)	(114,842)	(160,941)
Decrease in financial assets at amortised cost - current		649,231	1,275,448
Decrease in financial assets at amortised cost - non-current		23,395	93,839
Proceeds from disposal of intangible assets		-	619
Acquisition of right-of-use assets		(3,909)	-
Decrease in refundable deposits		15,294	52,524
Increase in other non-current assets		(78,628)	-
Receipts in advance due to disposal of property, plant and equipment		664,846	885,428
Net cash flows from investing activities		696,339	6,695,289
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Proceeds from short-term borrowings		64,747,632	50,596,961
Repayments of short-term borrowings		(67,208,288)	(48,200,543)
Decrease in other payables		(215,650)	-
Proceeds from long-term borrowings		16,147,629	18,813,999
Repayments of long-term borrowings		(13,958,863)	(26,716,934)
Decrease in guarantee deposit		(55,784)	(891,334)
Increase in other financial liabilities - current		-	4,234
Cash dividends paid	6(20)	(248,906)	(642,263)
Acquisition of treasury stock	6(31)	(296,649)	(403,475)
Payments of lease liabilities	6(32)	(15,760)	(3,848)
Changes in non-controlling interests		-	(6,381)
Net cash flows used in financing activities		(1,104,639)	(7,449,584)
Changes in exchange rates		(73,386)	725,749
Net decrease in cash and cash equivalents		(1,024,751)	(654,582)
Cash and cash equivalents at beginning of period		8,047,784	7,796,543
Cash and cash equivalents at end of period		\$ 7,023,033	\$ 7,141,961

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

CLEVO CO. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020 AND 2019

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

(REVIEWED, NOT AUDITED)

1. HISTORY AND ORGANISATION

Clevo Co. (the “Company”) was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.). The Company and its subsidiaries (collectively referred herein as the “Group”) are primarily engaged in the design, manufacture and sales of VDUs, computers and peripheral devices, and the leasing business of Buynow.

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

These consolidated financial statements were authorized for issuance by the Board of Directors on November 12, 2020.

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 2020 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IAS 1 and IAS 8, ‘Disclosure Initiative-Definition of Material’	January 1, 2021
Amendments to IFRS 3, ‘Definition of a business’	January 1, 2020
Amendments to IFRS 9, IAS 39 and IFRS 7, ‘Interest rate benchmark reform’	January 1, 2020
Amendment to IFRS 16, ‘Covid-19-related rent concessions’	June 1, 2020 (Note)

Note: Earlier application from January 1, 2020 is allowed by the FSC.

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 4, 'Extension of the temporary exemption from applying IFRS 9'	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.

(3) 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
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 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 IFRSs 2018-2020 cycle	January 1, 2022
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.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

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 Standard 34, ‘Interim financial reporting’ as endorsed by the FSC.

(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) Investment property measured at fair value.
 - (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 judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement 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 unrealized gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency 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 would be required 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:

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
The Company	Clevo Computer Singapore Pte Ltd.	Management and advisory of computers	100	100	100	(Note 1)
The Company	Clevo (Cayman Islands) Holding Company	Investing	100	100	100	
The Company	Kapok Computer (Samoa) Corporation	Investing	100	100	100	
The Company	Kapok Computer Co., Ltd.	Design and sale of computers and computer peripherals	100	100	100	(Note 1)
The Company	Clevo Investment Co., Ltd.	Investing	100	100	100	(Note 1)
The Company	Buynow On-line Holding Corporation	Investing	100	100	100	(Note 1)
The Company	Lunaria Investment GK.	Building leasing	-	-	98.99	(Notes 1 and 6)
Clevo (Cayman Islands) Holding Company	Buynow Global Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Buynow (Hangzhou) Corporation	Investing	100	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Clevo (Cayman Islands) Holding Company	Buynow (Zhengzhou) Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Buynow Group (Changsha) Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Buynow (Nanchang) Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Buynow (Guangzhou) Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Flying Wolf Investment Limited	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Buynow (Xiamen) Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Buynow Group (Xian) Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Buynow (Changchun) Corporation	Investing	100	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Clevo (Cayman Islands) Holding Company	Buynow Group (Qingdao) Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Buynow (Wuxi) Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Buynow (Harbin) Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Flying International Investment Limited	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Buynow (Chongqing) Limited	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Buynow (Daqing) Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Buynow (Zibo) Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Buynow (Beijing) Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Buynow (Yancheng) Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Skill Develop International Limited	Investing	100	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Clevo (Cayman Islands) Holding Company	Buynow (Yingkou) Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Buynow (Anshan) Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Buynow (Huizhou) Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Buynow (Guiyang) Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Buynow (Taizhou) Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Buynow (Dezhou) Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Buynow (Luoyang) Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Smarter Capital Limited	Investing	100	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Clevo (Cayman Islands) Holding Company	Buynow (Fujian Quanzhou) Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Buynow (Jinzhou) Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Clevo (China) Investment Co., Ltd.	Investing in companies, setting up R&D department and consultation service	100	100	100	
Clevo (Cayman Islands) Holding Company	Buynow (Shantou) Corporation	Investing	100	100	100	
Clevo (Cayman Islands) Holding Company	Clevo (HK) Investment Holding Limited	Investing	100	100	100	
Clevo (HK) Investment Holding Limited	Clevo Japan GK	Investing	-	100	100	(Note 7)
Buynow On-line Holding Corporation	Buynow On-line Limited	Investing	100	100	100	
Skill Develop International Limited	Well Asia Investment Limited	Investing	100	100	100	
Clevo Computer Singapore Pte Ltd.	Buynow (Chengdu) Corporation	Investing	100	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Clevo Computer Singapore Pte Ltd.	Buynow (Nanjing) Facility Leasing and Management Co., Ltd.	Manufacturing, sale, research and development of computers and computer peripherals and services for related electronics products	100	100	100	
Clevo Computer Singapore Pte Ltd.	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Manufacturing, sale, research and development of computers and computer peripherals and services for related electronics products	100	100	100	
Clevo Computer Singapore Pte Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	Manufacturing, sale, research and development of computers and computer peripherals; Display, advisory and after-sales service of digital products; Property management of self-owned buildings	8.82	8.82	8.82	(Note 2)

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Buynow Group (Qingdao) Corporation	Qingdao Buynow Technology Industry Co., Ltd.	Manufacturing, sale, research and development of computers and computer peripherals; Display, advisory and after-sales service of digital products; Property management of self-owned buildings	20.59	20.59	20.59	(Note 2)
Kapok Computer (Samoa) Corporation	Kapok Computer (Kunshan) Co., Ltd.	Manufacturing, sale, research and development and maintenance service of computers, notebooks, tablets, information and communication products and computer components	100	100	100	
Buynow Global Corporation	Shanghai Buynow Electronic Information Co., Ltd.	Rental of exhibition, advisory, maintenance service and property management of computer and related electronics products	21.21	21.21	21.21	(Note 2)

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Buynow Global Corporation	Quality Trust Property Management Co., Ltd.	Property management, advisory of real estate, building leasing, housekeeping service, parking lot service, car wash service and business service	100	100	100	
Buynow Global Corporation	Kunshan Kaishuo Trading Co., Ltd.	Mechanical equipment and accessories, wire and cable, air conditioning equipment, building and decoration material, lighting equipment, Kitchen appliance, water cleaner, pipeline and accessories, fire safety equipment, compressor and accessories, wholesale of elevators and appliances, import and export and advisory services	100	100	100	
Buynow (Hangzhou) Corporation	Buynow (Hangzhou) Electronic Information Co., Ltd.	Manufacturing, sale, research and development and after-sales service of computers and computer peripherals; Property management of buildings	100	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Buynow Group (Xian) Corporation	Buynow (Xian) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	100	100	100	
Buynow Group (Changsha) Corporation	Buynow (Changsha) Industry Co., Ltd.	Manufacturing, sale, research and development and after-sales services of computers and computer peripherals; Property management of buildings	100	100	100	
Buynow (Zhengzhou) Corporation	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	100	100	100	
Buynow (Nanchang) Corporation	Buynow (Nanchang) Industry Co., Ltd.	Manufacturing, sale, research and development and after-sales services of computers and computer peripherals; Property management of buildings	100	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Buynow (Guangzhou) Corporation	Buynow Electronic Information (Guangzhou) Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	100	100	100	
Buynow (Xiamen) Corporation	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	100	100	100	
Buynow (Changchun) Corporation	Buynow (Changchun) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals; Property management of buildings	95.24	95.24	95.24	(Note 2)
Flying Wolf Investment Limited	Buynow (Changchun) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals; Property management of buildings	4.76	4.76	4.76	(Note 2)

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Flying Wolf Investment Limited	Buynow Electronic Information (Shenyang) Co., Ltd.	Research and development of computers and computer peripherals and electronic products; Advisory services of economic information	100	100	100	
Flying Wolf Investment Limited	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computer software and digital products	28.57	28.57	28.57	(Note 2)
Buynow (Wuxi) Corporation	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computer software and digital products	71.43	71.43	71.43	(Note 2)
Buynow (Harbin) Corporation	Buynow (Harbin) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	100	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Buynow (Chengdu) Corporation	Buynow (Chengdu) Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals; Property management of buildings	100	100	100	
Flying International Investment Limited	Tianjin Buynow Electronic Information Co., Ltd.	Manufacturing, sale, research and development of computers and computer peripherals and digital products	100	100	100	
Buynow (Chongqing) Limited	Buynow (Chongqing) Industry Co., Ltd.	Manufacturing, sale, research and development of computers and computer peripherals (not including electronic publishing), shopping mall management, wholesale and retail of electronic products, property management and parking lot service	100	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Buynow On-line Limited	Shanghai Buynow Online Information Technology Co., Ltd.	Wholesale and retail, import and export, and after-sales service of household appliances, computer and computer components, communication equipment, electrical devices, office supplies and complementary products; Development, technology transfer, advisory, service and training for internet, computer software and hardware and communication equipment	100	100	100	
Buynow (Daqing) Corporation	Daqing Buynow Electronic Information Co., Ltd.	Manufacturing, retail and wholesale of computers and computer peripherals; Electronic information shopping mall management	100	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Well Asia Investment Limited	Guangdong Buynow Real Estate Management Co., Ltd.	Self-owned property management and leasing; Manufacturing, research and development of computer software and hardware and digital products	65	65	65	(Note 2)
Buynow (Zibo) Corporation	Zibo Buynow Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products; Advisory services for business management; Leasing of self-owned buildings, parking lot management, shopping mall management and property management	100	100	100	
Buynow (Beijing) Corporation	Beijing Clevo Investment Management Consultant Co., Ltd.	Business advisory of investment management, wholesale agency of electronic products, import and export of goods and property management	76	76	76	(Note 2)

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Buynow (Yancheng) Corporation	Buynow (Yancheng) Electronic Information Technology Development Co. Ltd.	Manufacturing, maintenance service, research and development of computers and computer peripherals and digital products, and advisory of business management	100	100	100	
Buynow (Huizhou) Corporation	Buynow Electronic Information (Huizhou) Co., Ltd.	Industrial investment, management advisory of business, property management, computer network workshop and advertisement production	40	40	40	(Note 2)
Buynow (Yingkou) Corporation	Yingkou Buynow Electronic Information Co., Ltd.	Manufacturing, maintenance service, research and development of computers and computer peripherals and digital products, and business management advisory services	100	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Buynow (Anshan) Corporation	Anshan Buynow Electronic Information Co., Ltd.	Manufacturing, maintenance service, research and development of computers and computer peripherals and digital products, and business management advisory services	100	100	100	
Buynow (Guiyang) Corporation	Guiyang Buynow Electronic Information Co., Ltd.	Research and development of computers and computer peripherals and electronic products, and business management advisory services	100	100	100	
Buynow (Taizhou) Corporation	Taizhou Buynow Electronic Information Co., Ltd.	Manufacturing, maintenance service, research and development of computers and computer peripherals and digital products, and business management advisory services	100	100	100	
Smarter Capital Limited	Buynow SZ. Corporation	Investing	100	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Buynow SZ. Corporation	Suzhou Jinzuo Industry Co., Ltd.	Business affairs and property management business	100	100	100	
Buynow (Dezhou) Corporation	Dezhou Buynow Electronic Information Co., Ltd.	Research and development and maintenance service of computers and computer peripherals and electronic products; Business management advisory services and shopping mall management	100	100	100	
Buynow (Luoyang) Corporation	Luoyang Buynow Electronic Information Co., Ltd.	Research and development and maintenance service of computers and computer peripherals and electronic products; Business management advisory services and shopping mall management	100	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Buynow (Fujian Quanzhou) Corporation	Quanzhou Buynow Industry Co., Ltd.	Research and development and maintenance service of computers and computer peripherals and electronic products; Business management advisory services and shopping mall management	100	100	100	
Buynow (Jinzhou) Corporation	Buynow (Jinzhou) Industry Co., Ltd.	Manufacturing of computer software and hardware and consumer electronic products; Business management advisory services and shopping mall management	100	100	100	
Buynow (Shantou) Corporation	Shantou Buynow Mall Co., Ltd.	Investment in companies primarily engaged in research and development and advisory services	100	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Kapok Computer Co., Ltd.	Kunshan Kaiming Trading Co., Ltd.	Provide market management services for operators of laptop computers, tablets, desktop computers, palmtop computers, information and communication products and computer components	100	100	100	
Shanghai Buynow Electronic Information Co., Ltd.	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Provide market management services for operators of electronic products	100	100	100	
Shanghai Buynow Electronic Products Market Management Co., Ltd.	Shanghai Huihei Advertisment Co., Ltd.	Advertising design and marketing	100	100	100	
Shanghai Buynow Electronic Products Market Management Co., Ltd.	Shanghai Huizhuan Restaurant Management Co., Ltd.	Catering business management	80	80	80	(Note 2)
Quality Trust Property Management Co., Ltd.	Wuxi Quantai Property Management Co., Ltd.	Property management, real estate advisory services, building leasing, housekeeping service, parking lot service, car wash service and business service	100	100	100	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Buynow (Wuxi) Corporation	Wuxi Buynow Electronic Market Co., Ltd.	Leasing of facility, market management service, catering management, property management, parking lot management	100	100	100	
Buynow (Wuxi) Corporation	Beijing Kaiye Electronic Technology Co., Ltd.	Technology extension services, computer maintenance, public parking lot service for motorcycle, property management, business management advisory services, business building leasing, wholesale of computer and computer peripherals, hardware electronic products and household appliances	12.5	10	10	(Note 3)
Buynow (Fujian) Electronic Co., Ltd.	Xiamen Lejing Internet Bar Co., Ltd.	Internet café and internet message service	-	100	100	(Note 8)

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Buynow Electronic Information (Guangzhou) Co., Ltd.	Guandong Huijing Real Estate Development Co., Ltd.	Self-owned property management and leasing, manufacturing, sale, research and development of computer software and hardware and digital products	35	35	35	(Note 2)
Buynow Electronic Information (Guangzhou) Co., Ltd.	Buynow Electronic Information (Huizhou) Co., Ltd.	Industrial investment, business management advisory services, property management, computer network workshop and advertisement production	60	60	60	(Note 2)
Clevo (China) Investment Co., Ltd.	Shanghai Huizhuan Restaurant Management Co., Ltd.	Catering business management	20	20	20	(Note 2)
Clevo (China) Investment Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Leasing of exhibition space for computer and electronic products, information advisory, maintenance service and property management	78.79	78.79	78.79	(Note 2)

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Clevo (China) Investment Co., Ltd.	Qingdao Buynow Technology Industrial Co., Ltd.	Leasing of exhibition space for computer and electronic products, information advisory, maintenance service and property management	70.59	70.59	70.59	(Note 2)
Suzhou Jinzuo Corporation Limited	Suzhou Buynow Department Store Co., Ltd.	Wholesale and retail of daily goods, office supplies, shoes, hats and bags, household appliance, sporting goods, hardware electronic, watch and the first-class medical device	-	-	100	(Note 5)

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Beijing Kaiye Electronic Technology Co., Ltd.	Technology extension services, computer maintenance, public parking lot service for motorcycle, property management, business management advisory services, business building leasing, wholesale of computer and computer peripherals, hardware electronic products and household appliances	12.5	20	20	(Note 3)

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Buynow Electronic Information (Zhengzhou)	Beijing Kaiye Electronic Technology Co., Ltd.	Technology extension services, computer maintenance, public parking lot service for motorcycle, property management, business management advisory services, business building leasing, wholesale of computer and computer peripherals, hardware electronic products and household appliances	12.5	20	20	(Note 3)

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Buynow (Changchun) Industry Co., Ltd.	Beijing Kaiye Electronic Technology Co., Ltd.	Technology extension services, computer maintenance, public parking lot service for motorcycle, property management, business management advisory, and business building leasing, wholesale of computer and computer peripherals, hardware electronic products and household appliances	12.5	20	20	(Note 3)

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Buynow (Nanchang) Industry Co., Ltd.	Beijing Kaiye Electronic Technology Co., Ltd.	Technology extension services, computer maintenance, public parking lot service for motorcycle, property management, business management and advisory, business building leasing, wholesale of computer and computer peripherals, hardware electronic products and household appliances	12.5	-	-	(Note 3)

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Buynow (Hangzhou) Electronic Information Co., Ltd.	Beijing Kaiye Electronic Technology Co., Ltd.	Technology extension services, computer maintenance, public parking lot service for motorcycle, property management, business management and advisory, business building leasing, wholesale of computer and computer peripherals, hardware electronic products and household appliances	12.5	20	20	(Note 3)

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
Tianjin Buynow Electronic Information Co., Ltd.	Beijing Kaiye Electronic Technology Co., Ltd.	Technology extension services, computer maintenance, public parking lot service for motorcycle, property management, business management and advisory, business building leasing, wholesale of computer and computer peripherals, hardware electronic products and household appliances	12.5	10	10	(Note 3)
Buynow (Changchun) Industry Co., Ltd.	Beijing Clevo Investment Management Consultant Co., Ltd.	Business advisory of investment management, wholesale agency of electronic products, import and export of goods and property management	12.39	12.39	12.39	(Note 4)
Buynow Electronic Information (Zhengzhou)	Beijing Clevo Investment Management Consultant Co., Ltd.	Business advisory of investment management, wholesale agency of electronic products, import and export of goods and property management	11.61	11.61	11.61	(Note 4)

Note 1: The financial statements of the entity as of and for the nine-month periods ended September 30, 2020 and 2019 were not reviewed by the independent auditors as the entity did not meet the definition of a significant subsidiary.

Note 2: The parent company of the Group held 100% of the shares in these subsidiaries, and the subsidiaries were included in the consolidated financial statements.

Note 3: On August 14, 2020, Beijing Kaiye Electronic Technology Co., Ltd. increased its capital and consequently, the ownership percentage held by Tianjin Buynow Electronic Information Co., Ltd. and Buynow (Wuxi) Electronic Technology Development Co., Ltd. increased from 10% to 12.5%, the ownership percentage held by Buynow (Zhengzhou) Electronic Information Co., Ltd., Buynow (Changchun) Industry Co., Ltd., Buynow (Hangzhou) Electronic Information Co., Ltd. and Kalor Buynow (Heifei) Electronic Information Co., Ltd. decreased from 20% to 12.5% and the ownership percentage held by Buynow (Nanchang) Industry Co., Ltd. increased from 0% to 25%. The parent company of the Group held 100% of the shares in these subsidiaries, and the subsidiaries were included in the consolidated financial statements.

Note 4: On July 1, 2019, Shanghai Buynow Electronic Information Co., Ltd. sold its originally held 11.61% equity interest in Beijing Clevo Investment Management Consultant Co., Ltd. to Buynow (Zhengzhou) Electronic Information Co., Ltd. Daqing Buynow Electronic Information Co., Ltd. and Zibo Buynow Electronic Information Co., Ltd. sold their originally held 5.42% and 6.97% equity interests in Beijing Clevo Investment Management Consultant Co., Ltd. to Buynow (Changchun) Industry Co., Ltd., respectively. However, the Group's ultimate parent company held a 100% equity interest in Beijing Clevo Investment Management Consultant Co., Ltd., therefore, the company was included in the Group's consolidated entities.

Note 5: Suzhou Buynow Department Store Co., Ltd. was liquidated and dissolved on August 13, 2019.

Note 6: LUNARIA INVESTMENT GK remitted all capital back after disposing property on July 18, 2019.

Note 7: The registration of Clevo Japan GK was cancelled on March 13, 2020.

Note 8: The registration of Xiamen Lejing Internet Bar Co., Ltd. was cancelled on September 15, 2020.

C. Subsidiaries not included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2020	December 31, 2019	September 30, 2019	
The Company	Clevo France Sarl	Design and sale of computers and computer peripherals	100	100	100	(Note)

Note: As CLEVO FRANCE SARL has ceased operations, there was no outstanding balance in its balance sheet and income statement accounts as of and for the three-month and nine-month periods ended September 30, 2020 and 2019.

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: None.

(4) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in "New Taiwan Dollars", which is the Company's functional and the Group's presentation currency.

A. Foreign currency transactions and balances

- (a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.
- (b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.
- (c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
- (d) All other foreign exchange gains and losses based on the nature of those transactions are presented in the statement of comprehensive income within 'other gains and losses'.

B. Translation of foreign operations

- (a) The operating results and financial position of all the group entities, associates and joint

arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
 - ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
 - iii. All resulting exchange differences are recognised in other comprehensive income.
- (b) When the foreign operation partially disposed of or sold is an associate or joint arrangement, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Group retains partial interest in the former foreign associate or joint arrangement after losing significant influence over the former foreign associate, or losing joint control of the former joint arrangement, such transactions should be accounted for as disposal of all interest in these foreign operations.
- (c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(5) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
- (a) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
 - (b) Assets held mainly for trading purposes;
 - (c) Assets that are expected to be realized within twelve months from the balance sheet date;
 - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
- (a) Liabilities that are expected to be settled within the normal operating cycle;
 - (b) Liabilities arising mainly from trading activities;
 - (c) Liabilities that are to be settled within twelve months from the balance sheet date;
 - (d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its

classification.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

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

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.
- D. The Group recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(8) Financial assets at amortized cost

- A. Financial assets at amortized cost are those that meet all of the following criteria:
 - (a) The objective of the Group's business model is achieved by collecting contractual cash flows.
 - (b) The assets' contractual cash flows represent solely payments of principal and interest.
- B. On a regular way purchase or sale basis, financial assets at amortized cost are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognised in profit or loss when the asset is derecognised or impaired.
- D. The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(9) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.
- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(10) Impairment of financial assets

For debt instruments measured at fair value through other comprehensive income and financial assets at amortized cost including accounts receivable that have a significant financing component and lease receivables, at each reporting date, the Group recognises the impairment provision for 12

months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognises the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable that do not contain a significant financing component, the Group recognises the impairment provision for lifetime ECLs.

(11) Derecognition of financial assets

The Group derecognises a financial asset when one of the following conditions is met:

- A. The contractual rights to receive the cash flows from the financial asset expire.
- B. The contractual rights to receive cash flows of the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.
- C. The contractual rights to receive cash flows of the financial asset have been transferred; however, the Group has not retained control of the financial asset.

(12) Leasing arrangements (lessor) - operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(13) Inventories

- A. Inventories, including construction in progress, buildings and land held for sale, are measured at acquired cost and capitalize borrowing costs incurred during the period of construction.
- B. The lands use rights of house construction and the superficies rights of acquiring specific lands the Group acquired for construction development and leasing are in accordance with paragraph 6 and 8 of IAS 2, therefore, the acquired costs of land use rights are recognised as inventories.
- C. The cost of the computers and peripheral products is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and relating production overheads (allocated based on normal operating capacity). It excludes borrowing costs.
- D. Inventories are stated at the lower of cost and net realizable value. The item by item approach is used in applying the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expenses.

(14) Non-current assets held for sale

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction rather than through continuing use, and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

(15) Investments accounted for using equity method / associates

- A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are

accounted for using the equity method and are initially recognised at cost.

- B. The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.
- C. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Group's ownership percentage of the associate, the Group recognises change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.
- D. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
- E. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

(16) Investment accounted for using equity method - joint ventures

- A. Investment in joint arrangements are classified as joint ventures based on its contractual rights and obligations.
- B. Investment accounted for using equity method - joint ventures

The Group accounts for its interest in a joint venture using equity method. Unrealized profits and losses arising from the transactions between the Group and its joint venture are eliminated to the extent of the Group's interest in the joint venture. However, when the transaction provides evidence of a reduction in the net realizable value of current assets or an impairment loss, all such losses shall be recognised immediately. When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture together with any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint venture.

(17) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.
- B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as

appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

- C. Land is not depreciated. Other property, plant, and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.
- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	2 ~ 50 years
Machinery and equipment	3 ~ 5 years
Molding equipment	1 ~ 3 years
Computer and communication equipment	3 ~ 5 years
Transportation equipment	1 ~ 5 years
Office equipment	3 ~ 5 years
Other equipment	3 ~ 5 years
Leasehold improvements	5 ~ 30 years

(18) Leasing arrangements (lessee) - right-of-use assets/lease liabilities

- A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.
- B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are fixed payments, less any lease incentives receivable.
The Group subsequently measures the lease liability at amortized cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.
- C. At the commencement date, the right-of-use asset is stated at cost comprising the following:
 - (a) The amount of the initial measurement of lease liability;

- (b) Any lease payments made at or before the commencement date; and
- (c) Any initial direct costs incurred by the lessee.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term.

When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

(19) Investment property

- A. The investment property is to earn rental revenue or for capital appreciation or both instead of non-owner-occupied property held by the Group.
- B. The Group acquired the specific land superfices and its right to use of the constructed buildings on the land. Due to the development of the construction plans, the Group leased the land as the investing properties and recognised the acquired historical cost of the land use rights as the basis.
- C. An investment property is stated initially at its cost and measured subsequently using the fair value model. A gain or loss arising from a change in the fair value of investment property is recognised in profit or loss.

(20) Intangible assets

- A. Computer software

Computer software is stated at cost and amortized on a straight-line basis over its estimated useful life of 1 to 10 years.

- B. Goodwill

Goodwill arises in a business combination accounted for by applying the acquisition method.

(21) Impairment of non-financial assets

- A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognised.
- B. The recoverable amounts of goodwill are evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.
- C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is

monitored for internal management purposes. Goodwill is monitored at the operating segment level.

(22) Borrowings

- A. Borrowings comprise long-term and short-term bank borrowings and other long-term and short-term loans. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.
- B. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

(23) Notes and accounts payable

- A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.
- B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(24) Financial liabilities at fair value through profit or loss

- A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorized as financial liabilities held for trading unless they are designated as hedges.
- B. At initial recognition, the Group measures the financial liabilities at fair value. All related transaction costs are recognised in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognised in profit or loss.

(25) Bonds payable

Ordinary corporate bonds issued by the Group are initially recognised at fair value less transaction costs. Any difference between the proceeds (net of transaction costs) and the redemption value is presented as an addition to or deduction from bonds payable, which is amortized to profit or loss over the period of bond circulation using the effective interest method as an adjustment to 'finance costs'.

(26) Derecognition of financial liabilities

A financial liability is derecognised when the obligation specified in the contract is either discharged or cancelled or expires.

(27) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount 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 realize the asset and settle the liability simultaneously.

(28) Non-hedging derivatives

Non-hedging derivatives are initially recognised at fair value on the date a derivative contract is entered into and recorded as financial assets or financial liabilities at fair value through profit or loss. They are subsequently remeasured at fair value and the gains or losses are recognised in profit or loss.

(29) Provisions

Warranty provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated.

(30) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expense 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 plans

- 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 high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability; when there is no deep market in high-quality corporate bonds, the Group uses interest rates of government bonds (at the balance sheet date) instead.
- 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. 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.

C. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognised as expense and liability, 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 employee compensation is paid by shares, the Group calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(31) 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 expense 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 balance sheet. 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 and associates, 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 realized 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 utilized. 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 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 realize 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 realize the asset and settle the liability simultaneously.

- F. A deferred tax asset shall be recognised for the carryforward of unused tax credits resulting from acquisitions of equipment or technology, research and development expenditures and equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilized.
- G. 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.
- H. If a change in tax rate is enacted or substantively enacted in an interim period, the Group recognises the effect of the change immediately in the interim period in which the change occurs. The effect of the change on items recognised outside profit or loss is recognised in other comprehensive income or equity while the effect of the change on items recognised in profit or loss is recognised in profit or loss.

(32) Share capital

- A. Ordinary shares are classified as equity.
- B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their book value and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(33) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are resolved by the Company's shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(34) Revenue recognition

A. Sales of goods

- (a) The Group designs, manufactures and sells a range of video display devices, computers and peripheral products. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.

- (b) The computers are often sold with volume discounts based on aggregate sales over a 12-month period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts and sales discounts and allowances. Accumulated experience is used to estimate and provide for the volume discounts and sales discounts and allowances, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. A refund liability is recognised for expected volume discounts and sales discounts and allowances payable to customers in relation to sales made until the end of the reporting period. The sales usually are made with a credit term of 30 days to 120 days. As the time interval between the transfer of committed goods or service and the payment of customer does not exceed one year, the Group does not adjust the transaction price to reflect the time value of money.
- (c) The Group's obligation to provide a refund for faulty products under the standard warranty terms is recognised as a provision.
- (d) A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

B. Booth rental revenue

The Group held investment properties to earn rentals, and lease revenue is recognised on a straight-line basis over the lease term.

C. Land development and resale

- (a) The Group develops and sells residential properties. Revenue is recognised when control over the property has been transferred to the customer. The properties have generally no alternative use for the Group due to contractual restrictions. However, an enforceable right to payment does not arise until legal title has passed to the customer. Therefore, revenue is recognised at a point in time when the legal title has passed to the customer.
- (b) The revenue is measured at an agreed upon amount under the contract. The consideration is due when legal title has been transferred.

D. Hotel revenue

- (a) The main services the Group provides are food services and accommodations.
- (b) Food services revenue is recognised at a point in time when the products are sold to the customers and the payments are charged immediately. The Group's sales policy offers customers the rights of return within a certain time period. The estimate of sales return is evaluated with expected method based on historical experiences at the time of sale, and accumulated revenue the Group recognised shall not be reversed in the following years according to historical experiences. The validity of this assumption and estimated amount of returns are reassess at each reporting date.
- (c) The accommodations revenue is recognised on a straight-line basis throughout the period of

stay of the customer. The customer pays at the time specified in the payment schedule.

E. Incremental costs of obtaining a contract

Given that the contractual period lasts less than one year, the Group recognises the incremental costs of obtaining a contract as an expense when incurred although the Group expects to recover those costs.

(35) Government grants

Government grants are recognised at their fair value only when there is reasonable assurance that the Group will comply with any conditions attached to the grants and the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises expenses for the related costs for which the grants are intended to compensate. Government grants related to property, plant and equipment are recognised as non-current liabilities and are amortized to profit or loss over the estimated useful lives of the related assets using the straight-line method.

(36) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group's chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

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

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical judgements in applying the Group's accounting policies

Investment property

The Group uses a portion of the property for its own use and another portion to earn rentals or for capital appreciation. When these portions cannot be sold separately and cannot be leased out separately under a finance lease, the property is classified as investment property only if the own-use portion accounts for an insignificant part of the property.

(2) Critical accounting estimates and assumptions

A. Evaluation of inventories

As inventories are stated at the lower of cost and net realizable value, the Group must determine the net realizable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Group evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet

date, and writes down the cost of inventories to the net realizable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation.

As of September 30, 2020, the carrying amount of inventories was \$3,899,798.

B. Investment property measured at fair value

The Group assesses the fair value of investment property based on the professional judgement of appraiser, and determines the future cash flows of the investment property, discount rate and the future possible income and expenses arising from the assets depending on how assets are utilized and industrial characteristics. Any changes of economic circumstances or estimates due to the change of Group strategy might cause material effect in the amount of investment property measured at fair value.

As of September 30, 2020, the carrying amount of investment property was \$62,123,897.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	September 30, 2020	December 31, 2019	September 30, 2019
Cash on hand and revolving funds	\$ 1,660	\$ 1,923	\$ 2,247
Checking accounts and demand deposits	2,684,646	4,777,958	4,942,522
Time deposits	4,336,727	3,267,903	2,197,192
	<u>\$ 7,023,033</u>	<u>\$ 8,047,784</u>	<u>\$ 7,141,961</u>

A. The Group transacts 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. Time deposits pledged to others as collateral for borrowings and those with maturity over three months totaling \$1,021,663, \$1,694,289 and \$3,496,331 were classified as financial assets at amortized cost as of September 30, 2020, December 31, 2019 and September 30, 2019, respectively.

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

Assets items	September 30, 2020	December 31, 2019	September 30, 2019
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Listed stocks	\$ 562,152	\$ 502,651	\$ 853,848
Beneficiary certificates	612,529	280,809	475,209
Derivatives	4,000	-	-
Valuation adjustment	469,019	238,734	405,045
	<u>\$ 1,647,700</u>	<u>\$ 1,022,194</u>	<u>\$ 1,734,102</u>

	<u>September 30, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>
<u>Liabilities items</u>			
Current items:			
Financial liabilities designated as at fair value through profit or loss			
Forward foreign exchange contracts	\$ 7,341	(\$ 1,008)	\$ -
A. Amounts recognised in profit or loss in relation to financial assets at fair value through profit or loss are listed below:			

	<u>Three-month period ended</u>	
	<u>September 30, 2020</u>	<u>September 30, 2019</u>
Financial assets mandatorily measured at fair value through profit or loss		
Equity instruments	(\$ 5,642)	\$ 95,750
Beneficiary certificates	68,337	106,347
	<u>\$ 62,695</u>	<u>\$ 202,097</u>

	<u>Nine-month period ended</u>	
	<u>September 30, 2020</u>	<u>September 30, 2019</u>
Financial assets mandatorily measured at fair value through profit or loss		
Equity instruments	(\$ 48,266)	\$ 324,026
Beneficiary certificates	252,228	279,447
	<u>\$ 203,962</u>	<u>\$ 603,473</u>

B. The Group entered into contracts relating to derivative financial assets and liabilities which were not accounted for under hedge accounting. The information is listed below:

	<u>September 30, 2020</u>	
	<u>Contract amount</u>	<u>Contract period</u>
<u>Derivative financial assets</u>	<u>(notional principal)</u>	
Current items:		
Foreign exchange swap	USD \$ 9,000	2020/06/08~2021/06/10
<u>Derivative financial liabilities</u>		
Current items:		
Forward foreign exchange contracts	USD 29,000	2020/04/14~2021/06/11

<u>Derivative financial assets</u>	<u>December 31, 2019</u>	
	<u>Contract amount (notional principal)</u>	<u>Contract period</u>
Current items:		
Forward foreign exchange contracts	<u>USD \$18,000</u>	2019/12/25~2020/03/05
<u>Forward foreign exchange contracts</u>		

The Group entered into forward foreign exchange contracts to sell or buy foreign currency to hedge exchange rate risk of foreign currency and earn the exchange rate spread. However, these forward foreign exchange contracts are not accounted for under hedge accounting.

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

(3) Accounts receivable

	<u>September 30, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>
Accounts receivable	\$ 2,900,221	\$ 2,045,675	\$ 2,463,076
Accounts receivable - related parties	-	1,022	1,045
Less: Allowance for uncollectible accounts	(53,153)	(48,704)	(42,158)
	<u>\$ 2,847,068</u>	<u>\$ 1,997,993</u>	<u>\$ 2,421,963</u>

A. The ageing analysis of accounts receivable and notes receivable that were past due but not impaired is as follows:

	<u>September 30, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>
	<u>Accounts receivable</u>	<u>Accounts receivable</u>	<u>Accounts receivable</u>
Not past due	\$ 2,535,379	\$ 1,652,030	\$ 1,858,890
Up to 30 days	217,452	273,007	433,229
31 to 90 days	57,884	69,102	45,638
91 to 180 days	21,909	19,222	59,443
Over 180 days	67,597	33,336	66,921
	<u>\$ 2,900,221</u>	<u>\$ 2,046,697</u>	<u>\$ 2,464,121</u>

The above ageing analysis was based on past due date.

B. As of September 30, 2020, December 31, 2019, September 30, 2019 and January 1, 2019, the balances of receivables from contracts with customers amounted to \$2,900,221, \$2,046,697, \$2,464,121, and \$1,682,599, respectively.

C. The Group has no accounts receivable pledged to others.

D. As at September 30, 2020, December 31, 2019 and September 30, 2019, 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 Group's accounts receivable was \$2,847,068, \$1,997,993 and \$2,421,963, respectively.

E. The Group has taken out credit insurance on accounts receivable from some of the main clients.

The Group will get compensation based on the agreements.

F. Information related to credit risk of accounts receivable is provided in Note 12(3).

(4) Inventories

	September 30, 2020		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 1,795,511	(\$ 57,761)	\$ 1,737,750
Semi-finished goods	71,417	(2,254)	69,163
Work in progress	132,881	-	132,881
Finished goods	7,093	(213)	6,880
Merchandise inventory	15,482	-	15,482
	<u>2,022,384</u>	<u>(60,228)</u>	<u>1,962,156</u>
Buildings and land held for sale	<u>1,966,582</u>	<u>(28,940)</u>	<u>1,937,642</u>
	<u>\$ 3,988,966</u>	<u>(\$ 89,168)</u>	<u>\$ 3,899,798</u>

	December 31, 2019		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 1,387,108	(\$ 58,204)	\$ 1,328,904
Semi-finished goods	106,863	(2,818)	104,045
Work in progress			
Finished goods	88,018	-	88,018
Merchandise inventory	8,009	(259)	7,750
	<u>1,589,998</u>	<u>(61,281)</u>	<u>1,528,717</u>
Buildings and land held for sale	<u>2,660,057</u>	<u>(29,330)</u>	<u>2,630,727</u>
	<u>\$ 4,250,055</u>	<u>(\$ 90,611)</u>	<u>\$ 4,159,444</u>

	September 30, 2019		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 1,650,474	(\$ 50,860)	\$ 1,599,614
Semi-finished goods	118,495	(2,171)	116,324
Work in progress	106,286	(657)	105,629
Finished goods	5,338	-	5,338
Merchandise inventory	8,088	-	8,088
	<u>1,888,681</u>	<u>(53,688)</u>	<u>1,834,993</u>
Buildings and land held for sale	<u>3,281,263</u>	<u>(57,442)</u>	<u>3,223,821</u>
	<u>\$ 5,169,944</u>	<u>(\$ 111,130)</u>	<u>\$ 5,058,814</u>

A. The cost of inventories recognised as expense was \$4,617,151, \$4,555,368, \$11,412,317 and \$12,715,102, including \$0, \$20,226, \$0 and \$20,226 that the Group reversed from a previous inventory write-down and accounted for as reduction of cost of goods sold due to the sales of

building and land held for sale for the three-month and nine-month periods ended September 30, 2020 and 2019, respectively, as well as the amounts of \$11,587, \$8,735, \$18,092 and \$17,589 that the Group wrote down from cost to net realizable value accounted for as increase in cost of goods sold for the three-month and nine-month periods ended September 30, 2020 and 2019, respectively.

B. The amount of capitalized borrowing cost for the three-month and nine-month periods ended September 30, 2020 and 2019 was \$6,497, \$4,623, \$20,581 and \$24,928, respectively, and the capitalized rate was 3.00%~5.34%, 4.35%~5.94%, 3.00%~5.34% and 4.35%~5.94%, respectively.

C. As of September 30, 2020, inventories pledged are described in Note 8.

(5) Investments accounted for using equity method

	<u>September 30, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>
Associates:			
Chicony Square (Wuhan) Inc.	\$ 2,294,870	\$ 2,389,234	\$ 2,372,442
Chicony Chengdu International Inc.	42,410	41,773	36,702
Joint ventures:			
TAIPEI TWIN CORPORATION	991,346	999,457	-
	<u>\$ 3,328,626</u>	<u>\$ 3,430,464</u>	<u>\$ 2,409,144</u>
Other non-current liabilities			
	<u>September 30, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>
Chicony Square (Cayman) Inc.	<u>\$ 9,292</u>	<u>\$ 17,764</u>	<u>\$ 58,294</u>

A. Associates:

(a) The basic information of the associates that are material to the Group is as follows:

<u>Company name</u>	<u>Principal place of business</u>	<u>Shareholding ratio</u>		<u>Nature of relationship</u>	<u>Method of measurement</u>
		<u>September 30, 2020</u>	<u>December 31, 2019</u>		
Chicony Square (Wuhan) Inc.	China (Note 2)	30%	30%	Significant influence associate	Equity method
Chicony Square (Cayman) Inc.	China (Note 3)	30%	30%	Significant influence associate	Equity method
Chicony Chengdu International Inc.	China (Note 2)	3.75% (Note 1)	3.75% (Note 1)	Significant influence associate	Equity method

<u>Company name</u>	<u>Principal place of business</u>	<u>Shareholding ratio</u> <u>September 30, 2019</u>	<u>Nature of relationship</u>	<u>Method of measurement</u>
Chicony Square (Wuhan) Inc.	China (Note 2)	30%	Significant influence associate	Equity method
Chicony Square (Cayman) Inc.	China (Note 3)	30%	Significant influence associate	Equity method
Chicony Chengdu International Inc.	China (Note 2)	3.75% (Note 1)	Significant influence associate	Equity method

Note 1: The Group held 30% of shares in these subsidiaries.

Note 2: The registration is British Virgin Islands, and the principal place of business is China.

Note 3: The registration is Cayman Islands, and the principal place of business is China.

(b) The summarised financial information of the associates that are material to the Group is as follows:

Balance sheet

	<u>Chicony Square (Wuhan) Inc.</u>		
	<u>September 30, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>
Current assets	\$ 402,103	\$ 429,929	\$ 446,291
Non-current assets	7,268,510	7,578,121	7,493,327
Current liabilities	(21,047)	(43,936)	(31,477)
Total net assets	<u>\$ 7,649,566</u>	<u>\$ 7,964,114</u>	<u>\$ 7,908,141</u>

Carrying amount of the associate	<u>\$ 2,294,870</u>	<u>\$ 2,389,234</u>	<u>\$ 2,372,442</u>
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	<u>Chicony Square (Cayman) Inc.</u>		
	<u>September 30, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>
Current assets	\$ 2,137	\$ 2,360	\$ 2,396
Non-current assets	2,351,762	2,388,929	2,314,042
Current liabilities	(211,148)	(193,754)	(184,702)
Non-current liabilities	(2,173,725)	(2,256,750)	(2,326,050)
Total net assets	<u>(\$ 30,974)</u>	<u>(\$ 59,215)</u>	<u>(\$ 194,314)</u>

Carrying amount of the associate	<u>(\$ 9,292)</u>	<u>(\$ 17,764)</u>	<u>\$ 58,294</u>
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	Chicony Chengdu International Inc.		
	September 30, 2020	December 31, 2019	September 30, 2019
Current assets	\$ 31	\$ 32	\$ 33
Non-current assets	1,130,896	1,113,910	978,692
Total net assets	<u>\$ 1,130,927</u>	<u>\$ 1,113,942</u>	<u>\$ 978,725</u>
Carrying amount of the associate	<u>\$ 42,410</u>	<u>\$ 41,773</u>	<u>\$ 36,702</u>

Statement of comprehensive income

	Chicony Square (Wuhan) Inc.	
	Three-month period ended	
	September 30, 2020	September 30, 2019
Profit (loss) for the period from continuing operations	\$ 88,478	(\$ 7,327)
Other comprehensive income (loss), net of tax	141,353	(197,679)
Total comprehensive income (loss)	<u>\$ 229,831</u>	<u>(\$ 205,006)</u>

	Chicony Square (Wuhan) Inc.	
	Nine-month period ended	
	September 30, 2020	September 30, 2019
(Loss) profit for the period from continuing operations	(\$ 233,397)	\$ 225,317
Other comprehensive loss, net of tax	(81,150)	(152,830)
Total comprehensive (loss) income	<u>(\$ 314,547)</u>	<u>\$ 72,487</u>

	Chicony Square (Cayman) Inc.	
	Three-month period ended	
	September 30, 2020	September 30, 2019
Profit (loss) for the period from continuing operations	\$ 187,553	(\$ 53,628)
Other comprehensive income (loss), net of tax	18,180	(26,054)
Total comprehensive income (loss)	<u>\$ 205,733</u>	<u>(\$ 79,682)</u>

	Chicony Square (Cayman) Inc.	
	Nine-month period ended	
	September 30, 2020	September 30, 2019
Profit (loss) for the period from continuing operations	\$ 38,595	(\$ 11,097)
Other comprehensive loss, net of tax	(10,355)	(20,707)
Total comprehensive income (loss)	\$ 28,240	(\$ 31,804)

	Chicony Chengdu International Inc.	
	Three-month period ended	
	September 30, 2020	September 30, 2019
Profit (loss) for the period from continuing operations	\$ 199,560	(\$ 43,643)
Other comprehensive income (loss), net of tax	20,777	(29,776)
Total comprehensive income (loss)	\$ 220,337	(\$ 73,419)

	Chicony Chengdu International Inc.	
	Nine-month period ended	
	September 30, 2020	September 30, 2019
Profit for the period from continuing operations	\$ 28,820	\$ 57,334
Other comprehensive loss, net of tax	(11,834)	(23,665)
Total comprehensive income	\$ 16,986	\$ 33,669

B. Joint ventures

(a) The basic information of the joint venture that is material to the Group is as follows:

Shareholding ratio						
Company name	Principal place of business	September 30, 2020	December 31, 2019	September 30, 2019	Nature of relationship	Method of measurement
TAIPEI TWIN CORPORATION	New Taipei City	50%	50%	-	Financial investment	Equity method

(b) The summarized financial information of the joint venture that is material to the Group is as follows:

Balance sheet

TAIPEI TWIN CORPORATION		
	September 30, 2020	December 31, 2019
Cash and cash equivalents	\$ 621,860	\$ 179,226
Financial assets at amortised cost - current	1,181,865	-
Other current assets	19,654	1,800
Current assets	1,823,379	181,026
Financial assets at amortised cost - non-current	-	1,818,653
Construction in progress and equipment to be inspected	169,057	-
Other non-current assets	114	-
Non-current assets	169,171	1,818,653
Total assets	<u>\$ 1,992,550</u>	<u>\$ 1,999,679</u>
Current liabilities	(\$ 9,858)	(\$ 764)
Total liabilities	(9,858)	(764)
Total net assets	<u>\$ 1,982,692</u>	<u>\$ 1,998,915</u>
Share in joint venture's net assets	<u>\$ 991,346</u>	<u>\$ 999,457</u>
Carrying amount of the joint venture	<u>\$ 991,346</u>	<u>\$ 999,457</u>

Statement of comprehensive income

TAIPEI TWIN CORPORATION		
Three-month period ended September 30, 2020		
Other operating expenses	(\$ 7,541)	
Depreciation and amortisation	(17)	
Interest income	(405)	
Loss before income tax	(7,963)	
Income tax expense	-	
Loss, net of tax	(7,963)	
Total comprehensive loss	<u>(\$ 7,963)</u>	
Dividends received from joint venture	<u>\$ -</u>	

	<u>TAIPEI TWIN CORPORATION</u>
	<u>Nine-month period ended September 30, 2020</u>
Other operating expenses	(\$ 17,470)
Depreciation and amortisation	(47)
Interest income	1,295
Loss before income tax	(16,222)
Income tax expense	-
Loss, net of tax	(16,222)
Total comprehensive loss	(\$ 16,222)
Dividends received from joint venture	\$ -

The Company and EPOQUE CORPORATION participated in the land development project of Taipei City Western District Gateway Project-Taipei Main Station Special Zone C1/D1 (Eastern Part) to jointly establish TAIPEI TWIN CORPORATION. The investments amounting to \$1 billion from both the Company and EPOQUE CORPORATION account for 50% of the total investment and the shareholding ratio is 50% for each. TAIPEI TWIN CORPORATION will be jointly controlled by both parties based on the joint venture agreement.

- C. The amounts of the associates accounted for under the equity method recognised by the Group were based on the financial statements of each associate that were not reviewed by independent auditors for the corresponding periods. For the three-month and nine-month periods ended September 30, 2020 and 2019, the Group recognised share of profit (loss) and other comprehensive income of associates amounting to \$128,025, (\$74,447), (\$83,869) and \$22,683, respectively. On September 30, 2020 and 2019, the investments accounted for under the equity method amounted to \$3,328,626 and \$2,409,144 and the credit balance of long-term investments (shown as other non-current liabilities) amounted to \$9,292 and \$58,294, respectively. On December 31, 2019, the amounts of associates accounted for under the equity method recognised by the Group were based on the financial statements of each associate that were audited by independent auditors for the corresponding period. The related investments accounted for under the equity method and the credit balance of long-term investments (shown as other non-current liabilities) amounted to \$3,430,464 and \$17,764, respectively.

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(6) Property, plant and equipment

2020

	Land	Buildings and structures	Machinery and equipment	Molding equipment	Computers and communication equipment	Transportatio n equipment	Office equipment	Leasehold improvement s	Other equipmen t	Construction in progress and equipment to be inspected	Total
<u>At January 1</u>											
Cost	\$ 186,563	\$ 3,112,276	\$ 720,609	\$ 12,661	\$ 70,205	\$ 36,542	\$ 163,868	\$ 53,889	\$ 34,332	\$ 2,451,623	\$ 6,842,568
Accumulated depreciation and impairment	-	(610,942)	(155,545)	(8,144)	(57,432)	(28,493)	(115,343)	(26,870)	(17,462)	-	(1,020,231)
	<u>\$ 186,563</u>	<u>\$ 2,501,334</u>	<u>\$ 565,064</u>	<u>\$ 4,517</u>	<u>\$ 12,773</u>	<u>\$ 8,049</u>	<u>\$ 48,525</u>	<u>\$ 27,019</u>	<u>\$ 16,870</u>	<u>\$ 2,451,623</u>	<u>\$ 5,822,337</u>
Opening net book amount	\$ 186,563	\$ 2,501,334	\$ 565,064	\$ 4,517	\$ 12,773	\$ 8,049	\$ 48,525	\$ 27,019	\$ 16,870	\$ 2,451,623	\$ 5,822,337
Additions	-	384	26,917	-	5,912	-	1,692	1,669	2,118	-	38,692
Reclassifications	-	(16,212)	(4,493)	-	-	-	-	(870)	-	52,913	31,338
Disposals	-	-	(1,025)	-	(688)	(983)	(195)	-	(60)	-	(2,951)
Depreciation charge	-	(100,161)	(44,491)	(1,776)	(3,353)	(1,117)	(7,551)	(4,077)	(3,235)	-	(165,761)
Net exchange differences	-	(31,396)	(7,408)	(60)	(217)	(391)	(640)	615	(308)	(32,603)	(72,408)
Closing net book amount as at September 30	<u>\$ 186,563</u>	<u>\$ 2,353,949</u>	<u>\$ 534,564</u>	<u>\$ 2,681</u>	<u>\$ 14,427</u>	<u>\$ 5,558</u>	<u>\$ 41,831</u>	<u>\$ 24,356</u>	<u>\$ 15,385</u>	<u>\$ 2,471,933</u>	<u>\$ 5,651,247</u>
<u>At September 30</u>											
Cost	\$ 186,563	\$ 3,103,890	\$ 657,227	\$ 11,657	\$ 69,319	\$ 28,103	\$ 162,178	\$ 56,354	\$ 34,462	\$ 2,471,933	\$ 6,781,686
Accumulated depreciation and impairemt	-	(749,941)	(122,663)	(8,976)	(54,892)	(22,545)	(120,347)	(31,998)	(19,077)	-	(1,130,439)
	<u>\$ 186,563</u>	<u>\$ 2,353,949</u>	<u>\$ 534,564</u>	<u>\$ 2,681</u>	<u>\$ 14,427</u>	<u>\$ 5,558</u>	<u>\$ 41,831</u>	<u>\$ 24,356</u>	<u>\$ 15,385</u>	<u>\$ 2,471,933</u>	<u>\$ 5,651,247</u>

2019

	Land	Buildings and structures	Machinery and equipment	Molding equipment	Computers and communication equipment	Transportatio n equipment	Office equipment	Leasehold improvement s	Other equipmen t	Construction in progress and equipment to be inspected	Total
<u>At January 1</u>											
Cost	\$186,563	\$ 2,851,422	\$ 783,110	\$ 14,487	\$ 99,556	\$ 46,106	\$ 187,216	\$ 124,842	\$ 58,751	\$ 6,687,026	\$ 11,039,079
Accumulated depreciation and impairment	-	(517,584)	(190,016)	(6,935)	(72,607)	(34,764)	(111,780)	(119,331)	(15,897)	-	(1,068,914)
	<u>\$186,563</u>	<u>\$ 2,333,838</u>	<u>\$ 593,094</u>	<u>\$ 7,552</u>	<u>\$ 26,949</u>	<u>\$ 11,342</u>	<u>\$ 75,436</u>	<u>\$ 5,511</u>	<u>\$42,854</u>	<u>\$ 6,687,026</u>	<u>\$ 9,970,165</u>
Opening net book amount											
as at January 1	\$186,563	\$ 2,333,838	\$ 593,094	\$ 7,552	\$ 26,949	\$ 11,342	\$ 75,436	\$ 5,511	\$42,854	\$ 6,687,026	\$ 9,970,165
Additions	-	590,160	120,598	-	1,616	466	4,996	8,847	1,086	-	727,769
Reclassifications	-	(193,765)	933	-	-	-	(4)	16,124	(11,780)	(2,939,861)	(3,128,353)
Disposals	-	(8,717)	(124,432)	-	(7,472)	(821)	(99,402)	(3,096)	(13,522)	-	(257,462)
Depreciation charge	-	(100,431)	(36,083)	(2,124)	(5,559)	(1,539)	(9,359)	(3,978)	(3,934)	-	(163,007)
Net exchange differences	-	(48,966)	(13,062)	(170)	(2,452)	(1,119)	(14,624)	95	(1,085)	(147,556)	(228,939)
Closing net book amount											
as at September 30	<u>\$186,563</u>	<u>\$ 2,572,119</u>	<u>\$ 541,048</u>	<u>\$ 5,258</u>	<u>\$ 13,082</u>	<u>\$ 8,329</u>	<u>(\$ 42,957)</u>	<u>\$ 23,503</u>	<u>\$13,619</u>	<u>\$ 3,599,609</u>	<u>\$ 6,920,173</u>
<u>At September 30</u>											
Cost	\$186,563	\$ 3,161,055	\$ 682,616	\$ 14,163	\$ 76,010	\$ 38,131	\$ 71,065	\$ 48,690	\$ 29,987	\$ 3,599,609	\$ 7,907,889
Accumulated depreciation and impairment	-	(588,936)	(141,568)	(8,905)	(62,928)	(29,802)	(114,022)	(25,187)	(16,368)	-	(987,716)
	<u>\$186,563</u>	<u>\$ 2,572,119</u>	<u>\$ 541,048</u>	<u>\$ 5,258</u>	<u>\$ 13,082</u>	<u>\$ 8,329</u>	<u>(\$ 42,957)</u>	<u>\$ 23,503</u>	<u>\$13,619</u>	<u>\$ 3,599,609</u>	<u>\$ 6,920,173</u>

Note: Refer to Note 6(31) for the effect of changes between consolidated entities.

- Refer to Note 6(9) D for the amount of borrowing costs capitalised as part of property, plant, and equipment and the range of the interest rates for the three-month and nine-month ended September 30, 2020 and 2019.
- The significant components of the Group's buildings and structures, including main construction, steel structure, and related equipment of underground mezzanine are depreciated from 2 to 15 years.
- Information about the property, plant, and equipment that were pledged to others as collateral is provided in Note 8.

(7) Leasing arrangements - lessee

- A. The Group leases various assets including land use right and office. Rental contracts are typically made for periods of 5 to 50 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>September 30, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 4,323,104	\$ 4,400,077	\$ 5,063,587
Office	111,860	65,903	70,720
	<u>\$ 4,434,964</u>	<u>\$ 4,465,980</u>	<u>\$ 5,134,307</u>

	<u>Three-month period ended</u>	
	<u>September 30, 2020</u>	<u>September 30, 2019</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 13,132	\$ 13,822
Office	4,476	3,848
	<u>\$ 17,608</u>	<u>\$ 17,670</u>

	<u>Nine-month period ended</u>	
	<u>September 30, 2020</u>	<u>September 30, 2019</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 39,582	\$ 54,144
Office	13,320	3,848
	<u>\$ 52,902</u>	<u>\$ 57,992</u>

- C. For the three-month and nine-month periods ended September 30, 2020 and 2019, the additions to right-of-use assets were \$0, \$74,442, \$58,873 and \$74,442, respectively.
- D. For the nine-month periods ended September 30, 2020 and 2019, the Group's total cash outflow for leases were \$24,676 and \$70,750, respectively.
- E. The information on profit and loss accounts related to lease contracts is as follows:

	<u>Three-month period ended</u>	
<u>Items affecting profit or loss</u>	<u>September 30, 2020</u>	<u>September 30, 2019</u>
Interest expense on lease liabilities	\$ 1,483	\$ 509
Expense on short-term lease contracts	\$ 2,699	(\$ 31,939)

<u>Items affecting profit or loss</u>	<u>Nine-month period ended</u>	
	<u>September 30, 2020</u>	<u>September 30, 2019</u>
Interest expense on lease liabilities	\$ 5,326	\$ 509
Expense on short-term lease contracts	\$ 8,916	\$ 66,393

F. Buynow (Xian), Guiyang Buynow, Yinkou Buynow, Anshan Buynow, Dezhou Buynow, Luoyang Buynow, Buynow (Jinzhou) and Kapok (Kunshan) acquired the land use right from their respective local government agencies for a period of 40 to 50 years. Except for the land use right of Kapok (Kunshan) which is for factory land use (As of September 30, 2020, the amount was \$20,243), others are for shopping mall land use.

G. Guiyang Buynow and Yinkou Buynow entered into the state-owned construction land use right assignment contracts for the years ended December 31, 2014 and 2013 with their local government agencies. The total consideration was RMB 327,101, of which RMB 306,358 was paid and RMB 20,563 remains unpaid, as of September 30, 2020. As of September 30, 2020, the transfer of property rights has not yet been completed.

(8) Leasing arrangements - lessor

A. The Group leases various assets classified as investment property. Rental contracts are typically made for periods of 1 and 20 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. For the three-month and nine-month periods ended September 30, 2020 and 2019, the Group recognised rent income on investment property in the amount of \$619,870, \$744,974, \$1,825,457 and \$2,362,630, respectively, based on the operating lease agreement, which does not include variable lease payments.

C. The maturity analysis of the lease payments under the operating leases is as follows:

	<u>September 30, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>
2019	\$ -	\$ -	\$ 107,625
2020	115,588	481,891	416,464
2021	462,321	487,450	420,019
2022	362,043	374,230	305,331
2023	332,912	373,339	280,063
2024	333,499	379,124	289,255
2025	341,684	388,569	1,331,710
2026 and after	1,395,027	1,655,531	-
	<u>\$ 3,343,074</u>	<u>\$ 4,140,134</u>	<u>\$ 3,150,467</u>

(9) Investment property

	2020	2019
At January 1	\$ 63,013,015	\$ 65,426,212
Additions from subsequent expenditures	46,981	87,571
Disposals	(16,692)	(4,066,394)
Reclassifications	-	1,295,118
Net (losses) gains from fair value adjustment	(102,503)	848,197
Net exchange differences	(816,904)	(690,920)
At September 30	<u>\$ 62,123,897</u>	<u>\$ 62,899,784</u>

A. Rental income from investment property and direct operating expenses arising from investment property are shown below:

	Three-month period ended	
	September 30, 2020	September 30, 2019
Rental income from investment property	<u>\$ 619,870</u>	<u>\$ 744,974</u>
Direct operating expenses arising from the investment property that generated rental income during the period	<u>\$ 221,889</u>	<u>\$ 242,463</u>
Direct operating expenses arising from the investment property that did not generate rental income during the period	<u>\$ 27,410</u>	<u>\$ 30,204</u>

	Nine-month period ended	
	September 30, 2020	September 30, 2019
Rental income from investment property	<u>\$ 1,825,457</u>	<u>\$ 2,362,630</u>
Direct operating expenses arising from the investment property that generated rental income during the period	<u>\$ 579,500</u>	<u>\$ 760,323</u>
Direct operating expenses arising from the investment property that did not generate rental income during the period	<u>\$ 91,970</u>	<u>\$ 109,397</u>

B. Measurement of investment property at fair value

The fair value of the investment property held by the Group as at September 30, 2020, December 31, 2019 and September 30, 2019 was \$62,123,897, \$63,013,015 and \$62,899,784, respectively, which was valued by independent appraisers. Valuations were made using the income approach which is categorized within Level 3 in the fair value hierarchy. Key assumptions are as follows:

- (a) Investment property is mainly divided into Taiwan-computer segment and China-Buynow Plaza. Currently, the lease terms of investment property for different segments are: approximately 2 to 5 years for Taiwan-computer segment; 19 years (from 2007 to 2026) for Buynow (Changsha); 15 years (from 2007 to 2022) for Buynow (Nanchang); 20 years (from 2008 to 2028) for Beijing Clevo Investment; 18 years (from 2016 to 2034) for Buynow

(Quanzhou); 10 years (from 2017 to 2027) for Suzhou Jinzuo; 6 to 10 years (from 2019 to 2029) for Buynow (Anshan); 15 years (from 2019 to 2034) for Luoyang Buynow, and 1 year for the remaining segments. The comparison information between local rent and similar objective property rent is provided in the ‘Summary of fair value disclosure on investment property’ (referred herein as “the following table”).

- (b) Movements of average occupancy rates in the prior year and earnings in prior years are provided in the following table.
- (c) The Group adopts the discounted cash flow analysis under income approach. The estimation process of the appraisal method is subject to the determination of the annual rent growth rate range using the comparison information between local rent and similar objective property rent, and takes into consideration vacancy loss to estimate net rent income over the next ten years as future cash inflow and discounted to the date of appraisal with the discount rate described in (d). In addition, considering the ending balance of disposal value of the objective property is calculated based on the operating revenue over the next year starting from the disposal date to estimated remaining lives of the use right at the disposal date, which will be capitalized based on the estimated discount rate and annual rent growth rate as well as discounted to the appraisal date. The market value is calculated based on the ending disposal value plus the present value of rent for each period.

Future cash outflow consists of expenses directly and necessarily related to leasing such as related fees, utilities and promotion costs; and operating expenses necessarily related to operations (i.e. repair expenses), taxes, insurance fees, and capital expenditures. The rates of changes used in the estimation of future movements are in accordance with the rent growth rate used in the imputed rent income.

- (d) The information on the range of discount rates is provided in the following table. The discount rates are determined to take into consideration the interest rate of time deposits or government bonds, as well as the Group’s liquidity, risk, value-added and degree of difficulty of management.
- (e) The fair values of investment property under construction at the appraisal date and income estimation process were first determined by considering the growth of rent income under the forecast market conditions when the construction was completed, and were discounted using expected rental growth rate and vacancy loss to the appraisal date with a 10-year estimation period. Subsequently, the aforementioned discounted values reduced the necessary engineering costs and expenses incurred from appraisal date to expected completion date plus the discounted estimated salvage values.
- (f) The appraisal reports adopted by the Group are co-certified by the real estate appraisers, Charlie Yang and Jia-Hui Chen from Cushman & Wakefield Limited (referred herein as “Cushman & Wakefield”) and Cushman & Wakefield Limited (HK). The appraisal dates are January 1, 2020 and 2019.

The Group continued to adopt the appraisal reports of partial investment property on January 1, 2020 and 2019 in the financial statements on September 30, 2020 and 2019. The reasonableness of the reports was reasonably assessed by the real estate appraisers, Charlie Yang from Cushman & Wakefield and Jia-Hui Chen from Cushman & Wakefield Limited (HK) and the review opinion reports were also co-certified.

- (g) The Japan-investment property originally held by the Group was sold on July 18, 2019, therefore the 2019 appraisal reports adopted by Japan-investment property of the Group are co-certified by the real estate appraisers, Charlie Yang and Yoji Kawakami from Cushman & Wakefield Limited and Cushman & Wakefield Limited (Japan). The appraisal dates are September 30, 2019 and March 31, 2019.

Summary of fair value disclosure on investment property:

Nine-month period ended			
<u>September 30, 2020</u>		<u>Computer segment</u>	<u>Buynow plaza</u>
Comparative information between local rent and similar objective property rent (dollar / square or square meter / month)		\$639~\$660	\$77~\$5,238
Movements of earnings in the prior year		\$65,401	\$3,721~\$297,856
Average occupancy rates		100%	83%
Nine-month period ended			Japan-investment
<u>September 30, 2019</u>		<u>Computer segment</u>	<u>Buynow plaza</u>
Comparative information between local rent and similar objective property rent (dollar / square or square meter / month)		\$550~\$650	\$136~\$5,555
Movements of earnings in the prior year		\$66,907	\$29,485~\$415,977
Average occupancy rates		100%	88%
Discount rate		<u>September 30, 2020</u>	<u>December 31, 2019</u>
-Computer segment		3.65%	3.65%
-Buynow plaza		4.75%~6.75%	4.75%~6.75%
-Japan-investment property		-	3.8%~3.9%

C. The fair value information about the investment property is provided in Note 12(4).

D. Amount of borrowing costs capitalized as part of unfinished construction, investment property

and long-term lease prepayments and the range of the interest rates for such capitalization are as follows:

	Nine-month period ended	
	September 30, 2020	September 30, 2019
Amount capitalised	\$114,842	\$160,941
Range of the interest rates for capitalisation	3.00%~5.70%	4.35%~5.94%

E. Information about the investment property that was pledged to others as collateral is provided in Note 8.

(10) Intangible assets

	2020		
	Software	Goodwill	Total
<u>At January 1</u>			
Cost	\$ 19,656	\$ 10,270	\$ 29,926
Accumulated amortisation and impairment	-	-	-
	<u>\$ 19,656</u>	<u>\$ 10,270</u>	<u>\$ 29,926</u>
At January 1	\$ 19,656	\$ 10,270	\$ 29,926
Additions	12,308	-	12,308
Amortisation charge	(8,651)	-	(8,651)
Net exchange differences	(117)	(137)	(254)
At September 30	<u>\$ 23,196</u>	<u>\$ 10,133</u>	<u>\$ 33,329</u>
<u>At September 30</u>			
Cost	\$ 23,196	\$ 10,133	\$ 33,329
Accumulated amortisation and impairment	-	-	-
	<u>\$ 23,196</u>	<u>\$ 10,133</u>	<u>\$ 33,329</u>

	2019		
	Software	Goodwill	Total
<u>At January 1</u>			
Cost	\$ 10,632	\$ 10,679	\$ 21,311
Accumulated amortisation and impairment	-	-	-
	<u>\$ 10,632</u>	<u>\$ 10,679</u>	<u>\$ 21,311</u>
At January 1	\$ 10,632	\$ 10,679	\$ 21,311
Additions	17,871	-	17,871
Disposals	(638)	-	(638)
Amortisation charge	(6,571)	-	(6,571)
Net exchange differences	(46)	(238)	(284)
At June 30	<u>\$ 21,248</u>	<u>\$ 10,441</u>	<u>\$ 31,689</u>
<u>At June 30</u>			
Cost	\$ 21,248	\$ 10,441	\$ 31,689
Accumulated amortisation and impairment	-	-	-
	<u>\$ 21,248</u>	<u>\$ 10,441</u>	<u>\$ 31,689</u>

Goodwill arose from Buynow segment of the Group.

Details of amortization on intangible assets are as follows:

	Three-month period ended	
	September 30, 2020	September 30, 2019
Administrative expenses	\$ 1,615	\$ 1,282
Research and development expenses	1,553	1,148
	<u>\$ 3,168</u>	<u>\$ 2,430</u>
	Nine-month period ended	
	September 30, 2020	September 30, 2019
Administrative expenses	\$ 4,351	\$ 3,197
Research and development expenses	4,300	3,374
	<u>\$ 8,651</u>	<u>\$ 6,571</u>

(11) Non-current assets held for sale

The assets related to property, plant and equipment and right-of-use assets of Shantou Buynow Mall Co., Ltd. (part of Buynow plaza segment) have been reclassified as disposal group held for sale following the approval of the Group's Board of Directors on May 24, 2019 to sell property, plant and equipment and right-of-use assets to Chicony Industry (Wuhan) Co., Ltd. The completion date for the transaction is expected by 2020. As of September 30, 2020, the assets of the disposal group held for sale amounted to \$3,735,669.

A. Assets of disposal group held for sale:

	<u>September 30, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>
Property, plant and equipment	\$ 3,164,097	\$ 3,164,097	\$ 3,028,013
Right-of-use assets	<u>1,019,397</u>	<u>1,019,397</u>	<u>975,554</u>
	4,183,494	4,183,494	4,003,567
Accumulated impairment	(160,539)	(160,539)	(154,648)
Net exchange differences	<u>(287,286)</u>	<u>(236,939)</u>	<u>-</u>
	<u>\$ 3,735,669</u>	<u>\$ 3,786,016</u>	<u>\$ 3,848,919</u>

B. In the first half of 2020, impairment loss of \$160,539 was recognised in other gains and losses as a result of the remeasurement of the disposal group held for sale at the lower of its carrying amount or fair value less costs to sell. Information relating to fair value is provided in Note 12(4).

C. As of September 30, 2020, the advance disposals of property (shown as other current liabilities) receipts obtained from Chicony Industry (Wuhan) Co., Ltd. amounted to \$2,106,667.

(12) Short-term borrowings

<u>Type of borrowings</u>	<u>September 30, 2020</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank borrowings			
Bank secured borrowings	274,718	4.15%~4.57%	Investment property
Bank unsecured borrowings	<u>8,584,445</u>	0.73%~1.00%	Promissory note
	<u>\$ 8,859,163</u>		
<u>Type of borrowings</u>	<u>December 31, 2019</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank borrowings			
Bank secured borrowings	\$ 86,265	4.57%	Letter of credit
Bank secured borrowings	212,806	3.19%~3.40%	Long-term prepaid rent and property, plant and equipment
Bank secured borrowings	215,663	4.57%	Time deposits pledged
Bank secured borrowings	722,495	3.19%~5.50%	Investment property
Bank unsecured borrowings	<u>7,991,200</u>	0.95%~3.50%	Promissory note
	<u>\$ 9,228,429</u>		

<u>Type of borrowings</u>	<u>September 30, 2019</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank borrowings			
Bank secured borrowings	\$ 378,142	4.57%~5.22%	Letter of credit
	222,477	3.39%~3.51%	Long-term prepaid rent and property, plant and equipment
Bank secured borrowings			
Bank secured borrowings	1,411,200	3.09%~4.57%	Time deposits pledged
Bank secured borrowings	949,997	3.39%~5.65%	Investment property
Bank unsecured borrowings	7,768,140	0.95%~4.90%	Promissory note
	<u>\$ 10,729,956</u>		

(13) Other current liabilities

	<u>September 30, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>
Advance rental revenue	\$ 407,273	\$ 448,507	\$ 472,349
Advance receipts from disposals of property (Note)	2,106,667	1,458,310	876,982
Other current liabilities	193,734	130,215	39,080
	<u>\$ 2,707,674</u>	<u>\$ 2,037,032</u>	<u>\$ 1,388,411</u>

Note: It refers to advance receipts from non-current assets held for sale.

(14) Bonds payable

	<u>September 30, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>
Secured bonds payable	\$ 5,000,000	\$ 5,200,000	\$ 5,200,000
Less: Current portion	-	(200,000)	(200,000)
	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>

A. On August 12, 2015, Clevo Co. issued \$5,000,000 secured bonds, as approved by the regulatory authority. As of September 30, 2020, the bonds were all fully paid.

B. On August 22, 2019, Clevo Co. issued \$5,000,000 secured bonds, as approved by the regulatory authority. As of September 30, 2020, the outstanding bonds payable was \$5,000,000.

C. The terms of the secured bonds are as follows:

Type of Bonds	Issuance date	Period	Amount	Coupon rate	Payment term	Security
Secured bonds payable	2015/8/28	5 years	\$5,000,000	Not exceeding fixed rate of 1.5%	Principal is due at maturity. Interest is paid annually at simple interest rate.	Authorise Taiwan Cooperative Bank to execute corporate bond guarantee according to the guarantee agreement.
Secured bonds payable	2019/8/26	5 years	\$5,000,000	Not exceeding fixed rate of 0.8%	Principal is due at maturity. Interest is paid annually at simple interest rate.	Authorise Taiwan Cooperative Bank to execute corporate bond guarantee according to the guarantee agreement.

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(15) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	September 30, 2020
Unsecured borrowings	Borrowing period is from June 20, 2019 to March 19, 2021; interest is payable monthly, principal is payable at maturity date	0.5157%~1.06%	Promissory note	\$ 4,660,000
Unsecured borrowings	Borrowing period is from December 28, 2018 to December 28, 2023; interest is payable monthly, principal is payable in installments	1.0298%~1.797%	Promissory note	6,500,000
Unsecured borrowings	Borrowing period is from January 22, 2020 to April 16, 2022; interest is payable quarterly, principal is payable in installments	0.875%~1.27%	Promissory note	313,728
				<u>11,473,728</u>
Secured borrowings	Borrowing period is from March 20, 2018 to March 20, 2023; interest is payable monthly, principal is payable at maturity date	1.045%	Property, plant and equipment and investment property	1,250,000
Secured borrowings	Borrowing period is from August 18, 2018 to August 17, 2028; interest is payable quarterly, principal is payable in installments	5.30%	Property, plant and equipment	1,425,724
Secured borrowings	Borrowing period is from December 23, 2018 to August 19, 2021; interest is payable monthly, principal is payable at maturity date	5.22%~5.90%	Investment property	1,162,802
Secured borrowings	Borrowing period is from June 8, 2015 to May 20, 2025; interest is payable monthly, principal is payable in installments	1.6%~5.5%	Investment property	5,701,283
Secured borrowings	Borrowing period is from February 4, 2017 to December 6, 2026; interest is payable quarterly, principal is payable in installments	5.10%~5.45%	Investment property	3,907,880
Secured borrowings	Borrowing period is from December 15, 2016 to April 16, 2022; interest is payable quarterly, principal is payable at maturity date	0.88%~5.01%	Investment property	936,138
Secured borrowings	Borrowing period is from January 22, 2020 to April 16, 2022; interest is payable quarterly, principal is payable at maturity date	0.88%~1.05%	Long-term prepaid rent and property, plant and	208,227
				<u>14,592,054</u>
				26,065,782
Less: Current portion of long-term loans				(8,506,211)
				<u>\$ 17,559,571</u>

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2019
Unsecured borrowings	Borrowing period is from September 28, 2018 to March 16, 2023; interest is payable monthly, principal is payable in installments	0.52% ~ 1.06%	Promissory note	\$ 5,390,000
Unsecured borrowings	Borrowing period is from December 28, 2018 to December 28, 2023; interest is payable monthly, principal is payable in installments	1.0299% ~ 1.797%	Promissory note	6,000,000
				-
				11,390,000
Secured borrowings	Borrowing period is from March 20, 2018 to March 20, 2023; interest is payable monthly, principal is payable at maturity date	1.295%	Property, plant and equipment and investment property	1,250,000
Secured borrowings	Borrowing period is from June 8, 2015 to June 8, 2025; interest is payable monthly, principal is payable in installments	1.60% ~ 6.37%	Investment property	6,198,091
Secured borrowings	Borrowing period is from June 14, 2017 to June 7, 2022; interest is payable monthly, principal is payable at maturity date	5.32% ~ 5.5%	Investment property	1,912,927
Secured borrowings	Borrowing period is from December 6, 2016 to August 17, 2028; interest is payable quarterly, principal is payable in installments	5.13% ~ 6.93%	Investment property	3,983,966
Secured borrowings	Borrowing period is from December 15, 2016 to December 14, 2020; interest is payable quarterly, principal is payable at maturity date	5.11% ~ 5.94%	Investment property	901,554
Secured borrowings	Borrowing period is from September 28, 2019 to March 27, 2021; interest is payable quarterly, principal is payable at maturity date	4.75%	Time deposits pledged	99,436
Secured borrowings	Borrowing period is from September 28, 2018 to September 27, 2020; interest is payable monthly, principal is payable at maturity date	5.00%	Letter of credit	177,897
Secured borrowings	Borrowing period is from June 11, 2018 to June 10, 2021; interest is payable monthly, principal is payable in installments	5.70%	Letter of credit	42,225
				14,566,096
				25,956,096
Less: Current portion of long-term loans				(4,746,751)
				\$ 21,209,345

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	September 30, 2019
Unsecured borrowings	Borrowing period is from September 28, 2018 to March 16, 2023; interest is payable monthly, principal is payable at maturity date	0.91%~1.35%	Promissory note	\$ 5,490,000
Unsecured borrowings	Borrowing period is from December 28, 2018 to December 28, 2023; interest is payable monthly, principal is payable in installments	1.318%~1.797%	Promissory note	6,000,000
Unsecured borrowings	Borrowing period is from June 29, 2015 to November 15, 2021; interest is payable quarterly, principal is payable in installments	2.78%~3.63%	Promissory note	1,106,391
				<hr/> 12,596,391
Secured borrowings	Borrowing period is from March 20, 2018 to March 20, 2023; interest is payable monthly, principal is payable at maturity date	1.33%	Property, plant and equipment and investment property	1,250,000
Secured borrowings	Borrowing period is from June 8, 2015 to June 8, 2025; interest is payable monthly, principal is payable in installments	1.60%~6.37%	Investment property	6,580,525
Secured borrowings	Borrowing period is from June 14, 2017 to June 7, 2022; interest is payable monthly, principal is payable at maturity date	5.13%~5.94%	Letter of credit	722,255
Secured borrowings	Borrowing period is from December 7, 2011 to August 17, 2028; interest is payable quarterly, principal is payable in installments	4.90%~6.93%	Investment property	4,863,985
Secured borrowings	Borrowing period is from March 28, 2019 to April 25, 2022; interest is payable quarterly, principal is payable at maturity date	4.75%~5.70%	Time deposits pledged	276,484
				<hr/> 13,693,249
				26,289,640
Less: Current portion of long-term loans				(5,622,240)
				<hr/> <hr/> \$ 20,667,400

(16) Pensions

A. Defined benefit pension plans

- (a) The Company has 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 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 contributes 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 would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions for the deficit by next March.

- (b) For the aforementioned pension plan, the Group recognised pension costs of \$0, \$2,471, \$1,627 and \$7,459 for the three-month and nine-month periods ended September 30, 2020 and 2019, respectively.
- (c) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2021 amount to \$10,002.

B. Defined contribution plans

- (a) Effective July 1, 2005, the Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes 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) The Company's China subsidiaries have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on a certain percentage of the employees' monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations.
- (c) The pension costs under the defined contribution pension plans of the Group for the three-month and nine-month periods ended September 30, 2020 and 2019 were \$9,051, \$8,882, \$27,912 and \$27,165, respectively.

(17) Provisions

	Warranty	
	2020	2019
At January 1	\$ 50,523	\$ 50,523
Additional provisions	55,482	47,283
Used during the period	(52,482)	(47,283)
At September 30	<u>\$ 53,523</u>	<u>\$ 50,523</u>

Analysis of total provisions:

	<u>September 30, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>
Current	\$ <u>53,523</u>	\$ <u>50,523</u>	\$ <u>50,523</u>

The Group provides warranties on computer products sold. Provision for warranty is estimated based on historical warranty data of computer products.

(18) Share capital

A. As of September 30, 2020, the Company's authorized capital was \$7,500,000, consisting of 750 million shares of ordinary stock, and the paid-in capital was \$6,697,630, consisting of 669,763 thousand shares with a par value of \$10 (in dollars) per share. On June 15, 2012, the Board of Directors resolved to increase the Company's authorized capital in the articles of incorporation to \$9,000,000, consisting of 900 million shares of ordinary stock, with a par value of \$10 (in dollars) per share. The foregoing includes 20 million shares reserved for employee stock options with a par value of \$10 (in dollars) per share, which the Board of Directors are authorized to issue depending on actual demand.

Movements in the number of the Company's ordinary shares outstanding are as follows:

	<u>2020</u>	<u>2019</u>
At January 1	605,216	679,763
Capital reduction by treasury stock retired	- (10,000)
Shares retired	(<u>10,000</u>)	<u>-</u>
At September 30	<u>595,216</u>	<u>669,763</u>

B. Treasury shares

(a) Reason for share reacquisition and movements in the number of the Company's treasury shares are as follows:

Name of company holding the shares	Reason for reacquisition	<u>September 30, 2020</u>	
		<u>Number of shares</u>	<u>Carrying amount</u>
The Company	To be reissued to employees	47,500 thousand	\$ 1,450,203
Subsidiary-Kapok Computer	Long-term investment	16,966 thousand	95,305
Subsidiary-Clevo Investment	Long-term investment	10,081 thousand	108,182

Name of company holding the shares	Reason for reacquisition	<u>December 31, 2019</u>	
		<u>Number of shares</u>	<u>Carrying amount</u>
The Company	To be reissued to employees	37,500 thousand	\$ 1,153,554
Subsidiary-Kapok Computer	Long-term investment	16,966 thousand	95,305
Subsidiary-Clevo Investment	Long-term investment	10,081 thousand	108,183

		September 30, 2019	
Name of company holding the shares	Reason for reacquisition	Number of shares	Carrying amount
The Company	To be reissued to employees	37,500 thousand	\$ 1,153,554
Subsidiary-Kapok Computer	Long-term investment	16,967 thousand	95,305
Subsidiary-Clevo Investment	Long-term investment	10,081 thousand	108,183

- (b) Pursuant to the R.O.C. Securities and Exchange Act, the number of shares bought back as treasury share should not exceed 10% of the number of the Company's issued and outstanding shares and the amount bought back should not exceed the sum of retained earnings, paid-in capital in excess of par value and realized capital surplus.
- (c) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should not be pledged as collateral and is not entitled to dividends before it is reissued.
- (d) Pursuant to the R.O.C. Securities and Exchange Act, treasury shares should be reissued to the employees within three years from the reacquisition date and shares not reissued within the five-year period are to be retired. Treasury shares to enhance the Company's credit rating and the stockholders' equity should be retired within six months of acquisition.

(19) Capital surplus

Pursuant to the R.O.C. Company Act, 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 Act requires that the amount of capital surplus to be capitalized 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.

(20) Retained earnings

- A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve. However, when the legal reserve amounts to the authorized capital, this shall not apply. According to the law or the authority, the special surplus reserve shall be set or reversed. If there is still surplus, the Board of Directors shall draft the allocation resolved by the shareholders.
- B. The Company belongs to high tech and electronics industry and as the Company operates in a volatile business environment and is in the stable growth stage, the residual dividend policy is adopted taking into consideration the Company's financial structure, operating results and future expansion plans, based on vision of industrial development, capital expenditure demand, sound

financial plan and to protect the rights and interests of investors. According to the dividend policy, cash dividends shall account for at least 10% of the total dividends distributed.

- C. 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.
- D. Special reserve
- (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 Jin-Guan-Zheng-Fa-Zi Letter No. 1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently.
- (c) According to Jin-Guan-Zheng-Fa-Zi Letter No. 1030006415, dated March 18, 2014, investment properties are initially and subsequently measured using the fair value model. Changes in value due to appreciation as of December 31, 2013 are reflected in the increase in Appropriated Retained Earnings. The Company will recognise the reversal of earnings if subsequently disposed or the investment properties decrease.
- E. The appropriations of 2019 and 2018 earnings as resolved by the shareholders on June 19, 2020 and June 18, 2019 are as follows:

	2019		2018	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	\$ 106,864		\$ 145,490	
Special reserve	993,875		1,194,446	
Cash dividends	-	\$ -	128,453	\$ 0.20
	<u>\$ 1,100,739</u>		<u>\$ 1,468,389</u>	

The Company appropriated cash from capital surplus as resolved by the stockholders during their meeting on June 18, 2019. The dividends per share is NTD 0.8, and the total amount is \$513,810. The Company appropriated cash from capital surplus of \$248,906 as resolved by the Board of Directors during its meeting on March 31, 2020 and the dividends per share is NTD 0.4.

The above appropriations of 2019 and 2018 earnings are the same with those approved by the Board of Directors on March 31, 2020 and March 27, 2019, respectively.

(21) Other equity items

2020			
	Currency translation	Revaluation	Total
At January 1	(\$ 4,856,943)	\$ 20,922	(\$ 4,836,021)
Currency translation differences:			
–Group	(656,910)	-	(656,910)
–Tax on Group	-	-	-
–Associates	(27,895)	-	(27,895)
–Tax on associates	5,578	-	5,578
At September 30	<u>(\$ 5,536,170)</u>	<u>\$ 20,922</u>	<u>(\$ 5,515,248)</u>

2019			
	Currency translation	Revaluation	Total
At January 1	(\$ 2,741,605)	\$ 20,922	(\$ 2,720,683)
Currency translation differences:			
–Group	(1,212,027)	-	(1,212,027)
–Tax on Group	34,730	-	34,730
–Associates	(53,002)	-	(53,002)
–Tax on associates	10,600	-	10,600
At September 30	<u>(\$ 3,961,304)</u>	<u>\$ 20,922</u>	<u>(\$ 3,940,382)</u>

(22) Operating revenue

	Three-month period ended	
	September 30, 2020	September 30, 2019
Revenue from contracts with customers		
-Sales revenue of computer products	\$ 4,592,226	\$ 4,394,899
-Land development and resale	419,338	604,963
-Hotel revenue	19,390	19,992
-Other revenue	127,397	130,301
Others-rental revenue	618,870	786,190
	<u>\$ 5,777,221</u>	<u>\$ 5,936,345</u>

	Nine-month periods ended	
	September 30, 2020	September 30, 2019
Revenue from contracts with customers		
-Sales revenue of computer products	\$ 11,788,323	\$ 11,319,497
-Land development and resale	691,591	2,200,485
-Hotel revenue	33,945	71,603
-Other revenue	312,947	503,055
Others-rental revenue	1,945,932	2,508,558
	<u>\$ 14,772,738</u>	<u>\$ 16,603,198</u>

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods over time and at a point in time in the following major product lines and geographical regions:

Three-month period ended	Computer Segment	Buynow Plaza			
	Computer products	Land development and resale	Hotel accommodations revenue	Others	Total
September 30, 2020					
Total segment revenue	\$ 7,662,232	\$ 419,338	\$ 19,390	\$ 127,397	\$ 8,228,357
Inter-segment revenue	(3,070,006)	-	-	-	(3,070,006)
Revenue from external customer contracts	<u>\$ 4,592,226</u>	<u>\$ 419,338</u>	<u>\$ 19,390</u>	<u>\$ 127,397</u>	<u>\$ 5,158,351</u>
Timing of revenue recognition					
At a point in time	\$ 4,592,226	\$ 419,338	\$ -	\$ 127,397	\$ 5,138,961
Over time	<u>-</u>	<u>-</u>	<u>19,390</u>	<u>-</u>	<u>19,390</u>
	<u>\$ 4,592,226</u>	<u>\$ 419,338</u>	<u>\$ 19,390</u>	<u>\$ 127,397</u>	<u>\$ 5,158,351</u>

Three-month period ended September 30, 2019	Computer Segment	Buynow Plaza			
	Computer products	Land development and resale	Hotel accommodations revenue	Others	Total
Total segment revenue	\$ 8,013,829	\$ 604,963	\$ 19,992	\$ 130,301	\$ 8,769,085
Inter-segment revenue	(3,618,930)	-	-	-	(3,618,930)
Revenue from external customer contracts	<u>\$ 4,394,899</u>	<u>\$ 604,963</u>	<u>\$ 19,992</u>	<u>\$ 130,301</u>	<u>\$ 5,150,155</u>
Timing of revenue recognition					
At a point in time	\$ 4,394,899	\$ 604,963	\$ -	\$ 130,301	\$ 5,130,163
Over time	<u>-</u>	<u>-</u>	<u>19,992</u>	<u>-</u>	<u>19,992</u>
	<u>\$ 4,394,899</u>	<u>\$ 604,963</u>	<u>\$ 19,992</u>	<u>\$ 130,301</u>	<u>\$ 5,150,155</u>

Nine-month period ended September 30, 2020	Computer Segment	Buynow Plaza			
	Computer products	Land development and resale	Hotel accommodations revenue	Others	Total
Total segment revenue	\$ 19,733,086	\$ 691,591	\$ 33,945	\$ 312,947	\$ 20,771,569
Inter-segment revenue	(7,944,763)	-	-	-	(7,944,763)
Revenue from external customer contracts	<u>\$ 11,788,323</u>	<u>\$ 691,591</u>	<u>\$ 33,945</u>	<u>\$ 312,947</u>	<u>\$ 12,826,806</u>
Timing of revenue recognition					
At a point in time	\$ 11,788,323	\$ 691,591	\$ -	\$ 312,947	\$ 12,792,861
Over time	<u>-</u>	<u>-</u>	<u>33,945</u>	<u>-</u>	<u>33,945</u>
	<u>\$ 11,788,323</u>	<u>\$ 691,591</u>	<u>\$ 33,945</u>	<u>\$ 312,947</u>	<u>\$ 12,826,806</u>

Nine-month period ended September 30, 2019	Computer Segment	Buynow Plaza			
	Computer products	Land development and resale	Hotel accommodations revenue	Others	Total
Total segment revenue	\$ 20,134,840	\$ 2,200,485	\$ 71,603	\$ 503,055	\$ 22,909,983
Inter-segment revenue	(8,815,343)	-	-	-	(8,815,343)
Revenue from external customer contracts	<u>\$ 11,319,497</u>	<u>\$ 2,200,485</u>	<u>\$ 71,603</u>	<u>\$ 503,055</u>	<u>\$ 14,094,640</u>
Timing of revenue recognition					
At a point in time	\$ 11,319,497	\$ 2,200,485	\$ -	\$ 503,055	\$ 14,023,037
Over time	<u>-</u>	<u>-</u>	<u>71,603</u>	<u>-</u>	<u>71,603</u>
	<u>\$ 11,319,497</u>	<u>\$ 2,200,485</u>	<u>\$ 71,603</u>	<u>\$ 503,055</u>	<u>\$ 14,094,640</u>

B. Contract assets and liabilities

The Group has recognised the following revenue-related contract assets and liabilities:

	<u>September 30, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>	<u>January 1, 2019</u>
Contract liabilities:				
Contract liabilities – Advance real estate receipts	\$ 172,966	\$ 527,687	\$ 1,165,829	\$ 3,114,721
Contract liabilities – Advance sales receipts	<u>85,260</u>	<u>46,614</u>	<u>33,802</u>	<u>31,316</u>
	<u>\$ 258,226</u>	<u>\$ 574,301</u>	<u>\$ 1,199,631</u>	<u>\$ 3,146,037</u>

C. Revenue recognised that was included in the contract liability balance at the beginning of the period

Revenue recognised that was included in the contract liability balance at the beginning of the period	Three-month period ended	
	<u>September 30, 2020</u>	<u>September 30, 2019</u>
Advance real estate receipts	\$ 61,113	\$ 489,261
Advance sales receipts	<u>4,958</u>	<u>(3,389)</u>
	<u>\$ 66,071</u>	<u>\$ 485,872</u>

	Nine-month period ended	
	September 30, 2020	September 30, 2019
Revenue recognised that was included in the contract liability balance at the beginning of the period		
Advance real estate receipts	\$ 224,353	\$ 1,889,828
Advance sales receipts	26,886	31,316
	<u>\$ 251,239</u>	<u>\$ 1,921,144</u>

(23) Interest income

	Three-month period ended	
	September 30, 2020	September 30, 2019
Interest income from bank deposits	<u>\$ 10,696</u>	<u>\$ 38,650</u>
	Nine-month period ended	
	September 30, 2020	September 30, 2019
Interest income from bank deposits	<u>\$ 59,367</u>	<u>\$ 152,815</u>

(24) Other income

	Three-month period ended	
	September 30, 2020	September 30, 2019
Rent income	\$ 17,920	\$ 17,265
Dividend income	2,481	1,630
Other income	18,157	105,053
	<u>\$ 38,558</u>	<u>\$ 123,948</u>

	Nine-month period ended	
	September 30, 2020	September 30, 2019
Rent income	\$ 52,612	\$ 51,832
Dividend income	30,434	25,178
Other income	57,561	223,126
	<u>\$ 140,607</u>	<u>\$ 300,136</u>

(25) Other gains and losses

	Three-month period ended	
	September 30, 2020	September 30, 2019
Gains on financial assets at fair value through profit or loss	\$ 91,203	\$ 160,999
Losses on disposals of property, plant and equipment	(194)	(2,558)
Gains on disposals of investment property	-	463,078
(Losses) gains on disposals of investments	(28,508)	41,098
(Losses) gains on fair value adjustment, investment property	(85,743)	7,491
Foreign exchange gains (losses)	68,094	(166,710)
Other losses	(13,753)	(55,902)
	<u>\$ 31,099</u>	<u>\$ 447,496</u>

	Nine-month period ended	
	September 30, 2020	September 30, 2019
Gains on financial assets (liabilities) at fair value through profit or loss	\$ 235,744	\$ 538,384
Gains on disposals of property, plant and equipment	1,043	2,218
(Losses) gains on disposals of investment property	(4,252)	463,078
(Losses) gains on disposals of investments	(31,782)	65,089
(Losses) gains on fair value adjustment, investment property	(102,503)	848,197
Foreign exchange losses	(177,864)	(136,094)
Impairment loss recognised in profit or loss, non-current asset held for sale	-	(160,539)
Other losses	(40,675)	(123,996)
	<u>(\$ 120,289)</u>	<u>\$ 1,496,337</u>

(26) Finance costs

	Three-month period ended	
	September 30, 2020	September 30, 2019
Interest expense	\$ 267,798	\$ 320,570
Less: Capitalisation of qualifying assets	(47,657)	(30,196)
Financial costs	<u>\$ 220,141</u>	<u>\$ 290,374</u>

	Nine-month period ended	
	September 30, 2020	September 30, 2019
Interest expense	\$ 844,032	\$ 1,063,758
Less: Capitalisation of qualifying assets	(135,424)	(185,869)
Financial costs	<u>\$ 708,608</u>	<u>\$ 877,889</u>

(27) Expenses by nature

	Three-month period ended	
	September 30, 2020	September 30, 2019
Employee benefit expense	\$ 511,992	\$ 642,059
Depreciation charges on property, plant and equipment	69,871	50,873
Depreciation charges on right-of-use assets	17,608	17,670
Amortisation charges on intangible assets	<u>3,168</u>	<u>2,430</u>
	<u>\$ 602,639</u>	<u>\$ 713,032</u>

	Nine-month period ended	
	September 30, 2020	September 30, 2019
Employee benefit expense	\$ 1,404,017	\$ 1,783,600
Depreciation charges on property, plant and equipment	165,761	163,007
Depreciation charges on right-of-use assets	52,902	57,992
Amortisation charges on intangible assets	<u>8,651</u>	<u>6,571</u>
	<u>\$ 1,631,331</u>	<u>\$ 2,011,170</u>

(28) Employee benefit expense

	Three-month period ended	
	September 30, 2020	September 30, 2019
Wages and salaries	\$ 437,950	\$ 511,284
Labour and health insurance fees	15,250	16,241
Pension costs	9,051	11,353
Other personnel expenses	<u>49,741</u>	<u>103,181</u>
	<u>\$ 511,992</u>	<u>\$ 642,059</u>

	Nine-month period ended	
	September 30, 2020	September 30, 2019
Wages and salaries	\$ 1,180,841	\$ 1,433,786
Labour and health insurance fees	41,765	44,979
Pension costs	29,539	34,624
Other personnel expenses	151,872	270,211
	<u>\$ 1,404,017</u>	<u>\$ 1,783,600</u>

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year shall be distributed as employees' compensation and directors' and supervisors' remuneration. The ratio shall be 5%~15% for employees' compensation and shall not be higher than 1% for directors' and supervisors' remuneration.

B. For the three-month and nine-month periods ended September 30, 2020 and 2019, employees' compensation was accrued at \$26,935, (\$3,330), \$26,935 and \$86,840, respectively; while directors' and supervisors' remuneration was accrued at \$3,065, \$5,250, \$3,065 and \$13,760, respectively. The aforementioned amounts were recognised in salary expenses.

The employees' compensation and directors' and supervisors' remuneration were estimated and accrued based on 5%~15% and not higher than 1% of distributable profit of current year for the nine-month period ended September 30, 2020, respectively.

Employees' compensation and directors' and supervisors' remuneration for 2019 as resolved by the Board of Directors were in agreement with those amounts recognised in the 2019 financial statements.

Information about employees' compensation and directors' and supervisors' 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.

(29) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Three-month period ended	
	September 30, 2020	September 30, 2019
Current tax:		
Current tax on profits for the period	\$ 89,824	\$ 497,612
Total current tax	89,824	497,612
Deferred tax:		
Origination and reversal of temporary differences	9,794	(323,273)
Total deferred tax	9,794	(323,273)
Income tax expense	\$ 99,618	\$ 174,339

	Nine-month period ended	
	September 30, 2020	September 30, 2019
Current tax:		
Current tax on profits for the period	\$ 311,019	\$ 611,794
5% tax on undistributed surplus earnings	-	3,956
Prior year income tax underestimation	2,431	-
Total current tax	313,450	615,750
Deferred tax:		
Origination and reversal of temporary differences	(43,577)	(56,321)
Total deferred tax	(43,577)	(56,321)
Income tax expense	\$ 269,873	\$ 559,429

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

	Three-month period ended	
	September 30, 2020	September 30, 2019
Currency translation differences	(\$ 9,728)	\$ 61,597

	Nine-month period ended	
	September 30, 2020	September 30, 2019
Currency translation differences	\$ 5,578	\$ 45,330

The Company's income tax returns through 2018, except for 2017, have been assessed and approved by the Tax Authority.

(30) Earnings per share

Three-month period ended September 30, 2020			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 211,529	595,216	\$ 0.36
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 211,529	595,216	.
Assumed conversion of all dilutive potential ordinary shares			
Employees' bonus	-	930	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 211,529	596,146	\$ 0.35
Three-month period ended September 30, 2019			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 453,457	605,216	\$ 0.75
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 453,457	605,216	
Assumed conversion of all dilutive potential ordinary shares			
Employees' bonus	-	2,761	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 453,457	607,977	\$ 0.75

Nine-month period ended September 30, 2020			
	<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>\$ 317,906</u>	<u>598,701</u>	<u>\$ 0.53</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 317,906	598,701	
Assumed conversion of all dilutive potential ordinary shares			
Employees' bonus	<u>-</u>	<u>2,347</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 317,906</u>	<u>601,048</u>	<u>\$ 0.53</u>

Nine-month period ended September 30, 2019			
	<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>\$ 1,225,873</u>	<u>613,097</u>	<u>\$ 2.00</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 1,225,873	613,097	
Assumed conversion of all dilutive potential ordinary shares			
Employees' bonus	<u>-</u>	<u>3,785</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 1,225,873</u>	<u>616,882</u>	<u>\$ 1.99</u>

(31) Supplemental cash flow information

Investing activities with partial cash payments

	Nine-month period ended	
	September 30, 2020	September 30, 2019
Purchase of property, plant and equipment	\$ 38,692	\$ 727,769
Add: Opening balance of payable	568,705	-
Add: Ending balance of prepayment	82,853	65,851
Less: Ending balance of payable	(278,913)	-
Less: Opening balance of prepayment	(103,138)	-
Less: Capitalisation of interest	(34,646)	(75,071)
Cash paid during the period	<u>\$ 273,553</u>	<u>\$ 718,549</u>
Purchase of investment property	\$ 46,981	\$ 87,571
Add: Opening balance of payable	427,327	1,077,057
Less: Ending balance of payable	(284,407)	(1,247,088)
Cash paid during the period	<u>\$ 189,901</u>	<u>(\$ 82,460)</u>
Proceeds from disposal of property, plant and equipment	\$ 3,994	\$ 259,680
Add: Opening balance of receivable	14,622	-
Less: Ending balance of receivable	(14,342)	(85,464)
Cash received during the period	<u>\$ 4,274</u>	<u>\$ 174,216</u>
Disposal of subsidiary	\$ -	\$ -
Add: Opening balance of other receivables	-	961,722
Cash received during the period	<u>\$ -</u>	<u>\$ 961,722</u>
Purchase of treasury stocks	\$ 296,649	\$ 386,017
Add: Opening balance of payable	-	17,458
Less: Ending balance of payable	-	-
Cash paid during the period	<u>\$ 296,649</u>	<u>\$ 403,475</u>

(32) Changes in liabilities from financing activities

	Short-term borrowings	Long-term borrowings	Bonds payable	Lease liabilities	Liabilities from financing activities- gross
At January 1, 2020	\$9,228,429	\$26,156,096	\$5,200,000	\$ 65,903	\$ 40,650,428
Changes in cash flow from financing activities	(2,460,656)	2,188,766	(200,000)	(15,760)	(487,650)
Impact of changes in foreign exchange rate	(28,561)	(159,128)	-	440	(187,249)
Changes in other non-cash items	<u>2,119,951</u>	<u>(2,119,951)</u>	<u>-</u>	<u>64,199</u>	<u>64,199</u>
At September 30, 2020	<u>\$8,859,163</u>	<u>\$26,065,783</u>	<u>\$5,000,000</u>	<u>\$ 114,782</u>	<u>\$ 40,039,728</u>

	Short-term borrowings	Long-term borrowings	Bonds payable	Lease liabilities	Liabilities from financing activities- gross
At January 1, 2019	\$ 8,426,966	\$ 34,584,482	\$ 5,000,000	\$ -	\$ 48,011,448
Changes in cash flow from financing activities	2,396,418	(7,902,935)	-	(3,848)	(5,510,365)
Impact of changes in foreign exchange rate	(93,428)	(191,907)	-	509	(284,826)
Changes in other non-cash items	<u>-</u>	<u>-</u>	<u>-</u>	<u>74,060</u>	<u>-</u>
At September 30, 2020	<u>\$10,729,956</u>	<u>\$26,489,640</u>	<u>\$5,000,000</u>	<u>\$ 70,721</u>	<u>\$ 42,216,257</u>

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Company</u>
Kent Hsu	Chairman
Changchun-hong Hyatt Hotel Management Co., Ltd.	Other related party
Chicony Energy Saving Technology (Shanghai) Co., Ltd.	Other related party
Chicony Electronics (Suzhou) Co., Ltd.	Other related party
Chicony Power Technology Co., Ltd.	Other related party
Honghui Real Estate Company	Other related party
Chicony Dalu Enterprise (Chengdu) Co., Ltd.	Associate
Chicony Square (Wuhan) Inc.	Associate
Chicony Industry (Wuhan) Co., Ltd.	Associate
Chicony Square (Wuhan) Inc.	Associate
Chicony Square (Cayman) Inc.	Associate
Epoque Corporation	Same chairman
Taipei Twin Corporation	Entity with joint control over this entity

(2) Significant related party transactions

A. Operating revenue

	<u>Three-month period ended</u>	
	<u>September 30, 2020</u>	<u>September 30, 2019</u>
Sales of goods:		
-Associates	\$ -	\$ -
-Entity with joint control over this entity	267	-
	<u>\$ 267</u>	<u>\$ -</u>

	<u>Nine-month period ended</u>	
	<u>September 30, 2020</u>	<u>September 30, 2019</u>
Sales of goods:		
-Associates	\$ -	\$ 31,426
-Entity with joint control over this entity	374	-
	<u>\$ 374</u>	<u>\$ 31,426</u>
Sales of services:		
-Other related parties	\$ -	\$ 1,261
-Associates	-	602
	<u>\$ -</u>	<u>\$ 1,863</u>

The Group (Buynow (China)) offered the services to related parties.

B. Purchases

	Three-month period ended	
	<u>September 30, 2020</u>	<u>September 30, 2019</u>
Purchases of goods:		
-Other related parties	\$ <u>224,468</u>	\$ <u>315,401</u>
	Nine-month period ended	
	<u>September 30, 2020</u>	<u>September 30, 2019</u>
Purchases of goods:		
-Other related parties	\$ <u>682,838</u>	\$ <u>673,221</u>

The purchases of the Group's subsidiary, Kapok Computer (Kunshan), from other related parties are unique. Accordingly, the purchase prices are incomparable and payment terms are the same with third parties, which are within 1 ~ 5 months.

C. Receivables from related parties

	<u>September 30, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>
Accounts receivable:			
-Associates	\$ <u>-</u>	\$ <u>1,022</u>	\$ <u>1,045</u>

Receivables from related parties are mainly from selling goods and providing services to related parties. The receivables do not bear interest and were not pledged as collateral.

D. Payables to related parties

	<u>September 30, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>
Accounts payable:			
-Chicony Electronics (Suzhou) Co., Ltd.	\$ 203,201	\$ 203,213	\$ 188,656
-Chicony Power Technology Co., Ltd.	<u>81,919</u>	<u>114,878</u>	<u>165,750</u>
	\$ <u>285,120</u>	\$ <u>318,091</u>	\$ <u>354,406</u>

The payables to related parties arise mainly from purchase transactions. The payables bear no interest.

E. Other receivables from related parties (shown as other current asset)

	<u>September 30, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>
Other receivables:			
-Chicony Dalu Enterprise (Chengdu) Co., Ltd.	\$ 15,087	\$ 14,622	\$ 43,813
-Chicony Industry (Wuhan) Co., Ltd.	-	-	52,576
Others	-	3,204	-
	\$ <u>15,087</u>	\$ <u>17,826</u>	\$ <u>96,389</u>

F. Advance receipts from disposals of property (shown as other current liabilities)

	<u>September 30, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>
Chicony Industry (Wuhan) Co., Ltd.	<u>\$ 2,106,667</u>	<u>\$ 1,458,310</u>	<u>\$ -</u>

G. Property transactions

(a) Disposal of property, plant and equipment:

	<u>Nine-month period ended September 30, 2019</u>	
	<u>Disposal proceeds</u>	<u>Gain (loss) on disposal</u>
Chicony Industry (Wuhan) Co., Ltd.	\$ 47,971	\$ 2,394
Chicony Dalu Enterprise (Chengdu) Co., Ltd.	108,776	2,820
	<u>\$ 156,747</u>	<u>\$ 5,214</u>

(b) Disposal of other assets:

		<u>Nine-month period ended September 30, 2019</u>	
	<u>Accounts</u>	<u>Disposal proceeds</u>	<u>Gain (loss) on disposal</u>
Chicony Dalu Enterprise (Chengdu) Co., Ltd.	Intangible assets	\$ 1,518	\$ -

H. Loans from related parties

Loans from related parties

	<u>September 30, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>
Chicony Square (Cayman) Inc.	\$ 408,660	\$ 424,269	\$ 437,297
Honghui Real Estate Company	-	215,650	-
Chicony Square (Wuhan) Inc.	<u>17,024</u>	<u>12,940</u>	<u>10,962</u>
	<u>\$ 425,684</u>	<u>\$ 652,859</u>	<u>\$ 448,259</u>

The loans from associates and other related parties are payable at maturity within 1~5 years after the loan is made and carry interest at 0%~5.78% and 0%~5% per annum for the nine-month periods ended September 30, 2020 and 2019, respectively. The amount of interest payable (recognised as other payables) as of September 30, 2020, December 31, 2019 and September 30, 2019 was \$1,024, \$2,171 and \$420, respectively. Additionally, interest expense recognised for the three-month and nine-month periods ended September 30, 2020 and 2019 was \$842, \$121, \$7,115 and \$1,320 respectively.

I. Lease transactions - lessee

(a) The Group leased buildings from Honghui Real Estate Company for the year ended December 31, 2019. Rental contracts are typically made for a period of 5 years. The lease is subject to IFRS 16 as the usage of lease was included in the operating plan. Rents are paid at the end of the month.

(b) Acquisition of right-of-use assets:

	September 30, 2020	December 31, 2019	September 30, 2019
Other related parties	\$ -	\$ 74,442	\$ 74,442

In accordance with IFRS 16, the Group increased right-of-use assets by \$74,442 on July 1, 2019.

(c) Lease liabilities

(i) Outstanding balance:

	September 30, 2020	December 31, 2019	September 30, 2019
Other related parties	\$ 59,232	\$ 65,903	\$ 70,720

(ii) Interest expense

	Three-month period ended	
	September 30, 2020	September 30, 2019
Other related parties	\$ 776	\$ 509

	Nine-month period ended	
	September 30, 2020	September 30, 2019
Other related parties	\$ 3,236	\$ 509

J. Others

(a) The joint guarantor and co-issuer of the guarantee notes of bank borrowings is Kent Hsu for the nine-month periods ended September 30, 2020 and 2019.

(b) The Company and EPOQUE CORPORATION participated in the land development project of Taipei City Western District Gateway Project-Taipei Main Station Special Zone C1/D1 (Eastern Part) to jointly establish TAIPEI TWIN CORPORATION. The related information is provided in Note 6(5).

(3) Key management compensation

	Three-month period ended	
	September 30, 2020	September 30, 2019
Salaries and other short-term employee benefits	\$ 34,497	\$ 37,337
Post-employment benefits	349	308
	<u>\$ 34,846</u>	<u>\$ 37,645</u>

	Nine-month period ended	
	September 30, 2020	September 30, 2019
Salaries and other short-term employee benefits	\$ 47,986	\$ 74,615
Post-employment benefits	923	970
	<u>\$ 48,909</u>	<u>\$ 75,585</u>

8. PLEDGED ASSETS

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

Pledged asset	Book value			Purpose
	September 30, 2020	December 31, 2019	September 30, 2019	
Financial assets at amortised cost (current and non-current)	\$ 1,021,663	\$ 1,694,289	\$ 3,496,331	STANDBY L/C, long-term and short-term borrowings
Property, plant and equipment (non-depreciated balance)	3,642,121	3,758,135	2,619,756	Long-term borrowings
Investment property and right-of-use asset (long-term prepaid rents)	53,857,231	61,269,162	58,696,971	Long-term and short-term borrowings
	<u>\$ 58,521,015</u>	<u>\$ 66,721,586</u>	<u>\$ 64,813,058</u>	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

None.

(2) Commitments

- A. As of September 30, 2020, December 31, 2019 and September 30, 2019, the Company issued guarantee notes amounting to \$25,434,739, \$25,081,970 and \$24,299,765, respectively, for bank repayment and forward exchange trading.
- B. On December 28, 2018, the Company entered into a syndicated loan agreement with 9 banks including Taiwan Cooperative Bank amounting to \$6,000,000 and provided equal amount of guarantee notes. The Company and the Chairman of the Group are the joint guarantors and co-issuers of the guarantee notes.
- C. As of September 30, 2020, December 31, 2019 and September 30, 2019, the Group's total contract prices for signed construction contracts amounted to \$7,867,290, \$7,992,848 and 8,126,200, of which \$7,294,929, \$7,327,890 and \$7,435,086 were paid and \$572,361, \$664,958 and \$691,114 remain unpaid, respectively.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

For the purpose of optimizing the use of the Group's funds and planning of operating funds, the capital of KAPOK COMPUTER (SAMOA) CORPORATION was increased to USD 9,000 thousand, which was approved by the board of directors on November 12, 2020.

12. OTHERS

(1) Due to the impact of Covid-19, the Group resumed work and operations entirely from the second quarter of 2020. Although the operating revenue of certain business segments decreased, the Covid-19 pandemic has no significant impact on the Group's financial condition and financial performance as the Group has properly controlled its costs.

(2) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated balance sheet plus net debt.

During the nine-month period ended September 30, 2020, the Group's strategy, which was unchanged from 2019, was to maintain the gearing ratio within 40% to 60%. The gearing ratios at September 30, 2020, December 31, 2019 and September 30, 2019 were as follows:

	<u>September 30, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>
Total borrowings	\$ 39,924,945	\$ 40,384,525	\$ 42,219,596
Less: Cash and cash equivalents	(7,023,033)	(8,047,784)	(7,141,961)
Net debt	32,901,912	32,336,741	35,077,635
Total equity	38,899,204	39,795,261	40,848,725
Total capital	<u>\$ 71,801,116</u>	<u>\$ 72,132,002</u>	<u>\$ 75,926,360</u>
Gearing ratio	46%	45%	46%

(3) Financial instruments

A. Financial instruments by category

	September 30, 2020	December 31, 2019	September 30, 2019
<u>Financial assets</u>			
Financial assets at fair value through profit or loss	\$ 1,647,700	\$ 1,022,194	\$ 1,734,202
Financial assets at amortised cost	11,156,622	11,819,345	13,531,295
	<u>\$ 12,804,322</u>	<u>\$ 12,841,539</u>	<u>\$ 15,265,497</u>
<u>Financial liabilities</u>			
Financial liabilities at fair value through profit or loss	\$ 7,341	\$ 1,008	\$ -
Financial liabilities at amortised	44,374,600	45,639,071	48,016,335
	<u>\$ 44,381,941</u>	<u>\$ 45,640,079</u>	<u>\$ 48,016,335</u>
Lease liability	<u>\$ 114,782</u>	<u>\$ 65,903</u>	<u>\$ 70,720</u>

Note: Financial assets at amortised cost include cash and cash equivalents, accounts receivable (including related parties), other receivables, guarantee deposits paid and time deposits unqualified as cash equivalents; financial liabilities at amortised cost include short-term borrowings, accounts and notes payable, other payables (including related parties), corporate bonds payable, long-term borrowings, guarantee deposits received and other non-current liabilities

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. To minimize any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts and foreign currency option contracts are used to hedge certain exchange rate risk.

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 the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD and RMB. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.
- ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury. Exchange rate risk is measured through a forecast of highly probable USD and RMB expenditures. Forward foreign exchange contracts are adopted to minimize the volatility of the exchange rate

affecting cost of forecast inventory purchases.

- iii. To deduct the risk of fair value from exchange rate fluctuation and the risk of cash flow, the Group hedges foreign assets and liabilities or expected transaction that are probable by using financial derivatives such as forward exchange contracts. The Group monitors the exchange rate fluctuation at any time, and sets stop loss limit.
- 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: RMB and JPY). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

September 30, 2020			
	Foreign currency		Book value
	amount	Exchange rate	
	(In thousands)		(NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 418,519	28.98	\$ 12,128,681
USD:RMB	2,306	6.81	66,898
RMB:NTD	10,677	4.26	45,484
<u>Investments accounted for using the equity method</u>			
USD:NTD	114,859	28.98	2,337,280
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	39,056	28.98	1,131,843
USD:RMB	183,291	6.81	5,317,382

December 31, 2019			
	Foreign currency		Book value (NTD)
	amount	Exchange rate	
	(In thousands)		
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 283,362	30.09	\$ 8,526,363
USD:RMB	1,788	6.98	53,790
RMB:NTD	184,431	4.31	794,898
HKD:NTD	8,710	3.86	33,621
JPY:NTD	7,263,428	0.28	2,033,760
<u>Investments accounted for using the equity method</u>			
USD:NTD	114,007	30.09	2,431,007
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	18,212	30.09	547,999
USD:RMB	193,362	6.98	5,817,064
September 30, 2019			
	Foreign currency		Book value (NTD)
	amount	Exchange rate	
	(In thousands)		
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 300,966	31.01	\$ 9,332,956
USD:RMB	9,626	7.07	298,084
RMB:NTD	286,508	4.38	1,254,905
HKD:NTD	32,661	3.96	129,338
JPY:NTD	6,206,733	0.29	1,799,953
<u>Investments accounted for using the equity method</u>			
USD:NTD	73,930	31.01	2,409,144
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	97,727	31.01	3,030,514
USD:RMB	254,639	7.07	7,885,304
JPY:NTD	-	0.29	-

- v. The total exchange gain (loss), including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Group for the three-month and nine-month periods ended September 30, 2020 and 2019 amounted to \$68,094, (\$166,710), (\$177,864) and (\$136,094), respectively.
- vi. Analysis of foreign currency market risk arising from significant foreign exchange variation:

Nine-month period ended September 30, 2020			
Sensitivity analysis			
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 97,029	\$ -
USD:RMB	1%	535	-
RMB:NTD	1%	364	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	9,055	-
USD:RMB	1%	42,539	-
Nine-month period ended September 30, 2020			
Sensitivity analysis			
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 74,664	\$ -
USD:RMB	1%	2,385	-
RMB:NTD	1%	10,039	-
HKD:NTD	1%	1,035	-
JPY:NTD	1%	14,400	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	24,244	-
USD:RMB	1%	63,082	-
JPY:NTD	1%	-	-

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. 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 and open-end funds 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 nine-month periods ended September 30, 2020 and 2019 would have increased/decreased by \$15,517 and \$16,371, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss.

Cash flow and fair value interest rate risk

- i. The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. During the nine-month periods ended September 30, 2020 and 2019, the Group's borrowings at variable rate were mainly denominated in New Taiwan dollars, US dollars, RMB dollars, and JPY dollars.
- ii. The Group's borrowings are measured at amortized cost. The borrowings are periodically contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.
- iii. If the borrowing interest rate had increased/decreased by 1% with all other variables held constant, profit, net of tax for the nine-month periods ended September 30, 2020 and 2019 would have decreased/increased by \$272,933 and \$292,968, 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 debt instruments stated at amortized cost.
- ii. According to the Group's credit policy, each local entity in the Group is responsible for managing and analyzing 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 department. The utilization of credit limits is regularly monitored.
- iv. For banks and financial institutions, only independently rated parties with a best rating are accepted.
- v. The Group adopts the following assumptions under IFRS 9 to assess whether there has

been a significant increase in credit risk on that instrument since initial recognition:

- (i) If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
- (ii) For investments in bonds that are traded over the counter, if any external credit rating agency rates these bonds as investment grade, the credit risk of these financial assets is low.

vi. The Group adopts the assumption under IFRS 9, that is, the default occurs when the contract payments are past due over 90 days.

vii. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:

- (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganization due to their financial difficulties;
- (ii) The disappearance of an active market for that financial asset because of financial difficulties;
- (iii) Default or delinquency in interest or principal repayments;
- (iv) Adverse changes in national or regional economic conditions that are expected to cause a default.

viii. The Group classifies customer's accounts receivable in accordance with customer types. The Group applies the modified approach using provision matrix to estimate expected credit loss.

ix. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights. On September 30, 2020, December 31, 2019 and September 30, 2019, the Group had no written-off financial assets that are still under recourse procedures.

x. The Group used the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable, contract assets and lease payments receivable. On September 30, 2020, December 31, 2019 and September 30, 2019, the provision matrix is as follows:

	Not past due	1~90 days past due	91~180 days past due
<u>At September 30, 2020</u>			
Expected loss rate	0.03%~0.05%	0.03%~0.12%	0.03%~12.4%
Total book value	\$ 2,535,379	\$ 275,337	\$ 21,909
Loss allowance	1,198	208	1,107
	181~270 days past due	Over 270 days	Total
Expected loss rate	0.03%~100%	100.00%	
Total book value	\$ 23,243	\$ 44,353	\$ 2,900,221
Loss allowance	6,287	44,353	53,153
	Not past due	1~90 days past due	91~180 days past due
<u>At December 31, 2019</u>			
Expected loss rate	0.03%~0.05%	0.03%~59.94%	0.03%~72.42%
Total book value	\$ 1,652,030	\$ 342,109	\$ 19,222
Loss allowance	772	13,835	3,129
	181~270 days past due	Over 270 days	Total
Expected loss rate	0.03%~100%	100.00%	
Total book value	\$ 4,403	\$ 28,933	\$ 2,046,697
Loss allowance	2,035	28,933	48,704
	Not past due	1~90 days past due	91~180 days past due
<u>At September 30, 2019</u>			
Expected loss rate	0.02%~0.03%	0.02%~1.74%	7.67%~10.40%
Total book value	\$ 1,858,890	\$ 483,867	\$ 69,443
Loss allowance	298	1,262	5,529
	181~270 days past due	Over 270 days	Total
Expected loss rate	40.77%~100%	100.00%	
Total book value	\$ 45,380	\$ 6,451	\$ 2,464,121
Loss allowance	28,528	6,451	42,158

xi. Movements in relation to the Group applying the modified approach to provide loss allowance for accounts receivable is as follows:

	Accounts receivable	
	2020	2019
At January 1	\$ 48,704	\$ 55,572
Provision for impairment	2,919	-
Reversal of impairment	-	(13,818)
Effect of foreign exchange	1,530	404
At September 30	<u>\$ 53,153</u>	<u>\$ 42,158</u>

(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 based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

September 30, 2020	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
<u>Non-derivative financial liabilities</u>				
Lease liability	\$ 20,987	\$ 20,987	\$ 41,755	\$ 77,960
Bonds payable	40,000	40,000	5,076,667	-
Long-term borrowings (including current portion)	8,753,812	2,857,524	5,345,967	9,867,207
Guarantee deposits	-	628,909	-	-
Long-term accounts payable to related parties	-	-	408,660	-
December 31, 2019	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
<u>Non-derivative financial liabilities</u>				
Lease liability	\$ 14,095	\$ 14,816	\$ 40,441	\$ -
Bonds payable	240,000	40,000	5,120,000	-
Long-term borrowings (including current portion)	5,109,333	6,795,065	13,232,231	1,879,124
Guarantee deposits	-	693,756	-	-
Long-term accounts payable to related parties	-	-	424,269	-

September 30, 2019	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
<u>Non-derivative financial liabilities</u>				
Lease liability	\$ 13,610	\$ 14,794	\$ 42,316	\$ -
Bonds payable	75,000	5,012,500	-	-
Long-term borrowings (including current portion)	6,010,283	5,334,103	14,767,317	1,233,481
Guarantee deposits	-	708,884	-	-
Long-term accounts payable to related parties	-	-	437,297	-

Except for the abovementioned, the non-derivative financial liabilities of the Group are all expiring within one year.

- iii. The Group does not expect the maturity date will be early, or the actual amount will be 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. The fair value of the Group's investment in listed stocks and beneficiary certificates is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in off-the-run beneficiary certificates, bank debentures, convertible bonds and derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in investment property is included in Level 3.

- B. Financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables, financial assets at amortised cost, other financial assets, short-term borrowings, notes payable, accounts payable (including related parties), other payables, corporate bonds payable, long-term borrowings (including current portion) and long-term accounts payable to related parties financial liabilities 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 at September 30, 2020, December 31, 2019 and September 30, 2019 is as follows:

- (a) The related information on the nature of the assets and liabilities is as follows:

<u>September 30, 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 securities	\$ 667,129	\$ -	\$ -	\$ 667,129
Forward foreign exchange contracts	-	4,000	-	4,000
Beneficiary certificates	97,171	879,400	-	976,571
<u>Non-recurring fair value measurements</u>				
Investment property (Note)	-	-	62,123,897	62,123,897
Non-current assets held for sale	-	-	3,735,669	3,735,669
Liabilities				
<u>Recurring fair value measurements</u>				
Forward foreign exchange contracts	-	(7,341)	-	(7,341)
	<u>\$ 764,300</u>	<u>\$ 876,059</u>	<u>\$65,859,566</u>	<u>\$ 67,499,925</u>
<u>December 31, 2019</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 securities	\$ 624,112	\$ -	\$ -	\$ 624,112
Beneficiary certificates	10,000	388,082	-	398,082
<u>Non-recurring fair value measurements</u>				
Investment property (Note)	-	-	63,013,015	63,013,015
Non-current assets held for sale	-	-	3,786,016	3,786,016
Liabilities				
<u>Recurring fair value measurements</u>				
Forward foreign exchange contracts	-	(1,008)	-	(1,008)
	<u>\$ 634,112</u>	<u>\$ 387,074</u>	<u>\$ 66,799,031</u>	<u>\$ 67,820,217</u>

<u>September 30, 2019</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 securities	\$ 1,028,240	\$ -	\$ -	\$ 1,028,240
Beneficiary certificates	10,130	695,832	-	705,962
<u>Non-recurring fair value measurements</u>				
Investment property (Note)	-	-	62,899,784	62,899,784
	<u>\$ 1,038,370</u>	<u>\$ 695,832</u>	<u>\$62,899,784</u>	<u>\$ 64,633,986</u>

Note : Investment property measured at fair value.

(b)The methods and assumptions the Group used to measure fair value are as follows:

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

	<u>Listed shares</u>	<u>Open-end fund / Debt securities</u>
Market quoted price	Closing price	Net asset value

- ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date (i.e. yield curves on the Taipei Exchange, average commercial paper interest rates quoted from Reuters).
- iii. When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, 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.
- iv. 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.
- v. The fair value, calculated based on the sales price less costs to sell, is used by the Group to measure its assets held for disposal.
- vi. 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 valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. 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.

vii. 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 and the Group's credit quality.

- D. For the nine-month periods ended September 30, 2020 and 2019, there was no transfer between Level 1 and Level 2.
- E. The movement of Level 3 of investment property for the nine-month periods ended September 30, 2020 and 2019 is provided in Note 6(9).
- F. For the nine-month periods ended September 30, 2020 and 2019, there was no transfer into or out from Level 3.
- G. Financial and Administrative segment is in charge of valuation procedures for fair value measurements being categorised within Level 3 (investment property), which is based on the valuation methods and assumptions announced by the Financial Supervisory Commission, Securities and Futures Bureau or through outsourced appraisal performed by the external valuer. The Group sets up valuation policies, valuation processes, and rules for measuring fair value of investment property and ensures compliance with the related requirements in IFRS.
- H. The following is the qualitative information on 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 September 30, 2020	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Investment property	\$ 62,123,897	Income approach of discounted cash flow method	Long-term rent revenue growth rate and discount rate	(Note 1)	The higher the long- term rent revenue growth rate, the higher the fair value; The higher the discount rate, the lower the fair value
Non- current assets held for sale: (Note 2) Property, plant and equipment	3,735,669	Market approach	Not applicable		Not applicable

Note 1: The range of long-term rent revenue growth rate is (10%)~20%; the range of discount rate is provided in Note 6(9).

Note 2: The lower of carrying amount and fair value less costs to sell.

	Fair value at December 31, 2019	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Investment property	\$ 63,013,015	Income approach of discounted cash flow method	Long-term rent revenue growth rate and discount rate	(Note 1)	The higher the long- term rent revenue growth rate, the higher the fair value; The higher the discount rate, the lower the fair value
Non- current assets held for sale: (Note 2) Property, plant and equipment	3,786,016	Market approach	Not applicable		Not applicable

Note 1: The range of long-term rent revenue growth rate is (10%)~20%; the range of discount

rate is provided in Note 6(9).

Note 2: The lower of carrying amount and fair value less costs to sell.

	Fair value at September 30, 2019	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Investment property	\$ 62,899,784	Income approach of discounted cash flow method	Long-term rent revenue growth rate and discount rate	(Note 1)	The higher the long- term rent revenue growth rate, the higher the fair value; The higher the discount rate, the lower the fair value
Non- current assets held for sale: Property, plant and equipment	3,848,919	Market approach	Not applicable		Not applicable

Note 1: The range of long-term rent revenue growth rate is (10%)~20%; the range of discount rate is provided in Note 6(9).

Note 2: The lower of carrying amount and fair value less costs to sell.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

The disclosures of investee companies were based on financial statements reviewed by independent auditors and the following transactions with subsidiaries were eliminated when preparing the consolidated financial statements. The following disclosure information is for reference only.

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: Please refer to table 4.

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 5.

H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 6.

I. Trading in derivative instruments undertaken during the reporting periods: As of September 30, 2020, the Group's open interest derivative instruments amounted to (\$3,340). The Group recognised net loss amounting to (\$40) on derivative instruments for the nine-month period ended September 30, 2020.

J. Significant inter-company transactions during the reporting periods: Please refer to table 7.

(2) Information on investees

Names, locations, and other information of investee companies (not including investees in Mainland China) : Please refer to table 8.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 9.

B. Ceiling on investments in Mainland China: Please refer to table 9.

C. Significant transactions, price, payment term and unrealized gain or loss, either directly or indirectly through a third area, with investee companies in the Mainland Area:

Significant sales (purchases), property transactions, accounts receivable (payable), provision of endorsements and guarantees from notes or provides collaterals and accommodation of funds for the nine-month period ended September 30, 2020, either directly or indirectly through a third area, with investee companies in the Mainland Area are provided in Notes 13(1) A, B, E, G, H, J.

(4) Major shareholders information

Major shareholders information: Please refer to table 10.

14. SEGMENT INFORMATION

(1) General information

Management has determined the reportable operating segments based on the reports reviewed by the chief operating decision maker-Board of Directors that are used to make strategic decisions.

The Group's main operating businesses are manufacturing and trading of computer and computer peripherals; research and development, production, and sales of computer software and hardware; after-sales services for aforementioned products and property management. The product features and manufacturing procedures are different so that its marketing and selling ways are different. The chief operating decision-maker operates various businesses from the perspective of different products. Currently, businesses are mainly divided into computer segment, Buynow Plaza and other segments, of which computer segment and Buynow Plaza are the reportable segments.

(2) Segment information

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

<u>Three-month period ended</u> <u>September 30, 2020</u>	Computer Segment	Buynow Plaza	Others	Total
Revenue from external customers	\$ 4,592,226	\$ 1,184,995	\$ -	\$ 5,777,221
Inter-segment revenue	3,070,007	-	-	3,070,007
Total segment revenue	<u>\$ 7,662,233</u>	<u>\$ 1,184,995</u>	<u>\$ -</u>	<u>\$ 8,847,228</u>
External-segment income (before tax)	<u>\$ 173,770</u>	<u>\$ 137,103</u>	<u>\$ 274</u>	<u>\$ 311,147</u>
Segment income (after tax)	<u>\$ 143,137</u>	<u>\$ 64,542</u>	<u>\$ 3,850</u>	<u>\$ 211,529</u>

<u>Three-month period ended</u> <u>September 30, 2019</u>	Computer Segment	Buynow Plaza	Others	Total
Revenue from external customers	\$ 4,394,900	\$ 1,523,067	\$ 18,378	\$ 5,936,345
Inter-segment revenue	3,618,930	1,570	-	3,620,500
Total segment revenue	<u>\$ 8,013,830</u>	<u>\$ 1,524,637</u>	<u>\$ 18,378</u>	<u>\$ 9,556,845</u>
External-segment income (before tax)	<u>\$ 75,064</u>	<u>\$ 107,159</u>	<u>\$ 450,089</u>	<u>\$ 632,312</u>
Segment income (after tax)	<u>\$ 81,126</u>	<u>(\$ 73,350)</u>	<u>\$ 450,198</u>	<u>\$ 457,974</u>

<u>Nine-month period ended</u> <u>September 30, 2020</u>	Segment	Buynow Plaza	Others	Total
Revenue from external customers	\$ 11,788,323	\$ 2,983,459	\$ 956	\$ 14,772,738
Inter-segment revenue	7,944,763	-	(956)	7,943,807
Total segment revenue	<u>\$ 19,733,086</u>	<u>\$ 2,983,459</u>	<u>\$ -</u>	<u>\$ 22,716,545</u>
External-segment income (before tax)	<u>\$ 310,519</u>	<u>\$ 266,241</u>	<u>\$ 11,019</u>	<u>\$ 587,779</u>
Segment income (after tax)	<u>\$ 310,135</u>	<u>\$ 4,805</u>	<u>\$ 2,966</u>	<u>\$ 317,906</u>

<u>Nine-month period ended</u> <u>September 30, 2019</u>	Segment	Buynow Plaza	Others	Total
Revenue from external customers	\$ 11,319,498	\$ 5,182,250	\$ 101,450	\$ 16,603,198
Inter-segment revenue	8,815,343	4,611	(692)	8,819,262
Total segment revenue	<u>\$ 20,134,841</u>	<u>\$ 5,186,861</u>	<u>\$ 100,758</u>	<u>\$ 25,422,460</u>
External-segment income (before tax)	<u>\$ 38,520</u>	<u>\$ 1,246,289</u>	<u>\$ 505,529</u>	<u>\$ 1,790,338</u>
Segment income (after tax)	<u>\$ 177,253</u>	<u>\$ 547,808</u>	<u>\$ 505,848</u>	<u>\$ 1,230,909</u>

(3) Reconciliation for segment income (loss)

A reconciliation of reportable segment revenue and total revenue, and a reconciliation of reportable segment income or loss and total income or loss before tax is provided as follows:

Revenue	Three-month period ended	
	September 30, 2020	September 30, 2019
Reportable segments revenue	\$ 8,847,228	\$ 9,538,467
Other segments revenue	-	18,378
Elimination of intersegment revenue	(3,070,007)	(3,620,500)
Total revenue	<u>\$ 5,777,221</u>	<u>\$ 5,936,345</u>

Revenue	Nine-month period ended	
	September 30, 2020	September 30, 2019
Reportable segments revenue	\$ 22,716,545	\$ 25,321,702
Other segments revenue	-	100,758
Elimination of intersegment revenue	(7,943,807)	(8,819,262)
Total revenue	<u>\$ 14,772,738</u>	<u>\$ 16,603,198</u>

Income/(Loss)	Three-month period ended	
	September 30, 2020	September 30, 2019
Reportable segments income (after tax)	\$ 207,679	\$ 7,776
Other segments income (after tax)	3,850	450,198
Elimination of intersegment transactions	-	-
Income after tax from continuing operations	<u>\$ 211,529</u>	<u>\$ 457,974</u>

Income/(Loss)	Nine-month period ended	
	September 30, 2020	September 30, 2019
Reportable segments income (after tax)	\$ 314,940	\$ 725,061
Other segments income (after tax)	2,966	505,848
Elimination of intersegment transactions	-	-
Income after tax from continuing operations	<u>\$ 317,906</u>	<u>\$ 1,230,909</u>

CLEVO CO. and Subsidiaries
Loans to others
Nine-month period ended September 30, 2020

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

NO. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the nine-month period ended September 30, 2020 (Note 3)	Balance at September 30, 2020 (Note 8)	Actual amount drawn down	Interest rate	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Item	Value			
0	The Company	Clevo (Cayman Islands) Holding Company	Other receivables - related parties - current	Yes	\$ 1,600,000	\$ 800,000	\$ 578,979	1.00%	2	-	Additional operating capital	-	-	-	\$ 15,559,682	\$ 38,899,204	Note 8
0	The Company	KAPOK COMPUTER (SAMOA) CORPORATION	Other receivables - related parties - current	Yes	300,000	300,000	216,081	1.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
1	Kapok Computer Co., Ltd.	The Company	Other receivables - related parties - current	Yes	55,000	-	-	1.04%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
2	Clevo Investment Co., Ltd.	The Company	Other receivables - related parties - current	Yes	49,000	-	-	1.04%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
3	Clevo Computer Singapore Ptd., Ltd.	The Company	Other receivables - related parties - current	Yes	116,934	116,934	116,934	0.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
4	Clevo (Cayman Islands) Holding Company	Buynow Electronic Information (Hangzhou) Co., Ltd.	Other receivables - related parties - current	Yes	134,924	134,924	134,924	6 months LIBOR+2.5 %,3.5%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
4	Clevo (Cayman Islands) Holding Company	Buynow (Guangzhou) Corporation	Other receivables - related parties - current	Yes	134,924	134,924	134,924	2.50%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
4	Clevo (Cayman Islands) Holding Company	Buynow (Xian) Industry Co., Ltd.	Other receivables - related parties - current	Yes	59,966	59,966	59,966	3.50%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
4	Clevo (Cayman Islands) Holding Company	Buynow (Harbin) Corporation	Other receivables - related parties - current	Yes	88,450	88,450	88,450	2.50%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
4	Clevo (Cayman Islands) Holding Company	Daqing Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	89,949	89,949	89,949	3.50%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
4	Clevo (Cayman Islands) Holding Company	Zibo Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	89,949	89,949	89,949	2.50%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
4	Clevo (Cayman Islands) Holding Company	Buynow (Taizhou) Corporation	Other receivables - related parties - current	Yes	194,890	194,890	194,890	3.50%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8

NO. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the nine-month period ended September 30, 2020 (Note 3)	Balance at September 30, 2020 (Note 8)	Actual amount drawn down	Interest rate	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Item	Value			
4	Clevo (Cayman Islands) Holding Company	Kunshan Kaishuo Trading Co., Ltd.	Other receivables - related parties - current	Yes	\$ 148,956	\$ 148,956	\$ 148,956	3.00%	2	-	Additional operating capital	-	-	-	\$ 15,559,682	\$ 38,899,204	Note 8
5	Buynow Electronic Information (Hangzhou) Co., Ltd.	Changsha Hungyu Business Management Co., Ltd.	Other receivables - related parties - current	Yes	119,803	119,803	119,803	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
5	Buynow Electronic Information (Hangzhou) Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	249,949	249,949	249,949	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
5	Buynow Electronic Information (Hangzhou) Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	57,880	57,880	57,880	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
5	Buynow Electronic Information (Hangzhou) Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	179,811	169,172	169,172	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
5	Buynow Electronic Information (Hangzhou) Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	130,230	130,230	130,230	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
6	Buynow (Chengdu) Electronic Information Co., Ltd.	Changsha Hungyu Business Management Co., Ltd.	Other receivables - related parties - current	Yes	42,559	33,834	33,834	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
6	Buynow (Chengdu) Electronic Information Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	342,174	342,174	342,174	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
6	Buynow (Chengdu) Electronic Information Co., Ltd.	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Other receivables - related parties - current	Yes	280,170	280,170	280,170	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
6	Buynow (Chengdu) Electronic Information Co., Ltd.	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Other receivables - related parties - current	Yes	8,512	-	-	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
6	Buynow (Chengdu) Electronic Information Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	82,564	82,564	82,564	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8

NO. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the nine-month period ended September 30, 2020 (Note 3)	Balance at September 30, 2020 (Note 8)	Actual amount drawn down	Interest rate	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Item	Value			
6	Buynow (Chengdu) Electronic Information Co., Ltd.	Buynow Electronic Information (Hui zhou) Co., Ltd	Other receivables - related parties - current	Yes	\$ 128,017	\$ 128,017	\$ 128,017	4.35%	2	-	Additional operating capital	-	-	-	\$ 15,559,682	\$ 38,899,204	Note 8
6	Buynow (Chengdu) Electronic Information Co., Ltd.	Clevo (China) Investment Co., Ltd.	Other receivables - related parties - current	Yes	12,768	12,768	12,768	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
6	Buynow (Chengdu) Electronic Information Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	197,984	43,070	43,070	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
6	Buynow (Chengdu) Electronic Information Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	275,569	275,569	275,569	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
6	Buynow (Chengdu) Electronic Information Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	38,303	38,303	38,303	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
6	Buynow (Chengdu) Electronic Information Co., Ltd.	Quanzhou Buynow Industry Co., Ltd.	Other receivables - related parties - current	Yes	34,473	31,068	31,068	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
7	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Changsha Hungyu Business Management Co., Ltd.	Other receivables - related parties - current	Yes	5,745	-	-	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
7	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	5,958	-	-	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
7	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	Other receivables - related parties - current	Yes	337,705	337,705	337,705	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
7	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	138,955	129,592	129,592	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
7	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	8,937	8,937	8,937	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8

NO. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the nine-month period ended September 30, 2020 (Note 3)	Balance at September 30, 2020 (Note 8)	Actual amount drawn down	Interest rate	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Item	Value			
7	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	\$ 97,034	\$ 97,034	\$ 97,034	4.35%	2	-	Additional operating capital	-	-	-	\$ 15,559,682	\$ 38,899,204	Note 8
8	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	Other receivables - related parties - current	Yes	314,723	314,723	314,723	4.50%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
8	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	Other receivables - related parties - current	Yes	100,524	100,524	100,524	4.50%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
8	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	531,008	531,008	531,008	4.50%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
8	Kapok Computer (Kunshan) Co., Ltd.	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Other receivables - related parties - current	Yes	170,236	-	-	4.50%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
8	Kapok Computer (Kunshan) Co., Ltd.	Shantou Buynow Mall Co., Ltd.	Other receivables - related parties - current	Yes	485,683	485,683	485,683	4.50%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
8	Kapok Computer (Kunshan) Co., Ltd.	Clevo (China) Investment Co., Ltd.	Other receivables - related parties - current	Yes	170,236	170,236	170,236	4.50%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
8	Kapok Computer (Kunshan) Co., Ltd.	Yingkou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	80,862	80,862	80,862	4.50%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
8	Kapok Computer (Kunshan) Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	423,461	423,461	423,461	4.50%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
8	Kapok Computer (Kunshan) Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	539,222	539,222	539,222	4.50%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
9	Buynow (Nanchang) Industry Co., Ltd.	Buynow (Guangzhou) Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	30,430	30,430	30,430	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
9	Buynow (Nanchang) Industry Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	164,618	151,850	151,850	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
9	Buynow (Nanchang) Industry Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	73,712	73,712	73,712	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
9	Buynow (Nanchang) Industry Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	114,058	101,290	101,290	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
9	Buynow (Nanchang) Industry Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	217,902	85,118	85,118	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8

NO. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the nine-month period ended September 30, 2020 (Note 3)	Balance at September 30, 2020 (Note 8)	Actual amount drawn down	Interest rate	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Item	Value			
9	Buynow (Nanchang) Industry Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	Other receivables - related parties - current	Yes	\$ 162,660	\$ 121,804	\$ 121,804	5.00%	2	-	Additional operating capital	-	-	-	\$ 15,559,682	\$ 38,899,204	Note 8
10	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Changsha Hungyu Business Management Co., Ltd.	Other receivables - related parties - current	Yes	61,583	56,050	56,050	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
10	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	52,773	-	-	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
10	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	196,580	196,580	196,580	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
10	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Beijing Kaiye Electronic Technology Co., Ltd.	Other receivables - related parties - current	Yes	179,258	65,966	65,966	0.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
10	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Clevo (China) Investment Co., Ltd.	Other receivables - related parties - current	Yes	85,118	85,118	85,118	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
10	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	69,882	69,882	69,882	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
10	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	150,233	150,233	150,233	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
10	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	45,964	-	-	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
10	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	Other receivables - related parties - current	Yes	851	-	-	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
11	Buynow (Guangzhou) Corporation	Buynow (Guangzhou) Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	149,915	149,915	149,915	3.50%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
12	Buynow Electronic Information (Shenyang) Co., Ltd.	Changsha Hungyu Business Management Co., Ltd.	Other receivables - related parties - current	Yes	94,694	94,694	94,694	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8

NO. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the nine-month period ended September 30, 2020 (Note 3)	Balance at September 30, 2020 (Note 8)	Actual amount drawn down	Interest rate	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Item	Value			
12	Buynow Electronic Information (Shenyang) Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	\$ 59,583	\$ 38,303	\$ 38,303	4.35%	2	-	Additional operating capital	-	-	-	\$ 15,559,682	\$ 38,899,204	Note 8
12	Buynow Electronic Information (Shenyang) Co., Ltd.	Yingkou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	119,122	110,611	110,611	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
12	Buynow Electronic Information (Shenyang) Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	15,108	-	-	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
12	Buynow Electronic Information (Shenyang) Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	36,388	36,388	36,388	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
12	Buynow Electronic Information (Shenyang) Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	61,115	61,115	61,115	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
13	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	33,622	33,622	33,622	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
13	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	Other receivables - related parties - current	Yes	21,279	-	-	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
13	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Buynow (Guangzhou) Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	52,177	52,177	52,177	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
13	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	80,224	80,224	80,224	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
13	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Beijing Kaiye Electronic Technology Co., Ltd.	Other receivables - related parties - current	Yes	40,431	-	-	0.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
13	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Daqing Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	234,032	234,032	234,032	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8

NO. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the nine-month period ended September 30, 2020 (Note 3)	Balance at September 30, 2020 (Note 8)	Actual amount drawn down	Interest rate	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Item	Value			
13	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Guangdong Buynow Real Estate Management Co., Ltd.	Other receivables - related parties - current	Yes	\$ 31,919	\$ -	\$ -	4.35%	2	-	Additional operating capital	-	-	-	\$ 15,559,682	\$ 38,899,204	Note 8
13	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	44,687	44,687	44,687	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
13	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	36,175	-	-	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
13	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Quanzhou Buynow Industry Co., Ltd.	Other receivables - related parties - current	Yes	35,877	35,877	35,877	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
14	Buynow (Xian) Industry Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	30,217	-	-	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
15	Buynow (Changchun) Industry Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	Other receivables - related parties - current	Yes	29,791	-	-	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
15	Buynow (Changchun) Industry Co., Ltd.	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	21,279	-	-	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
15	Buynow (Changchun) Industry Co., Ltd.	Buynow (Guangzhou) Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	46,772	46,772	46,772	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
15	Buynow (Changchun) Industry Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	Other receivables - related parties - current	Yes	161,724	161,724	161,724	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
15	Buynow (Changchun) Industry Co., Ltd.	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Other receivables - related parties - current	Yes	25,535	-	-	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
15	Buynow (Changchun) Industry Co., Ltd.	Daqing Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	21,279	21,279	21,279	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
15	Buynow (Changchun) Industry Co., Ltd.	Clevo (China) Investment Co., Ltd.	Other receivables - related parties - current	Yes	51,071	51,071	51,071	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
15	Buynow (Changchun) Industry Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	30,259	-	-	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8

NO. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the nine-month period ended September 30, 2020 (Note 3)	Balance at September 30, 2020 (Note 8)	Actual amount drawn down	Interest rate	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Item	Value			
15	Buynow (Changchun) Industry Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	\$ 25,535	\$ 25,535	\$ 25,535	4.35%	2	-	Additional operating capital	-	-	-	\$ 15,559,682	\$ 38,899,204	Note 8
15	Buynow (Changchun) Industry Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	44,687	-	-	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
15	Buynow (Changchun) Industry Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	48,943	42,559	42,559	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
15	Buynow (Changchun) Industry Co., Ltd.	Quanzhou Buynow Industry Co., Ltd.	Other receivables - related parties - current	Yes	36,558	36,558	36,558	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
16	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	31,153	-	-	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
16	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	73,542	53,965	53,965	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
16	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	78,521	78,521	78,521	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
16	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	106,397	85,118	85,118	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
17	Quality Trust Property Management Co, Ltd.	Buynow (Xian) Industry Co., Ltd.	Other receivables - related parties - current	Yes	10,853	-	-	3.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
17	Quality Trust Property Management Co, Ltd.	Daqing Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	165,980	165,980	165,980	3.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
17	Quality Trust Property Management Co, Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	35,324	35,324	35,324	3.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
17	Quality Trust Property Management Co, Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	Other receivables - related parties - current	Yes	2,128	-	-	3.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8

NO. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the nine-month period ended September 30, 2020 (Note 3)	Balance at September 30, 2020 (Note 8)	Actual amount drawn down	Interest rate	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Item	Value			
18	Buynow (Harbin) Corporation	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	\$ 89,949	\$ 89,949	\$ 89,949	3.50%	2	-	Additional operating capital	-	-	-	\$ 15,559,682	\$ 38,899,204	Note 8
19	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	6,384	-	-	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
19	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	Other receivables - related parties - current	Yes	62,136	62,136	62,136	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
19	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	Other receivables - related parties - current	Yes	224,711	224,711	224,711	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
19	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	112,781	112,781	112,781	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
19	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	24,471	22,769	22,769	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
19	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	212,403	101,750	101,750	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
19	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Quanzhou Buynow Industry Co., Ltd.	Other receivables - related parties - current	Yes	5,533	-	-	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
19	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	Other receivables - related parties - current	Yes	50,220	23,833	23,833	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
20	Wuxi Quntai Property Management Co., Ltd.	Shantou Buynow Mall Co., Ltd.	Other receivables - related parties - current	Yes	7,022	-	-	3.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
20	Wuxi Quntai Property Management Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	22,556	22,556	22,556	3.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
21	Buynow (Chongqing) Industry Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	Other receivables - related parties - current	Yes	8,512	-	-	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8

NO. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the nine-month period ended September 30, 2020 (Note 3)	Balance at September 30, 2020 (Note 8)	Actual amount drawn down	Interest rate	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Item	Value			
21	Buynow (Chongqing) Industry Co., Ltd.	Shantou Buynow Mall Co., Ltd.	Other receivables - related parties - current	Yes	\$ 44,687	\$ 44,687	\$ 44,687	5.00%	2	-	Additional operating capital	-	-	-	\$ 15,559,682	\$ 38,899,204	Note 8
21	Buynow (Chongqing) Industry Co., Ltd.	Clevo (China) Investment Co., Ltd.	Other receivables - related parties - current	Yes	68,094	-	-	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
21	Buynow (Chongqing) Industry Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	31,919	31,919	31,919	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
22	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	77,883	77,883	77,883	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
22	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	Other receivables - related parties - current	Yes	37,026	-	-	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
22	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	Other receivables - related parties - current	Yes	91,927	31,919	31,919	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
22	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	Other receivables - related parties - current	Yes	228,924	222,541	222,541	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
22	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	300,977	243,522	243,522	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
22	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	224,711	203,432	203,432	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
22	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Quanzhou Buynow Industry Co., Ltd.	Other receivables - related parties - current	Yes	25,876	4,596	4,596	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
22	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	Other receivables - related parties - current	Yes	235,862	235,862	235,862	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8

NO. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the nine-month period ended September 30, 2020 (Note 3)	Balance at September 30, 2020 (Note 8)	Actual amount drawn down	Interest rate	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Item	Value			
22	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Shanghai Huizhuan Restaurant Management Co., Ltd.	Other receivables - related parties - current	Yes	\$ 26,812	\$ 26,812	\$ 26,812	5.00%	2	-	Additional operating capital	-	-	-	\$ 15,559,682	\$ 38,899,204	Note 8
23	Daqing Buynow Electronic Information Co., Ltd.	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	144,700	134,061	134,061	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
24	Tianjin Buynow Electronic Information Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	153,638	153,638	153,638	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
24	Tianjin Buynow Electronic Information Co., Ltd.	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Other receivables - related parties - current	Yes	28,302	13,406	13,406	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
24	Tianjin Buynow Electronic Information Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	Other receivables - related parties - current	Yes	56,178	56,178	56,178	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
24	Tianjin Buynow Electronic Information Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	Other receivables - related parties - current	Yes	189,217	189,217	189,217	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
24	Tianjin Buynow Electronic Information Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	136,376	136,376	136,376	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
24	Tianjin Buynow Electronic Information Co., Ltd.	Shantou Buynow Mall Co., Ltd.	Other receivables - related parties - current	Yes	42,559	-	-	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
24	Tianjin Buynow Electronic Information Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	59,710	58,433	58,433	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
24	Tianjin Buynow Electronic Information Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	70,648	-	-	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8

NO. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the nine-month period ended September 30, 2020 (Note 3)	Balance at September 30, 2020 (Note 8)	Actual amount drawn down	Interest rate	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Item	Value			
24	Tianjin Buynow Electronic Information Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	\$ 142,955	\$ 69,328	\$ 69,328	4.35%	2	-	Additional operating capital	-	-	-	\$ 15,559,682	\$ 38,899,204	Note 8
24	Tianjin Buynow Electronic Information Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	Other receivables - related parties - current	Yes	99,588	95,332	95,332	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
25	Zibo Buynow Electronic Information Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	Other receivables - related parties - current	Yes	12,768	-	-	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
26	Buynow (Yancheng) Electronic Information Technology Development Co., Ltd.	Beijing Kaiye Electronic Technology Co., Ltd.	Other receivables - related parties - current	Yes	21,279	21,279	21,279	0.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
26	Buynow (Yancheng) Electronic Information Technology Development Co., Ltd.	Daqing Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	29,791	29,791	29,791	0.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
26	Buynow (Yancheng) Electronic Information Technology Development Co., Ltd.	Shantou Buynow Mall Co., Ltd.	Other receivables - related parties - current	Yes	473,894	473,894	473,894	0.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
26	Buynow (Yancheng) Electronic Information Technology Development Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	123,421	123,421	123,421	0.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
26	Buynow (Yancheng) Electronic Information Technology Development Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	24,046	24,046	24,046	0.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
27	Beijing Clevo Investment Management Consultant Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	Other receivables - related parties - current	Yes	26,812	-	-	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
27	Beijing Clevo Investment Management Consultant Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	Other receivables - related parties - current	Yes	228,116	206,411	206,411	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8

NO. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the nine-month period ended September 30, 2020 (Note 3)	Balance at September 30, 2020 (Note 8)	Actual amount drawn down	Interest rate	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Item	Value			
27	Beijing Clevo Investment Management Consultant Co., Ltd.	Buynow Electronic Information (Hui zhou) Co., Ltd	Other receivables - related parties - current	Yes	\$ 228,541	\$ 228,541	\$ 228,541	5.00%	2	-	Additional operating capital	-	-	-	\$ 15,559,682	\$ 38,899,204	Note 8
27	Beijing Clevo Investment Management Consultant Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	75,500	17,832	17,832	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
27	Beijing Clevo Investment Management Consultant Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	51,071	-	-	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
28	Guangdong Buynow Real Estate Management Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	375,753	367,241	367,241	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
28	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	Other receivables - related parties - current	Yes	370,263	106,610	106,610	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
28	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow (Guangzhou) Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	56,603	52,773	52,773	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
28	Guangdong Buynow Real Estate Management Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	Other receivables - related parties - current	Yes	136,018	129,635	129,635	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
28	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	Other receivables - related parties - current	Yes	52,773	52,773	52,773	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
28	Guangdong Buynow Real Estate Management Co., Ltd.	Beijing Kaiye Electronic Technology Co., Ltd.	Other receivables - related parties - current	Yes	7,235	-	-	0.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
28	Guangdong Buynow Real Estate Management Co., Ltd.	Daqing Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	121,804	70,095	70,095	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8

NO. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the nine-month period ended September 30, 2020 (Note 3)	Balance at September 30, 2020 (Note 8)	Actual amount drawn down	Interest rate	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Item	Value			
28	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow Electronic Information (Hui zhou) Co., Ltd	Other receivables - related parties - current	Yes	\$ 186,408	\$ 39,154	\$ 39,154	4.35%	2	-	Additional operating capital	-	-	-	\$ 15,559,682	\$ 38,899,204	Note 8
28	Guangdong Buynow Real Estate Management Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	11,065	11,065	11,065	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
28	Guangdong Buynow Real Estate Management Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	264,291	249,395	249,395	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
28	Guangdong Buynow Real Estate Management Co., Ltd.	Suzhou Jinzuo Industry Co., Ltd.	Other receivables - related parties - current	Yes	251,779	251,779	251,779	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
28	Guangdong Buynow Real Estate Management Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	89,374	89,374	89,374	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
28	Guangdong Buynow Real Estate Management Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	195,984	83,841	83,841	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
28	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	Other receivables - related parties - current	Yes	233,649	233,649	233,649	4.35%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
29	Shantou Buynow Mall Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	Other receivables - related parties - current	Yes	274,505	-	-	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
29	Shantou Buynow Mall Co., Ltd.	Buynow (Chongqing) Industry Co., Ltd.	Other receivables - related parties - current	Yes	44,687	-	-	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
29	Shantou Buynow Mall Co., Ltd.	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Other receivables - related parties - current	Yes	19,152	-	-	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8

NO. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the nine-month period ended September 30, 2020 (Note 3)	Balance at September 30, 2020 (Note 8)	Actual amount drawn down	Interest rate	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Item	Value			
29	Shantou Buynow Mall Co., Ltd.	Daqing Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	\$ 638	\$ -	\$ -	5.00%	2	-	Additional operating capital	-	-	-	\$ 15,559,682	\$ 38,899,204	Note 8
29	Shantou Buynow Mall Co., Ltd.	Clevo (China) Investment Co., Ltd.	Other receivables - related parties - current	Yes	134,061	104,269	104,269	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
29	Shantou Buynow Mall Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	318,596	318,596	318,596	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
29	Shantou Buynow Mall Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	102,141	102,141	102,141	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
29	Shantou Buynow Mall Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	276,633	276,633	276,633	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
29	Shantou Buynow Mall Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	300,679	28,514	28,514	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
29	Shantou Buynow Mall Co., Ltd.	Quality Trust Property Management Co., Ltd.	Other receivables - related parties - current	Yes	1,277	-	-	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
30	Clevo (China) Investment Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	Other receivables - related parties - current	Yes	170,236	-	-	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
30	Clevo (China) Investment Co., Ltd.	Buynow (Chongqing) Industry Co., Ltd.	Other receivables - related parties - current	Yes	291,529	-	-	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
30	Clevo (China) Investment Co., Ltd.	Shanghai Buynow Online Information Technology Co., Ltd.	Other receivables - related parties - current	Yes	11,065	11,065	11,065	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8

NO. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the nine-month period ended September 30, 2020 (Note 3)	Balance at September 30, 2020 (Note 8)	Actual amount drawn down	Interest rate	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful account	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Item	Value			
30	Clevo (China) Investment Co., Ltd.	Buynow Electronic Information (Hui zhou) Co., Ltd	Other receivables - related parties - current	Yes	\$ 108,525	\$ 93,630	\$ 93,630	5.00%	2	-	Additional operating capital	-	-	-	\$ 15,559,682	\$ 38,899,204	Note 8
31	Buynow (Taizhou) Corporation	Taizhou Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	194,890	194,890	194,890	3.50%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
32	Taizhou Buynow Electronic Information Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	74,904	-	-	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
33	Dezhou Buynow Electronic Information Co., Ltd.	Quanzhou Buynow Industry Co., Ltd.	Other receivables - related parties - current	Yes	21,620	-	-	5.00%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8
34	Kunshan Kaishuo Trading Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	Other receivables - related parties - current	Yes	98,311	89,289	89,289	3.50%	2	-	Additional operating capital	-	-	-	15,559,682	38,899,204	Note 8

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: Fill in the name of account in which the loans are recognised, such as receivables–related parties, current account with stockholders, prepayments, temporary payments, etc.

Note 3: Fill in the maximum outstanding balance of loans to others during year ended December 31, 2020.

Note 4: The nature of loans :

- (1) Related to business transactions is"1".
- (2) short-term financing is "2".

Note 5: In accordance with the Article 4 of the Company's "Procedured for Provision of Loans" the liait on the loans to a party with business transactions is lower than the amount occurred between the creditor and borrower in the current year when nature of the loan is related to business transactions.

Note 6: Fill in purpose of loan when nature of loan is for short-term financing, for example, repayment of loan, acquisition of equipment, working capital, etc.

Note 7: According to the Company’s “Procedures for Provision of Loans”

- (1) The ceiling on loans granted by the Company to other shall not be more than 40% of the Company's net asstes.
- (2) The limit on loans granted by the Company to a single party shall not be more than 30% of the Company's net assets.

Note 8:According to the Subsidiaries' “Procedures for Provision of Loans”

- (1) The limit on loans granted by a subsidiary to a single party in which the Company directly and indirectly holds 100%of the voting shares shall not be more than 40% of the Company's net assets.
- (2) The ceiling on loans to others in which the Company directly and indirectly holds 100% of the voting shares shall not be more than 100% of the Company's net assets,and limit to other single party is 40% of the subsidiary's net assets.

Note 9: The amounts of funds to be loaned to others which have been approved by the board of directors of a public company in accordance with Article 14, Item 1 of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" should be included in its published balance of loans to others at the end of the reporting period to reveal the risk of loaning the public company bears, even though they have not yet been appropriated. However, this balance should exclude the loans repaid when repayments are done subsequently to reflect the risk adjustment. In addition, if the board of directors of a public company has authorized the chairman to loan funds in instalments or in revolving within certain lines and within one year in accordance with Article 14, Item 2 of the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies”, the published balance of loans to others at the end of the reporting period should also include these lines of loaning approved by the board of directors, and these lines of loaning should not be excluded from this balance even though the loans are repaid subsequently, for taking into consideration they could be loaned again thereafter.

CLEVO CO. and Subsidiaries
Provision of endorsements and guarantees to others
Nine-month period ended September 30, 2020

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of September 30, 2020 (Note 4)	Outstanding endorsement/ guarantee amount at September 30, 2020 (Note 5)	Actual amount drawn down (Note 6)	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 (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary (Note 7)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 7)	Provision of endorsements/ guarantees to the party in Mainland China (Note 7)	Footnote
		Company name	Relationship with the endorser/ guarantor (Note 2)											
0	The Company	Shantou Buynow Mall Co., Ltd.	3	\$ 38,899,204	\$ 425,590	\$ -	\$ -	\$ -	-	\$ 77,798,408	Y	N	Y	-
0	The Company	Anshan Buynow Electronic Information Co., Ltd.	3	38,899,204	57,966	-	-	-	-	77,798,408	Y	N	Y	-
0	The Company	Dezhou Buynow Electronic Information Co., Ltd.	3	38,899,204	191,288	-	-	-	-	77,798,408	Y	N	Y	-
0	The Company	Buynow Electronic Information (Hangzhou) Co., Ltd.	3	38,899,204	94,195	-	-	-	-	77,798,408	Y	N	Y	-
0	The Company	Taizhou Buynow Electronic Information Co., Ltd.	3	38,899,204	127,677	-	-	-	-	77,798,408	Y	N	Y	-
1	Changsha Hungyu Business Management Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	38,899,204	297,913	-	-	-	-	77,798,408	N	N	Y	-
1	Changsha Hungyu Business Management Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	38,899,204	750,741	750,741	750,741	750,741	1.93	77,798,408	N	N	Y	-
2	Buynow Electronic Information (Hangzhou) Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd.	3	38,899,204	200,027	200,027	128,826	200,027	0.51	77,798,408	N	N	Y	-
2	Buynow Electronic Information (Hangzhou) Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	3	38,899,204	170,236	170,236	170,236	-	0.44	77,798,408	N	N	Y	-

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of September 30, 2020 (Note 4)	Outstanding endorsement/ guarantee amount at September 30, 2020 (Note 5)	Actual amount drawn down (Note 6)	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 (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary (Note 7)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 7)	Provision of endorsements/ guarantees to the party in Mainland China (Note 7)	Footnote
		Company name	Relationship with the endorser/ guarantor (Note 2)											
2	Buynow Electronic Information (Hangzhou) Co., Ltd.	Buynow (Chongqing) Industry Co., Ltd.	3	\$ 38,899,204	\$ 336,216	\$ 336,216	\$ 336,216	\$ -	0.86	\$ 77,798,408	N	N	Y	-
2	Buynow (Hangzhou) Electronic Information Co., Ltd.	Guangdong Buynow Real Estate Management Co., Ltd.	3	38,899,204	127,677	127,677	13,619	127,677	0.33	77,798,408	N	N	Y	-
3	Buynow (Chengdu) Electronic Information Co., Ltd.	Shantou Buynow Mall Co., Ltd.	3	38,899,204	2,127,950	2,127,950	1,149,187	2,127,950	5.47	77,798,408	N	N	Y	-
3	Buynow (Chengdu) Electronic Information Co., Ltd.	Buynow (Chongqing) Industry Co., Ltd.	3	38,899,204	425,590	-	-	-	-	77,798,408	N	N	Y	-
3	Buynow (Chengdu) Electronic Information Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	3	38,899,204	212,795	-	-	-	-	77,798,408	N	N	Y	-
4	Buynow (Nanjing) Facility Leasing and Management Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	3	38,899,204	1,063,975	1,063,975	17,232	1,063,975	2.74	77,798,408	N	N	Y	-
5	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	3	38,899,204	1,532,124	1,532,124	1,425,727	1,532,124	3.94	77,798,408	N	N	Y	-
5	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	38,899,204	750,741	750,741	750,741	-	1.93	77,798,408	N	N	Y	-
6	Buynow Electronic Information (Shenyang) Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	38,899,204	1,063,975	1,063,975	1,063,975	1,063,975	2.74	77,798,408	N	N	Y	-
7	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Quanzhou Buynow Industry Co., Ltd.	3	38,899,204	255,354	255,354	246,842	-	0.66	77,798,408	N	N	Y	-

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of September 30, 2020 (Note 4)	Outstanding endorsement/ guarantee amount at September 30, 2020 (Note 5)	Actual amount drawn down (Note 6)	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 (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary (Note 7)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 7)	Provision of endorsements/ guarantees to the party in Mainland China (Note 7)	Footnote
		Company name	Relationship with the endorser/ guarantor (Note 2)											
8	Buynow (Xian) Industry Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	3	\$ 38,899,204	\$ 680,944	\$ 680,944	\$ 326,428	\$ -	1.75	\$ 77,798,408	N	N	Y	-
9	Buynow (Changchun) Industry Co., Ltd.	Luoyang Buynow Electronic Information Co.,	3	38,899,204	893,739	-	-	-	-	77,798,408	N	N	Y	-
10	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Shanghai Buynow Computer Market Management Co., Ltd.	3	38,899,204	276,634	-	-	-	-	77,798,408	N	N	Y	-
10	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Guangdong Buynow Real Estate Management Co., Ltd.	3	38,899,204	212,795	212,795	140,445	212,795	0.55	77,798,408	N	N	Y	-
10	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Buynow (Hangzhou) Electronic Information Co., Ltd.	3	38,899,204	127,677	127,677	91,715	127,677	0.33	77,798,408	N	N	Y	-
10	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Buynow (Zhengzhou) Electronic Information Co., Ltd.	3	38,899,204	127,677	127,677	-	127,677	0.33	77,798,408	N	N	Y	-
10	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Tianjin Buynow Electronic Information Co., Ltd.	3	38,899,204	51,071	51,071	-	51,071	0.13	77,798,408	N	N	Y	-
11	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Kapok Computer (Kunshan) Co., Ltd.	3	38,899,204	827,832	827,832	822,538	827,832	2.13	77,798,408	N	N	Y	-
11	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	3	38,899,204	415,801	415,801	326,428	-	1.07	77,798,408	N	N	Y	-
12	Buynow (Chongqing) Industry Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	3	38,899,204	212,795	170,236	170,236	170,236	0.44	77,798,408	N	N	Y	-

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of September 30, 2020 (Note 4)	Outstanding endorsement/ guarantee amount at September 30, 2020 (Note 5)	Actual amount drawn down (Note 6)	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 (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary (Note 7)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 7)	Provision of endorsements/ guarantees to the party in Mainland China (Note 7)	Footnote
		Company name	Relationship with the endorser/ guarantor (Note 2)											
13	Guangdong Buynow Real Estate Management Co., Ltd.	The Company	3	\$ 38,899,204	\$ 3,000,000	\$ 3,000,000	\$ 1,150,000	\$ 3,000,000	7.71	\$ 77,798,408	N	Y	N	-
14	Taizhou Buynow Electronic Information Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	3	38,899,204	510,708	510,708	459,637	510,708	1.31	77,798,408	N	N	Y	-

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: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories; fill in the number of category each case belongs to:

- (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 company.
- (4) The endorser/guarantor parent company owns directly and indirectly more than 50% 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.

Note 3: In accordance with Company's procedures of endorsements and guarantees, limit on the Company's total guarantee amount is 200% of the Company's net assets, and the limit on endorsement/guarantee to a single party is 100% of the aforementioned total amount. The limit on total guarantee amount and the endorsement/guarantee to a single party of the subsidiaries owned directly or indirectly 100% voting shares by the Company are both 200% of the Company's net assets. The limit on total guarantee amount and the endorsement/guarantee to a single party of the subsidiaries owned directly or indirectly 100% voting shares by the Company are both 200% of the Company's net assets.

Note 4: Fill in the year-to-date maximum outstanding balance of endorsements/guarantees provided as of the reporting period.

Note 5: Fill in the amount approved by the Board of Directors or the chairman if the chairman has been authorised by the Board of Directors based on subparagraph 8, Article 12 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies.

Note 6: Fill in the actual amount of endorsements/guarantees used by the endorsed/guaranteed company.

Note 7: Fill in 'Y' for those cases of provision of endorsements/guarantees by listed parent company to subsidiary and provision by subsidiary to listed parent company, and provision to the party in Mainland China.

Note 8: The limit on the Company and the subsidiaries' total endorsement/guarantee amount is 300% of the Company's net assets.

Note 9: The limit on endorsement/guarantee to a single party of the Company and the subsidiaries is 100% of the Company's net assets.

Note 10: When the total guarantee amount of the Company and the subsidiaries reached 50% of the Company's net assets, it is necessary to explain the necessity and reasonableness at the shareholders' meeting.

Note 11: In accordance with Article 5 of the Company's procedures of endorsements and guarantees, due to the endorsement of the business relationship, the limit on endorsement/guarantee to a single party due to business relationship shall not exceed the limit mentioned in Note 3 and the actual sales amount between of the single enterprise and the guarantee company within the last year.

CLEVO CO. and Subsidiaries
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)
September 30, 2020

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of September 30, 2020				Footnote (Note 4)
				Number of shares	Book value (Note 3)	Ownership	Fair value	
	Stocks							
The Company	AU Optronics Corp.	-	Current financial assets measured at fair value through profit or loss	1,092,989	\$ 12,241	0.01%	\$ 12,241	-
The Company	Chicony Electronics Co., Ltd.	Same chairman as the Company	Current financial assets measured at fair value through profit or loss	4,697,000	395,018	0.64%	395,018	-
The Company	Innolux Corporation	-	Current financial assets measured at fair value through profit or loss	51,219	480	0.00%	480	-
The Company	Net Publishing Co., Ltd.	-	Current financial assets measured at fair value through profit or loss	223,000	11,440	0.53%	11,440	-
The Company	Taiwan Business Bank, Ltd.	-	Current financial assets measured at fair value through profit or loss	7,955,827	75,899	0.11%	75,899	-
The Company	Da Lue International Holding Co., Ltd.	-	Current financial assets measured at fair value through profit or loss	1,222,283	15,645	2.83%	15,645	-
The Company	Boe Technology Group Co., Ltd.	-	Current financial assets measured at fair value through profit or loss	200,000	4,179	0.00%	4,179	-
The Company	Zhen Ding Technology Holding Limited		Current financial assets measured at fair value through profit or loss	210,000	26,460	0.03%	26,460	-
The Company	健鼎科技股份有限公司	-	Current financial assets measured at fair value through profit or loss	210,000	23,100	0.04%	23,100	
The Company	富士康工業互聯網股份有限公司	-	Current financial assets measured at fair value through profit or loss	1,480,000	85,600	0.01%	85,600	
	Beneficiary certificate							
The Company	Greater China Multi-Strategy Fund	-	Current financial assets measured at fair value through profit or loss	78,785	353,436	0.00%	353,436	-
	Stocks							
Kapok Computer Co., Ltd.	Chicony Electronics Co., Ltd.	Same chairman as the Company	Current financial assets measured at fair value through profit or loss	40,862	3,436	0.01%	3,436	-
Kapok Computer Co., Ltd.	CLEVO CO.	The Company	Non-current financial assets measured at fair value through other comprehensive income	16,966,596	491,183	2.53%	491,183	-
	Beneficiary certificate							
Kapok Computer Co., Ltd.	Reliance TAROBO Robotics Quantitative Chinese Fund	-	Current financial assets measured at fair value through profit or loss	2,237,387	36,387	0.00%	36,387	-
	Stocks							
Clevo Investment Co., Ltd.	Chicony Electronics Co., Ltd.	Same chairman as the Company	Current financial assets measured at fair value through profit or loss	162,072	13,630	0.02%	13,630	-
Clevo Investment Co., Ltd.	CLEVO CO.	The Company	Non-current financial assets measured at fair value through other comprehensive income	10,080,669	291,835	1.51%	291,835	-

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of September 30, 2020				Footnote (Note 4)
				Number of shares	Book value (Note 3)	Ownership	Fair value	
	Beneficiary certificate							
Clevo Investment Co., Ltd.	Shin Kong Global Preferred Stock Income Fund	-	Current financial assets measured at fair value through profit or loss	1,000,000	\$ 9,990	0.00%	\$ 9,990	-
Clevo Investment Co., Ltd.	Yuanta Taiwan High-yield Leading Company Fund	-	Current financial assets measured at fair value through profit or loss	1,000,000	11,140	0.00%	11,140	-
Clevo Investment Co., Ltd.	Reliance TAROBO Robotics Quantitative Chinese Fund	-	Current financial assets measured at fair value through profit or loss	1,491,591	24,258	0.00%	24,258	-
Clevo Investment Co., Ltd.	鋒裕匯理美元核心收益債券	-	Current financial assets measured at fair value through profit or loss	1,000,000	10,000	0.00%	10,000	
Clevo (Cayman Islands) Holding Company	UG Hidden Dragon Special Opportunity Fund	-	Current financial assets measured at fair value through profit or loss	266,378	525,964	0.00%	525,964	-

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities.

Note 2: Leave the column blank if the issuer of marketable securities is non-related party.

Note 3: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.

CLEVO CO. and Subsidiaries
Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more
Nine-month period ended September 30, 2020

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Real estate acquired by	Real estate acquired	Date of the event	Transaction amount	Status of payment	Counterparty	Relationship with the counterparty	If the counterparty is a related party, information as to the last transaction of the real estate is disclosed below:				Basis or reference used in setting the price	Reason for acquisition of real estate and status of the real estate	Other commitments
							Original owner who sold the real estate to the counterparty	Relationship between the original owner and the acquirer	Date of the original transaction	Amount			
Buynow (Xian) Industry Co., Ltd.	Construction in Progress, Prepayments and Land Use Right	2005~ Third Quarter of 2020	\$ 1,067,216	\$ 689,982	Xi'an Xinxiaozhai Old Village Reconstruction and Construction Development Co., Ltd. etc.	-	-	-	-	\$ -	Mutual agreement	Department store; under construction	-
Yingkou Buynow Electronic Information Co., Ltd.	Construction in Progress and Land Use Right	Second Quarter of 2011~ Third Quarter of 2020	731,846	708,458	Bureau of Land and Resources of Yingkou City etc.	-	-	-	-	-	Mutual agreement	Department store; under construction	-
Anshan Buynow Electronic Information Co., Ltd.	Buildings and Land Held for Sale, Construction in Progress and Land Use Right	Second Quarter of 2011~ Third Quarter of 2020	3,015,539	2,858,274	Bureau of Land and Resources of Anshan City etc.	-	-	-	-	-	Mutual agreement	Department store; under construction	-
Guiyang Buynow Electronic Information Co., Ltd.	Construction in Progress and Land Use Right	Fourth Quarter of 2011~ Third Quarter of 2020	1,404,313	1,342,868	Guiyang Municipal Bureau of Land and Resources etc.	-	-	-	-	-	Mutual agreement	Department store; under construction	-
Buynow (Jinzhou) Industry Co., Ltd.	Buildings and Land Held for Sale, Construction in Progress and Land Use Right	Second Quarter of 2013~ Third Quarter of 2020	1,712,989	1,695,347	Jinzhou Municipal Bureau of Land and Resources etc.	-	-	-	-	-	Mutual agreement	Department store; under construction	-

Note 1: The appraisal result should be presented in the 'Basis or reference used in setting the price' column if the real estate acquired should be appraised pursuant to the regulations.

Note 2: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT\$10 per share, the 20 % of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

Note 3: Date of the event referred to herein is the date of contract signing date, date of payment, date of execution of a trading order, date of title transfer, date of board resolution, or other date that can confirm the counterparty and the monetary amount of the transaction, whichever is earlier.

CLEVO CO. and Subsidiaries
Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more
Nine-month period ended September 30, 2020

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		Footnote (Note 2)
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
The Company	Kapok Computer (Kunshan) Co., Ltd.	The Company as the ultimate parent company	Purchases	\$ 7,969,236	57.61%	30 days after monthly billings and offset between creditor's rights and debt obligation. Prepayment is allowed when there is a fund requirement.	The selling price is reduced by 5%~15%. However, it can be adjusted according to market conditions.	1~5 months for normal customers due to fund requirements.	\$ -	-	-
The Company	Kapok Computer (Kunshan) Co., Ltd.	The Company as the ultimate parent company	Sales	(3,178,319)	21.23%	180 days	The goods are not sold to other customers, so the prices cannot be compared.	1~2 months for normal customers due to fund requirements.	914,338	25.57%	-
Kapok Computer (Kunshan) Co., Ltd.	The Company	The Company as the ultimate parent company	Sales	(7,969,236)	99.99%	30 Days After Monthly Billings	It is the only customer, so the price cannot be compared.	-	-	-	-
Kapok Computer (Kunshan) Co., Ltd.	The Company	The Company as the ultimate parent company	Purchases	3,178,319	42.36%	180 days	It is the only supplier, so the price cannot be compared.	-	(914,338)	32.47%	-

Note 1: If terms of related-party transactions are different from third-party transactions, explain the differences and reasons in the 'Unit price' and 'Credit term' columns.

Note 2: In case related-party transaction terms involve advance receipts (prepayments) transactions, explain in the footnote the reasons, contractual provisions, related amounts, and differences in types of transactions compared to third-party transactions.

Note 3: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT\$10 per share, the 20 % of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

CLEVO CO. and Subsidiaries
Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more
Nine-month period ended September 30, 2020

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at September 30, 2020 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
The Company	Kapok Computer (Kunshan) Co., Ltd.	The transaction object is a subsidiary of the company.	\$ 914,338	3.91	\$ -	Change into other receivables-related parties-current	\$ -	\$ -

Note 1: Fill in separately the balances of accounts receivable-related parties, notes receivable and other receivables etc.

Note 2: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT\$10 per share, the 20 % of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

CLEVO CO. and Subsidiaries
Significant inter-company transactions during the reporting period
Nine-month periods ended September 30, 2020

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

NO. (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	The Company	Clevo (Cayman Islands) Holding Company	1	Other receivables - related parties - current	\$ 578,979	1.00%	0.59%
0	The Company	Kapok Computer (Samoa) Corporation	1	Other receivables - related parties - current	216,081	1.00%	0.22%
0	The Company	Kapok Computer (Kunshan) Co., Ltd.	1	Purchases	7,969,236	The selling price is reduced by 5%~15%. However, it can be adjusted according to market conditions. The payment period is 30 days after monthly billings.	53.95%
0	The Company	Kapok Computer (Kunshan) Co., Ltd.	1	Sales	3,178,319	It is the only customer, so the price cannot be compared. The payment period is 180 days.	21.51%
0	The Company	Kapok Computer (Kunshan) Co., Ltd.	1	Accounts receivable- related parties	914,338	-	0.93%
1	Clevo Computer Singapore Ptd Ltd.	The Company	2	Other receivables - related parties - non-current	116,934	-	0.12%
2	Clevo (Cayman Islands) Holding Company	Buynow (Hangzhou) Electronic Information Co., Ltd.	3	Other receivables - related parties - current	134,924	6個月LIBOR+2.5%,3.5%	0.14%
2	Clevo (Cayman Islands) Holding Company	Buynow(Guangzhou) Corporation	3	Other receivables - related parties - current	134,924	2.50%	0.14%
2	Clevo (Cayman Islands) Holding Company	Buynow (Xian) Industry Co., Ltd.	3	Other receivables - related parties - current	59,966	3.50%	0.06%
2	Clevo (Cayman Islands) Holding Company	Buynow (Harbin) Corporation	3	Other receivables - related parties - current	88,450	2.50%	0.09%
2	Clevo (Cayman Islands) Holding Company	Daqing Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	89,949	3.50%	0.09%
2	Clevo (Cayman Islands) Holding Company	Zibo Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	89,949	2.50%	0.09%
2	Clevo (Cayman Islands) Holding Company	Buynow (Taizhou) Corporation	3	Other receivables - related parties - current	194,890	3.50%	0.20%
2	Clevo (Cayman Islands) Holding Company	Kunshan Kaishuo Trading Co., Ltd.	3	Other receivables - related parties - non-current	148,956	3.00%	0.15%

NO. (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
3	Buynow (Hangzhou) Electronic Information Co., Ltd.	Changsha Hungyu Business Management Co., Ltd.	3	Other receivables - related parties - current	\$ 119,803	5.00%	0.12%
3	Buynow (Hangzhou) Electronic Information Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	249,949	5.00%	0.25%
3	Buynow (Hangzhou) Electronic Information Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Other receivables - related parties - current	57,880	5.00%	0.06%
3	Buynow (Hangzhou) Electronic Information Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	169,172	5.00%	0.17%
3	Buynow (Hangzhou) Electronic Information Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	130,230	5.00%	0.13%
4	Buynow (Chengdu) Electronic Information Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	342,174	4.35%	0.35%
4	Buynow (Chengdu) Electronic Information Co., Ltd.	Buynow (Fujian) Electronic Technology Development Co., Ltd.	3	Other receivables - related parties - current	280,170	4.35%	0.28%
4	Buynow (Chengdu) Electronic Information Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	82,564	4.35%	0.08%
4	Buynow (Chengdu) Electronic Information Co., Ltd.	Buynow Electronic Information (Huizhou) Co., Ltd.	3	Other receivables - related parties - current	128,017	4.35%	0.13%
4	Buynow (Chengdu) Electronic Information Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	275,569	4.35%	0.28%
4	Buynow (Chengdu) Electronic Information Co., Ltd.	Shantou Buynow Mall Co., Ltd.	3	Receivables - related parties	93,451	-	0.09%
4	Buynow (Chengdu) Electronic Information Co., Ltd.	Buynow (Fujian) Electronic Technology Development Co., Ltd.	3	Receivables - related parties	51,757	-	0.05%
5	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	3	Other receivables - related parties - current	337,705	4.35%	0.34%
5	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Other receivables - related parties - current	129,592	4.35%	0.13%
5	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	97,034	4.35%	0.10%
5	Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Receivables - related parties	51,411	-	0.05%
6	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	3	Other receivables - related parties - current	314,723	4.50%	0.32%
6	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	3	Other receivables - related parties - current	100,524	4.50%	0.10%
6	Kapok Computer (Kunshan) Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Other receivables - related parties - current	531,008	4.50%	0.54%
6	Kapok Computer (Kunshan) Co., Ltd.	Shantou Buynow Mall Co., Ltd.	3	Other receivables - related parties - current	485,683	4.50%	0.49%

NO. (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
6	Kapok Computer (Kunshan) Co., Ltd.	Clevo (China) Investment Co., Ltd.	3	Other receivables - related parties - current	\$ 170,236	4.50%	0.17%
6	Kapok Computer (Kunshan) Co., Ltd.	Yingkou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	80,862	4.50%	0.08%
6	Kapok Computer (Kunshan) Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	423,461	4.50%	0.43%
6	Kapok Computer (Kunshan) Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	539,222	4.50%	0.55%
7	Buynow (Nanchang) Industry Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	151,850	5.00%	0.15%
7	Buynow (Nanchang) Industry Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	73,712	5.00%	0.07%
7	Buynow (Nanchang) Industry Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	101,290	5.00%	0.10%
7	Buynow (Nanchang) Industry Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	85,118	5.00%	0.09%
7	Buynow (Nanchang) Industry Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	3	Other receivables - related parties - current	121,804	5.00%	0.12%
8	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Changsha Hungyu Business Management Co., Ltd.	3	Other receivables - related parties - current	56,050	4.35%	0.06%
8	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Other receivables - related parties - current	196,580	4.35%	0.20%
8	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Beijing Kaiye Electronic Technology Co., Ltd.	3	Other receivables - related parties - current	65,966	-	0.07%
8	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Clevo (China) Investment Co., Ltd.	3	Other receivables - related parties - current	85,118	4.35%	0.09%
8	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	69,882	4.35%	0.07%
8	Buynow (Zhengzhou) Electronic Information Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	150,233	4.35%	0.15%
9	Buynow (Guangzhou) Corporation	Buynow Electronic Information (Guangzhou) Co., Ltd.	3	Other receivables - related parties - current	149,915	3.50%	0.15%
10	Buynow Electronic Information (Shenyang) Co., Ltd.	Changsha Hungyu Business Management Co., Ltd.	3	Other receivables - related parties - current	94,694	4.35%	0.10%
10	Buynow Electronic Information (Shenyang) Co., Ltd.	Yingkou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	110,611	4.35%	0.11%
10	Buynow Electronic Information (Shenyang) Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	61,115	4.35%	0.06%
10	Buynow Electronic Information (Shenyang) Co., Ltd.	Yingkou Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	73,609	-	0.07%
11	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Buynow Electronic Information (Guangzhou) Co., Ltd.	3	Other receivables - related parties - current	52,177	4.35%	0.05%

NO. (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
11	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Other receivables - related parties - current	\$ 80,224	4.35%	0.08%
11	Buynow (Fujian) Electronic Technology Development Co., Ltd.	Daging Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	234,032	4.35%	0.24%
12	Buynow (Changchun) Industry Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	3	Other receivables - related parties - current	161,724	4.35%	0.16%
12	Buynow (Changchun) Industry Co., Ltd.	Clevo (China) Investment Co., Ltd.	3	Other receivables - related parties - current	51,071	4.35%	0.05%
13	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Other receivables - related parties - current	53,965	5.00%	0.05%
13	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	78,521	5.00%	0.08%
13	Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	85,118	5.00%	0.09%
14	Quality Trust Property Management Co., Ltd.	Daging Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	165,980	3.00%	0.17%
15	Buynow (Harbin) Corporation	Buynow (Harbin) Industry Co., Ltd.	3	Other receivables - related parties - current	89,949	3.50%	0.09%
16	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	3	Other receivables - related parties - current	62,136	4.35%	0.06%
16	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	3	Other receivables - related parties - current	224,711	4.35%	0.23%
16	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Other receivables - related parties - current	112,781	4.35%	0.11%
16	Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	101,750	4.35%	0.10%
17	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	77,883	5.00%	0.08%
17	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	3	Other receivables - related parties - current	222,541	5.00%	0.23%
17	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	243,522	5.00%	0.25%
17	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	203,432	5.00%	0.21%
17	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	3	Other receivables - related parties - current	235,862	5.00%	0.24%
17	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	3	Receivables - related parties	78,574	-	0.08%
17	Shanghai Buynow Electronic Products Market Management Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	53,261	-	0.05%

NO. (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
18	Daqing Buynow Electronic Information Corporation	Buynow (Zhengzhou) Electronic Information Co., Ltd.	3	Other receivables - related parties - current	\$ 134,061	5.00%	0.14%
19	Tianjin Buynow Electronic Information Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	153,638	4.35%	0.16%
19	Tianjin Buynow Electronic Information Co., Ltd.	Buynow (Xian) Industry Co., Ltd.	3	Other receivables - related parties - current	56,178	4.35%	0.06%
19	Tianjin Buynow Electronic Information Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	3	Other receivables - related parties - current	189,217	4.35%	0.19%
19	Tianjin Buynow Electronic Information Co., Ltd.	Zibo Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	136,376	4.35%	0.14%
19	Tianjin Buynow Electronic Information Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	58,433	4.35%	0.06%
19	Tianjin Buynow Electronic Information Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	69,328	4.35%	0.07%
19	Tianjin Buynow Electronic Information Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	3	Other receivables - related parties - current	95,332	4.35%	0.10%
19	Tianjin Buynow Electronic Information Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	57,633	-	0.06%
20	Buynow (Yancheng) Electronoc Information Technology Development Co. Ltd.	Shantou Buynow Mall Co., Ltd.	3	Other receivables - related parties - current	473,894	-	0.48%
20	Buynow (Yancheng) Electronoc Information Technology Development Co. Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	123,421	-	0.13%
21	Beijing Clevo Investment Management Consultant Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	3	Other receivables - related parties - current	206,411	5.00%	0.21%
21	Beijing Clevo Investment Management Consultant Co., Ltd.	Buynow Electronic Information (Huizhou) Co., Ltd.	3	Other receivables - related parties - current	228,541	5.00%	0.23%
22	Guangdong Buynow Real Estate Management Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	367,241	4.35%	0.37%
22	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow (Nanchang) Industry Co., Ltd.	3	Other receivables - related parties - current	106,610	4.35%	0.11%
22	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow Electronic Information (Guangzhou) Co., Ltd.	3	Other receivables - related parties - current	52,773	4.35%	0.05%
22	Guangdong Buynow Real Estate Management Co., Ltd.	Qingdao Buynow Technology Industry Co., Ltd.	3	Other receivables - related parties - current	129,635	4.35%	0.13%
22	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow (Harbin) Industry Co., Ltd.	3	Other receivables - related parties - current	52,773	4.35%	0.05%
22	Guangdong Buynow Real Estate Management Co., Ltd.	Daging Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	70,095	4.35%	0.07%
22	Guangdong Buynow Real Estate Management Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	249,395	4.35%	0.25%

N0. (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
22	Guangdong Buynow Real Estate Management Co., Ltd.	Suzhou Jinzuo Industry Co., Ltd.	3	Other receivables - related parties - current	\$ 251,779	4.35%	0.26%
22	Guangdong Buynow Real Estate Management Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	89,374	4.35%	0.09%
22	Guangdong Buynow Real Estate Management Co., Ltd.	Luoyang Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	83,841	4.35%	0.08%
22	Guangdong Buynow Real Estate Management Co., Ltd.	Buynow (Jinzhou) Industry Co., Ltd.	3	Other receivables - related parties - current	233,649	4.35%	0.24%
22	Guangdong Buynow Real Estate Management Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	114,885	-	0.12%
22	Guangdong Buynow Real Estate Management Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	65,784	-	0.07%
23	Shantou Buynow Mall Co., Ltd.	Clevo (China) Investment Co., Ltd.	3	Other receivables - related parties - current	104,269	5.00%	0.11%
23	Shantou Buynow Mall Co., Ltd.	Anshan Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	318,596	5.00%	0.32%
23	Shantou Buynow Mall Co., Ltd.	Taizhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	102,141	5.00%	0.10%
23	Shantou Buynow Mall Co., Ltd.	Dezhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	276,633	5.00%	0.28%
24	Clevo (China) Investment Co., Ltd.	Buynow Electronic Information (Huizhou) Co., Ltd	3	Other receivables - related parties - current	93,630	5.00%	0.09%
25	Buynow (Taizhou) Corporation	Taizhou Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	194,890	3.50%	0.20%
26	Kunshan Kaishuo Trading Co., Ltd.	Shanghai Buynow Electronic Information Co., Ltd.	3	Other receivables - related parties - current	89,289	3.50%	0.09%
27	Buynow (Chongqing) Indrstry Co., Ltd.	Guiyang Buynow Electronic Information Co., Ltd.	3	Receivables - related parties	62,470	-	0.06%

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 , fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction:

(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: The Company may decide to disclose or not to disclose transaction details in this table based on the Materiality Principle.

CLEVO CO. and Subsidiaries
Information on investees
Nine-month period ended September 30, 2020

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2020			Net profit (loss) of the investee for the nine-month period ended September 30, 2020 (Note 2 (2))	Investment income (loss) recognised by the Company for the nine-month period ended September 30, 2020 (Note 2 (3))	Footnote
				Balance at September 30, 2020	Balance at December 31, 2019	Number of shares	Ownership (%)	Book value			
The Company	Clevo Computer Singapore Pte Ltd.	Singapore	Management and advisory of computers	\$ 529,638	\$ 529,638	27,544,070	100.00	\$ 7,529,531	\$ 110,743	\$ 110,743	The subsidiary of the Company
The Company	Clevo (Cayman Islands) Holding Company	Cayman Islands	Investment	15,754,974	15,754,974	369,370,000	100.00	42,448,991	(105,126)	(105,126)	The subsidiary of the Company
The Company	Kapok Computer (Samoa) Corporation	Samoa	Investment	232,643	232,643	7,000,000	100.00	1,250,593	135,364	135,812	The subsidiary of the Company
The Company	Buynow On-Line Holding Corporation	Samoa	Investment	35,513	35,513	1,100,000	100.00	(8,617)	(812)	(812)	The subsidiary of the Company
The Company	Clevo Investment Co., Ltd.	Taiwan	Investment	140,000	140,000	14,000,000	100.00	76,252	15,110	11,078	The subsidiary of the Company
The Company	Kapok Computer Co., Ltd.	Taiwan	Design and sale of computers and computer peripherals	80,000	80,000	8,000,000	100.00	55,619	13,125	6,339	The subsidiary of the Company
The Company	Taipei Twin Corporation	Taiwan	Investment	1,000,000	1,000,000	100,000,000	50.00	991,346	(16,223)	(8,111)	Investment accounted for under equity method
Clevo Computer Singapore Pte Ltd.	Buynow (Chengdu) Corporation	Samoa	Investment	278,468	278,468	7,000,000	100.00	3,437,212	56,447	56,447	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow Global Corporation	British Virgin Islands	Investment	118,490	118,490	2,600,000	100.00	842,734	19,373	19,373	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow (Hangzhou) Corporation	British Virgin Islands	Investment	173,107	173,107	5,000,000	100.00	3,260,437	86,795	86,795	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow (Zhengzhou) Corporation	Samoa	Investment	103,185	103,185	3,000,000	100.00	3,127,655	53,228	53,228	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow Group (Changsha) Corporation	British Virgin Islands	Investment	136,180	136,180	4,000,000	100.00	216,262	(4,806)	(4,806)	The Company as the ultimate parent company

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2020			Net profit (loss) of the investee for the nine-month period ended September 30, 2020 (Note 2 (2))	Investment income (loss) recognised by the Company for the nine-month period ended September 30, 2020 (Note 2 (3))	Footnote
				Balance at September 30, 2020	Balance at December 31, 2019	Number of shares	Ownership (%)	Book value			
Clevo (Cayman Islands) Holding Company	Buynow (Nanchang) Corporation	Samoa	Investment	\$ 104,484	\$ 104,484	3,000,000	100.00	\$ 2,740,657	\$ 45,007	\$ 45,007	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow (Guangzhou) Corporation	Samoa	Investment	161,745	161,745	5,000,000	100.00	2,285,705	5,843	5,843	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Flying Wolf Investment Limited	British Virgin Islands	Investment	96,141	96,141	3,000,000	100.00	3,003,143	24,563	24,563	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow (Xiamen) Corporation	Samoa	Investment	95,502	95,502	3,000,000	100.00	1,834,381	35,547	35,547	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow Group (Xian) Corporation	Samoa	Investment	96,543	96,543	3,000,000	100.00	774,205	23,883	23,883	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow (Changchun) Corporation	Samoa	Investment	64,064	64,064	2,000,000	100.00	2,837,263	58,514	58,514	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow Group (Qingdao) Corporation	Samoa	Investment	115,648	115,648	3,500,000	100.00	101,839	(8,204)	(8,204)	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow (Chongqing) Limited	Hong Kong	Investment	169,140	169,140	5,000,000	100.00	1,047,871	3,304	3,304	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Flying International Investment Limited	Samoa	Investment	178,968	178,968	3,000,000	100.00	2,287,228	22,975	22,975	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow (Wuxi) Corporation	Samoa	Investment	64,054	64,054	2,000,000	100.00	1,215,959	32,244	32,244	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow (Harbin) Corporation	Samoa	Investment	99,012	99,012	3,000,000	100.00	21,134	(61,462)	(61,462)	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow (Daqing) Corporation	Samoa	Investment	96,894	96,894	3,000,000	100.00	(16,398)	3,466	3,466	The Company as the ultimate parent company

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2020			Net profit (loss) of the investee for the nine-month period ended September 30, 2020 (Note 2 (2))	Investment income (loss) recognised by the Company for the nine-month period ended September 30, 2020 (Note 2 (3))	Footnote
				Balance at September 30, 2020	Balance at December 31, 2019	Number of shares	Ownership (%)	Book value			
Clevo (Cayman Islands) Holding Company	Buynow (Zibo) Corporation	Samoa	Investment	\$ 95,805	\$ 95,805	3,000,000	100.00	(\$ 75,087)	(\$ 10,019)	(\$ 10,019)	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow (Beijing) Corporation	Samoa	Investment	244,256	244,256	6,000,000	100.00	1,710,559	42,413	42,413	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Skill Develop International Limited	Samoa	Investment	581,916	581,916	9,350,000	100.00	5,012,498	45,186	45,186	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow (Yancheng) Corporation	Samoa	Investment	931,920	931,920	31,500,000	100.00	721,072	(2)	(2)	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow (Huizhou) Corporation	Samoa	Investment	200,737	200,737	1,500,000	100.00	(83,149)	(8,340)	(8,340)	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow (Yingkou) Corporation	Samoa	Investment	434,082	434,082	15,000,000	100.00	404,743	(234)	(234)	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow (Anshan) Corporation	Samoa	Investment	1,119,393	1,119,393	38,000,000	100.00	1,006,431	(93,758)	(93,758)	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow (Guiyang) Corporation	Samoa	Investment	301,236	301,236	10,000,000	100.00	254,494	(232)	(232)	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Chicony Square (Wuhan) Inc.	British Virgin Islands	Investment	123,204	123,204	3,600,000	30.00	2,294,870	(233,397)	(70,019)	Investment accounted for under equity method
Clevo (Cayman Islands) Holding Company	Chicony Square (Cayman) Inc.	Cayman Islands	Investment	86,886	86,886	3,000,000	30.00	(9,292)	38,595	11,579	Investment accounted for under equity method
Clevo (Cayman Islands) Holding Company	Buynow (Wuhan) Corporation	Samoa	Investment	-	-	4,500,000	30.00	174,819	(129,257)	(38,777)	Investment accounted for under equity method

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2020			Net profit (loss) of the investee for the nine-month period ended September 30, 2020 (Note 2 (2))	Investment income (loss) recognised by the Company for the nine-month period ended September 30, 2020 (Note 2 (3))	Footnote
				Balance at September 30, 2020	Balance at December 31, 2019	Number of shares	Ownership (%)	Book value			
Clevo (Cayman Islands) Holding Company	Chicony Chengdu International Inc.	British Virgin Islands	Investment	\$ 362,866	\$ 362,866	1,500,000	3.75	\$ 42,410	\$ 28,821	\$ 1,081	Investment accounted for under equity method
Clevo (Cayman Islands) Holding Company	Buynow (Taizhou) Corporation	Samoa	Investment	505,786	505,786	17,000,000	100.00	282,218	(4,918)	(4,918)	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Smarter Capital Limited	Samoa	Investment	1,013,693	1,013,693	14,900,000	100.00	935,793	(1,540)	(1,540)	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow (Dezhou) Corporation	Samoa	Investment	881,914	881,914	30,000,000	100.00	65,313	(241,430)	(241,430)	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow (Luoyang) Corporation	Samoa	Investment	894,346	894,346	30,000,000	100.00	200,312	(39,818)	(39,818)	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow (Fujian Quanzhou) Corporation	Samoa	Investment	446,195	446,195	15,000,000	100.00	430,154	(7,614)	(7,614)	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow (Jinzhou) Corporation	Samoa	Investment	448,081	448,081	15,000,000	100.00	317,199	(25,850)	(25,850)	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Buynow (Shantou) Corporation	Samoa	Investment	578,224	578,224	19,200,000	100.00	396,747	(67,111)	(67,111)	The Company as the ultimate parent company
Clevo (Cayman Islands) Holding Company	Clevo (HK) Investment Holding Limited	Hong Kong	Investment	3,138	3,138	100,000	100.00	1,335	(2,416)	(2,416)	The Company as the ultimate parent company
Clevo (HK) Investment Holding Limited	Clevo Japan Gk	Japan	Investment	-	2,817	-	100.00	-	(1,844)	(1,844)	The Company as the ultimate parent company
Skill Develop International Limited	Well Asia Investment Limited	Hong Kong	Investment	277,817	277,817	9,200,000	100.00	5,012,498	45,186	45,186	The Company as the ultimate parent company
Smarter Capital Limited	Buynow SZ. Corporation	Samoa	Investment	452,081	452,081	14,900,000	100.00	935,793	(1,540)	(1,540)	The Company as the ultimate parent company

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2020			Net profit (loss) of the investee for the nine-month period ended September 30, 2020 (Note 2 (2))	Investment income (loss) recognised by the Company for the nine-month period ended September 30, 2020 (Note 2 (3))	Footnote
				Balance at September 30, 2020	Balance at December 31, 2019	Number of shares	Ownership (%)	Book value			
Buynow On-Line Holding Corporation	Buynow On-Line Limited	Hong Kong	Investment	\$ 35,483	\$ 35,483	1,100,000	100.00	(\$ 8,616)	(\$ 812)	(\$ 812)	The Company as the ultimate parent company

Note 1: If a public company is equipped with an overseas holding company and takes consolidated financial report as the main financial report according to the local law rules, it can only disclose the information of the overseas holding company about the disclosure of related overseas investee information.

Note 2: If situation does not belong to Note 1, fill in the columns according to the following regulations:

- (1)The columns of ‘Investee’, ‘Location’, ‘Main business activities’, ‘Initial investment amount’ and ‘Shares held as at September 30, 2020’ should fill orderly in the Company’s (public company’s) information on investees and every directly or indirectly controlled investee’s investment information, and note the relationship between the Company (public company) and its investee each (ex. direct subsidiary or indirect subsidiary) in the ‘footnote’ column..
- (2)The ‘Net profit (loss) of the investee for the nine-month period ended September 30, 2020’ column should fill in amount of net profit (loss) of the investee for this year.
- (3)The ‘Investment income (loss) recognised by the Company for the nine-month period ended September 30, 2020’ column should fill in the Company (public company) recognised investment income (loss) of its direct subsidiary and recognised investment income (loss) of its investee accounted for under the equity method for this year. When filling in recognised investment income (loss) of its direct subsidiary, the Company (public company) should confirm that direct subsidiary’s net profit (loss) for this period has included its investment income (loss) which shall be recognised by regulations.

CLEVO CO. and Subsidiaries
Information on investments in Mainland China
Nine-month period ended September 30, 2020

Table 9

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2020	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the nine-month period ended September 30, 2020		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2020	Net income of investee for the nine-month period ended September 30, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine-month period ended September 30, 2020 (Note 2)	Book value of investments in Mainland China as of September 30, 2020	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2020	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Buynow (Chengdu) Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	\$ 278,468	2	\$ 278,468	\$ -	\$ -	\$ 278,468	\$ 56,447	100	\$ 56,447	\$ 3,437,212	-	-
Buynow (Nanjing) Facility Leasing And Management Co., Ltd.	Manufacturing, sale, research and development of computers and computer peripherals and services for related electronic products	58,159	2	37,522	-	-	37,522	28,108	100	28,108	1,932,659	-	-
Kalor Buynow (Heifei) Electronic Information Co., Ltd.	Manufacturing, sale, research and development of computers and computer peripherals and services for related electronics products	69,491	2	-	-	-	-	34,211	100	34,211	2,141,778	-	-
Kapok Computer (Kunshan) Co., Ltd.	Manufacturing, sale, research and development and maintenance service of computer, notebook, tablet, information and communication products and computer components	238,599	2	238,599	-	-	238,599	148,422	100	148,422	1,450,219	-	-
Kunshan Kaiming Trading Co., Ltd.	Provide market management services for operators of laptop computer, tablet, desktop computer, palmtop computer, information and communication products and computer components	17,746	3	-	-	-	-	190	100	190	3,708	-	-

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2020	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the nine-month period ended September 30, 2020		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2020	Net income of investee for the nine-month period ended September 30, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine-month period ended September 30, 2020 (Note 2)	Book value of investments in Mainland China as of September 30, 2020	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2020	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Chicony Industry (Wuhan) Co., Ltd.	Research, development, production and sales of computer software and hardware, electronic products; sales services, non-staple food; coffee shop operations; venue rental	\$ 1,927,049	2 CHICONY SQUARE (WUHAN) INC.	\$ 526,552	\$ -	\$ -	\$ 526,552	(\$ 16,841)	30	(\$ 5,052)	\$ 1,139,757	-	-
Wuhan Qunbai Industry Co., Ltd.	Research, development and sales of computer software, hardware and electronic products; sales services; venue rental	58,904	3	-	-	-	-	21,232	30	6,370	613,277	-	-
Chicony Square (Wuhan) Management Co., Ltd.	Sales of service and non-staple food; cafe operation; venue rental	14,414	3	-	-	-	-	4,179	24.99	1,044	29,463	-	-
Qunguang Industrial (Xian) Co., Ltd.	Research, development, production and sales of computer software and hardware, electronic products; sales services, non-staple food; coffee shop operations; venue rental; catering services; parking lot management and retail.	4,053,756	3	-	-	-	-	(301,236)	30	(90,371)	561,555	-	-
Buynow Electronic Information (Hangzhou) Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	198,848	2	198,848	-	-	198,848	86,795	100	86,795	3,260,437	-	-
Shanghai Buynow Electronic Information Co., Ltd.	Rental of the display venues of computer and related electronic products; information consultation; maintenance services; property management	521,418	2.3	56,778	-	-	56,778	(1,152)	100	(1,152)	2,810,109	-	-
Quality Trust Property Management Co., Ltd.	Property management, advisory of real estate, building leasing, housekeeping service, parking lot service, car wash service and business service	24,975	2	21,645	-	-	21,645	20,728	100	20,728	216,067	-	-
Wuxi Quntai Property Management Co., Ltd.	Property management, advisory of real estate, building leasing, housekeeping service, parking lot service, car wash service and business service	2,402	3	-	-	-	-	2,787	100	2,787	26,623	-	-

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2020	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the nine-month period ended September 30, 2020		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2020	Net income of investee for the nine-month period ended September 30, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine-month period ended September 30, 2020 (Note 2)	Book value of investments in Mainland China as of September 30, 2020	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2020	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Shanghai Buynow Electronic Products Market Management Co., Ltd.	Provide market management services for operators of electronic products	\$ 504,484	3	\$ -	\$ -	\$ -	\$ -	\$ 45,986	100	\$ 45,986	\$ 4,504,333	-	-
Beijing Kaiye Electronic Technology Co., Ltd.	Technology-extension services, computer maintenance, public parking lot service for motorcycle, property management, business management, business management and advisory, business building leasing, wholesale of computer and computer peripherals, hardware electronic and daily appliance	359,053	3	-	-	-	-	44,332	100	44,332	(139,997)	-	-
Buynow (Nanchang) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	119,297	3	119,297	-	-	119,297	45,007	100	45,007	2,740,657	-	-
Changsha Hungyu Business Management Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	119,297	2	119,297	-	-	119,297	(4,806)	100	(4,806)	216,262	-	-
Buynow (Zhengzhou) Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	119,123	2	119,123	-	-	119,123	53,228	100	53,228	3,127,655	-	-
Buynow Electronic Information (Guangzhou) Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	198,670	2	198,670	-	-	198,670	5,196	100	5,196	2,279,982	-	-

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2020	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the nine-month period ended September 30, 2020		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2020	Net income of investee for the nine-month period ended September 30, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine-month period ended September 30, 2020 (Note 2)	Book value of investments in Mainland China as of September 30, 2020	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2020	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Tianjin Buynow Electronic Information Co., Ltd.	Development, production and sales of computer hardware and software and electronic digital technology products	\$ 224,794	2	\$ 206,061	\$ -	\$ -	\$ 206,061	\$ 21,686	100	\$ 21,686	\$ 2,272,313	-	-
Beijing Clevo Investment Management Consultant Co., Ltd.	Business advisory of investment management, wholesale agency of electronic products, import and export of goods and property management	305,459	2	314,567	-	-	314,567	55,807	100	55,807	2,250,736	-	-
Buynow (Yancheng) Electronoc Information Technology Development Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and advisory of business management	942,511	2	942,511	-	-	942,511	(2)	100	(2)	721,071	-	-
Buynow (Xian) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	116,528	2	116,528	-	-	116,528	23,883	100	23,883	774,205	-	-
Buynow (Fujian) Electronic Technology Development Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	119,117	2	119,117	-	-	119,117	35,547	100	35,547	1,834,381	-	-
Chicony Dalu Enterprise (Chengdu) Co., Ltd.	Developing and manufacturing computers, hardware, electronic products; production and sales of cosmetics and daily necessities; rental business	2,291,275	2 CHICONY CHENGDU INTERNATIONAL INC.	687,382	-	-	687,382	28,821	30	8,646	339,269	-	-
Buynow Electronic Information (Shenyang) Co., Ltd.	Research and development of computers and computer peripherals and electronic products, and advisory of economic information	119,298	2	119,298	-	-	119,298	8,804	100	8,804	2,370,498	-	-
Guangdong Buynow Real Estate Management Co., Ltd.	Self-owned property management and leasing. manufacturing, sale, research and development of computer software and hardware and digital products	442,167	2.3	363,300	-	-	363,300	69,644	100	69,644	7,710,549	-	-

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2020	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the nine-month period ended September 30, 2020		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2020	Net income of investee for the nine-month period ended September 30, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine-month period ended September 30, 2020 (Note 2)	Book value of investments in Mainland China as of September 30, 2020	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2020	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Buynow (Changchun) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and property management of buildings	\$ 81,539	2	\$ 77,656	\$ -	\$ -	\$ 77,656	\$ 61,439	100	\$ 61,439	\$ 2,979,067	-	-
Buynow (Wuhan) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computer software and digital products, and property management of buildings	468,580	2 BUYNOW (WUHAN) CORPORATION	-	-	-	-	(129,258)	30	(38,777)	174,819	-	-
Qingdao Buynow Technology Industry Co., Ltd.	Manufacturing, sale, research and development of computers and computer peripherals. Display, advisory and after-sales service of digital products. Property management of self-owned buildings	551,402	2.3	133,021	-	-	133,021	(39,845)	100	(39,845)	494,605	-	-
Buynow (Wuxi) Electronic Technology Development Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computer software and digital products	106,622	2	76,158	-	-	76,158	45,140	100	45,140	1,702,308	-	-
Wuxi Buynow Electronic Market Co., Ltd.	Leasing of facility, market management service, catering management, property management, parking lot management	2,454	3	-	-	-	-	15	100	15	2,308	-	-
Buynow (Harbin) Industry Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products	111,364	2	111,364	-	-	111,364	(61,645)	100	(61,645)	17,669	-	-
Buynow (Chongqing) Industry Co., Ltd.	Manufacturing, sale, research and development of computers and computer peripherals (not including electronic publishing), shopping mall management, wholesale and retail of electronic products, property management and parking lot service	164,167	2	164,167	-	-	164,167	3,304	100	3,304	1,047,870	-	-

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2020	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the nine-month period ended September 30, 2020		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2020	Net income of investee for the nine-month period ended September 30, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine-month period ended September 30, 2020 (Note 2)	Book value of investments in Mainland China as of September 30, 2020	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2020	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Shanghai Buynow Online Information Technology Co., Ltd.	Wholesale and retail, import and export, and after-sales service of household appliances, computer and computer components, communication equipment, electrical devices, office supplies and complementary products; development, technology transfer, advisory, service and training of Internet, computer software and hardware and communication equipment	\$ 32,630	2	\$ 32,630	\$ -	\$ -	\$ 32,630	(\$ 706)	100	(\$ 706)	(\$ 11,419)	-	-
Daqing Buynow Electronic Information Co., Ltd.	Manufacturing, retail and wholesale of computers and computer peripherals, and electronic information shopping mall management	98,158	2	98,158	-	-	98,158	3,466	100	3,466	(16,398)	-	-
Buynow Electronic Information (Huizhou) Co., Ltd.	Manufacturing, sale, research and development and after-sales service of computers and computer peripherals; property management of buildings	120,115	2.3	211,996	-	-	211,996	(20,849)	100	(20,849)	(207,874)	-	-
Shantou Buynow Mall Co., Ltd.	Investment in companies primarily engaged in research and development and advisory service	574,562	2	574,562	-	-	574,562	(67,111)	100	(67,111)	396,747	-	-
Zibo Buynow Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products. Advisory of business management, leasing of self-owned buildings, parking lot management, shopping mall management and property management	98,012	2	98,012	-	-	98,012	(10,019)	100	(10,019)	(75,087)	-	-

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2020	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the nine-month period ended September 30, 2020		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2020	Net income of investee for the nine-month period ended September 30, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine-month period ended September 30, 2020 (Note 2)	Book value of investments in Mainland China as of September 30, 2020	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2020	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Yingkou Buynow Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and advisory of business management	\$ 464,194	2	\$ 464,194	\$ -	\$ -	\$ 464,194	(\$ 234)	100	(\$ 234)	\$ 404,742	-	-
Anshan Buynow Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and advisory of business management	1,150,017	2	1,150,017	-	-	1,150,017	(93,758)	100	(93,758)	1,006,431	-	-
Clevo (China) Investment Co., Ltd.	Investment in companies primarily engaged in research and development and advisory service	897,135	2	897,135	-	-	897,135	(117,159)	100	(117,159)	2,232,647	-	-
Guiyang Buynow Electronic Information Co., Ltd.	Research and development of computers and computer peripherals and electronic products, and advisory service of business management	303,271	2	303,271	-	-	303,271	(232)	100	(232)	254,494	-	-
Taizhou Buynow Electronic Information Co., Ltd.	Manufacturing, sale, maintenance service, research and development of computers and computer peripherals and digital products, and advisory of business management	507,871	2	507,871	-	-	507,871	(5,009)	100	(5,009)	283,388	-	-
Suzhou Jinzuo Industry Co., Ltd.	Business affairs and property management business	480,460	2	1,008,954	-	-	1,008,954	(1,540)	100	(1,540)	935,793	-	-
Dezhou Buynow Electronic Information Co., Ltd.	Research and development and maintenance service of computers and computer peripherals and electronic products; advisory service of business management and shopping mall management	881,914	2	881,914	-	-	881,914	(241,430)	100	(241,430)	65,313	-	-
Luoyang Buynow Electronic Information Co., Ltd.	Research and development and maintenance service of computers and computer peripherals and electronic products; advisory service of business management and shopping mall management	893,922	2	893,922	-	-	893,922	(39,818)	100	(39,818)	200,312	-	-

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2020	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the nine-month period ended September 30, 2020		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2020	Net income of investee for the nine-month period ended September 30, 2020	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine-month period ended September 30, 2020 (Note 2)	Book value of investments in Mainland China as of September 30, 2020	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2020	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Quanzhou Buynow Industry Co., Ltd.	Research and development and maintenance service of computers and computer peripherals and electronic products; advisory service of business management and shopping mall management	\$ 446,195	2	\$ 446,195	\$ -	\$ -	\$ 446,195	(\$ 7,614)	100	(\$ 7,614)	\$ 430,154	-	-
Buynow (Jinzhou) Industry Co., Ltd.	Manufacturing of computer software and hardware and consumer electronic products, advisory of business management and shopping mall management	448,342	2	448,342	-	-	448,342	(25,850)	100	(25,850)	317,199	-	-
Kunshan Kaishuo Trading Co., Ltd.	Mechanical equipment and accessories, wire and cable, air conditioning equipment, building and decoration material, lighting equipment, kitchen appliance, water cleaner, pipeline and accessories, fire safety equipment, compressor and accessories, wholesale of elevators and appliances, import and export and advisory services	30,198	2	30,198	-	-	30,198	(1,022)	100	(1,022)	24,035	-	-
Shanghai Huihei Advertisement Co., Ltd.	Advertising design and marketing	4,850	3	-	-	-	-	441	100	441	5,911	-	-
Shanghai Huizhuan Restaurant Management Co., Ltd.	Catering business management	22,884	3	-	-	-	-	(6,378)	100	(6,378)	(21,222)	-	-
Xiamen Lejing Internet Bar Co., Ltd.	Internet café and internet message service	465	3	-	-	-	-	3,357	100	3,357	-	-	-

Note 1: Investment methods are classified into the following three categories; fill in the number of category each case belongs to:

- (1) Directly invest in a company in Mainland China.
- (2) Through investing in an existing company in the third area, which then invested in the investee in Mainland China.
- (3) Others

Note 2: In the 'Investment income (loss) recognised by the Company for the nine-month period ended September 30, 2020 was reviewed by independent auditors.

Note 3: The numbers in this table are expressed in New Taiwan dollars.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2020	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
CLEVO CO.	\$ 13,393,300 (USD 421,680 thousand of USD)	\$ 15,127,038 (USD 466,227 thousand of USD)	\$ 23,339,522

Note 1: According to the amended regulation, "The Principle of Investment and Technical Cooperation in China", issued by Ministry of Economic Affairs on August 29, 2008 (No. 09704604680), the investor can only make an investment toward China up to 60% of its individual or consolidated net worth, whichever is larger. The ultimate limit of investment is 60% of the consolidated net worth. (38,899,204 x 60% = 23,339,522)

Note 2: It has been liquidated as of September 30, 2020, and has been approved to invest US\$4,120,000 by the Ministry of Economic Affairs.

Note 3: As of September 30, 2020, the capital increased by the earnings extension which has been approved by the Ministry of Economic Affairs for an investment of US\$9,750,000.

Note 4: Guiyang Buynow Electronic Information Co., Ltd. has been approved by the Ministry of Economic Affairs for an investment of US\$10,000,000. However, it remains unremitted until September 30, 2020.

CLEVO CO. and Subsidiaries
Major shareholders information
September 30, 2020

Table 10

Name of major shareholders	Shares	
	Name of shares held	Ownership (%)
Kent Hsu	51,701,335	7.71%
Huatai Investment Co., Ltd.	37,326,144	5.57%