

**Far Eastern New Century Corporation and  
Subsidiaries**

**Consolidated Financial Statements for the  
Nine Months Ended September 30, 2020 and 2019 and  
Independent Auditors' Review Report**

## **INDEPENDENT AUDITORS' REVIEW REPORT**

The Board of Directors and Shareholders  
Far Eastern New Century Corporation

### **Introduction**

We have reviewed the accompanying consolidated balance sheets of Far Eastern New Century Corporation and its subsidiaries (collectively, the "Group") as of September 30, 2020 and 2019, the related consolidated statements of comprehensive income for the three months ended September 30, 2020 and 2019 and for the nine months ended September 30, 2020 and 2019, the consolidated statements of changes in equity and cash flows for nine months ended September 30, 2020 and 2019, and related notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the consolidated financial statements). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### **Scope of Review**

Except as explained in the following paragraph, we conducted our reviews in accordance with Statement of Auditing Standards No. 65 "Review of Financial Information Performed by the Independent Auditor of the Entity". 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 disclosed in Note 13 and 15 to the consolidated financial statements, the financial statements of some non-significant subsidiaries and joint operations included in the consolidated financial statements referred to in the first paragraph were not reviewed. As of September 30, 2020 and 2019, combined total assets of these non-significant subsidiaries and joint operations were NT\$267,356,740 thousand and NT\$266,925,818 thousand, respectively, representing 44% and 48%, respectively, of the consolidated total assets, and combined total liabilities of these non-significant subsidiaries and joint operations were NT\$111,909,655 thousand and NT\$112,987,416 thousand, respectively, representing 33% and 39%, respectively, of the consolidated total liabilities; for the three months and nine months ended September 30, 2020 and 2019, the combined comprehensive income (loss) of these non-significant subsidiaries and joint operations were NT\$2,042,710 thousand, NT\$(51,350) thousand, NT\$(1,155,033) thousand and NT\$3,082,577 thousand, respectively, representing 44%, (2%), (14%) and 24%, respectively, of the consolidated total comprehensive income. In addition, as stated in Note 14 to the consolidated

financial statements, the investments accounted for using equity-method as of September 30, 2020 and 2019, with carrying values of NT\$45,863,293 thousand and NT\$41,588,225 thousand, respectively, and the related shares of the comprehensive income of these investees amounting to NT\$1,383,409 thousand, NT\$1,366,495 thousand, NT\$2,242,323 thousand and NT\$3,288,391 thousand, for the three months and nine months ended September 30, 2020 and 2019, respectively. These amounts referring to the investments accounted for using equity-method were based on unreviewed financial statements of associates. Related investments information on subsidiaries, joint operations, and associates stated above shown in Note 42 to the consolidated financial statements was also unreviewed.

### **Qualified Conclusion**

Based on our reviews, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries, joint operations, and associates as described in the preceding paragraph been reviewed, nothing has come to our attention that caused 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 of September 30, 2020 and 2019, its consolidated financial performance for the three months ended September 30, 2020 and 2019, and its consolidated financial performance and its cash flows for the nine months ended September 30, 2020 and 2019 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Chih-Ming, Shao and Cheng-Hung Kuo.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

November 12, 2020

### Notice to Readers

*The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally applied in the Republic of China.*

*For the convenience of readers, the independent auditors’ review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ review report and consolidated financial statements shall prevail.*

# FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2020 (Reviewed)		December 31, 2019 (Audited)		September 30, 2019 (Reviewed)	
	Amount	%	Amount	%	Amount	%
<b>CURRENT ASSETS</b>						
Cash and cash equivalents (Notes 6 and 36)	\$ 33,465,052	6	\$ 38,924,588	7	\$ 16,282,864	3
Financial assets at fair value through profit or loss - current (Notes 7, 36 and 37)	5,339,407	1	5,053,716	1	4,808,136	1
Financial assets at fair value through other comprehensive income - current (Note 8)	69,972	-	80,853	-	80,819	-
Financial assets at amortized cost - current (Notes 9 and 36)	1,931,846	-	1,792,168	-	1,552,611	-
Contact assets - current (Note 27)	6,154,808	1	6,398,973	1	5,745,222	1
Notes and accounts receivable, net (Notes 11, 27 and 36)	24,879,259	4	26,932,881	5	28,945,202	5
Other receivables (Note 36)	3,402,704	1	4,209,711	1	2,386,089	-
Current tax assets (Note 4)	49,203	-	34,616	-	51,005	-
Inventories (Notes 12 and 37)	20,351,288	3	27,117,492	5	28,368,466	5
Prepayments	2,946,642	-	1,957,909	-	5,318,611	1
Other financial assets - current (Notes 36 and 37)	2,621,727	-	3,079,224	-	3,520,741	1
Refundable deposits - current	63,388	-	105,305	-	66,046	-
Other current assets (Note 27)	3,199,500	1	3,352,947	1	3,312,277	1
Total current assets	104,474,796	17	119,040,383	21	100,438,089	18
<b>NON-CURRENT ASSETS</b>						
Financial assets at fair value through other comprehensive income - non-current (Note 8)	2,496,408	-	2,076,085	-	2,036,528	-
Financial assets at amortized cost - non-current (Notes 9, 10, 36 and 37)	544,100	-	519,921	-	500,000	-
Investments accounted for using the equity method (Notes 14 and 37)	73,293,047	12	71,266,263	13	68,232,827	12
Contract assets - non-current (Note 27)	3,048,394	1	2,333,037	-	2,183,379	1
Property, plant and equipment (Notes 4, 16 and 37)	160,552,803	27	163,017,162	28	162,268,005	29
Right-of-use assets (Notes 4, 17 and 36)	18,701,489	3	18,692,472	3	18,760,850	3
Investment properties (Notes 18 and 37)	134,908,748	22	127,633,553	22	126,613,069	23
Concessions (Notes 20 and 37)	78,348,264	13	38,069,295	7	38,835,174	7
Goodwill (Notes 4 and 20)	12,288,561	2	12,290,228	2	12,777,428	2
Other intangible assets (Note 20)	4,404,552	1	4,926,629	1	5,020,307	1
Deferred tax assets (Note 4)	2,874,638	1	3,117,532	1	3,149,539	1
Prepayments for equipment (Note 16)	1,602,980	-	2,150,572	-	2,979,435	1
Refundable deposits - non-current	1,383,815	-	1,478,369	-	1,440,343	-
Long-term other receivables (Note 36)	126,361	-	100,125	-	555,682	-
Incremental costs of obtaining a contract - non-current (Note 27)	3,195,315	1	3,398,107	1	3,200,141	1
Net defined benefit assets - non-current (Note 24)	716,709	-	487,009	-	-	-
Other financial assets - non-current (Note 37)	2,669,072	-	3,882,293	1	2,494,752	1
Other non-current assets	550,557	-	1,600,664	-	1,634,639	-
Total non-current assets	501,705,813	83	457,039,316	79	452,682,098	82
<b>TOTAL</b>	<b>\$ 606,180,609</b>	<b>100</b>	<b>\$ 576,079,699</b>	<b>100</b>	<b>\$ 553,120,187</b>	<b>100</b>
<b>LIABILITIES AND EQUITY</b>						
<b>CURRENT LIABILITIES</b>						
Short-term borrowings (Notes 21 and 36)	\$ 43,330,973	7	\$ 35,429,586	6	\$ 38,497,068	7
Short-term bills payable (Note 21)	10,637,976	2	8,125,603	1	7,246,770	1
Financial liabilities at fair value through profit or loss - current (Notes 7 and 36)	5,945	-	1,861	-	2,209	-
Contract liabilities - current (Note 27)	5,382,299	1	4,535,792	1	4,894,330	1
Notes and accounts payable	13,416,220	2	17,704,125	3	20,709,574	4
Notes and accounts payable to related parties (Note 36)	271,543	-	336,261	-	316,062	-
Lease liabilities - current (Notes 4, 17 and 36)	3,220,486	1	3,187,540	1	3,360,129	1
Payables to suppliers of machinery and equipment	4,554,351	1	2,570,620	-	3,238,900	1
Other payables	13,676,821	2	14,844,133	3	14,836,907	3
Current tax liabilities (Note 4)	2,250,630	-	1,693,953	-	2,092,355	-
Provisions - current (Note 23)	236,597	-	250,396	-	278,198	-
Guarantee deposits received - current (Note 36)	128,262	-	233,022	-	291,009	-
Current portion of long-term liabilities (Notes 21 and 22)	25,242,898	4	23,071,439	4	23,724,272	4
Other current liabilities	3,257,667	1	2,988,273	1	2,724,205	1
Total current liabilities	125,612,668	21	114,972,604	20	122,211,988	23
<b>NON-CURRENT LIABILITIES</b>						
Financial liabilities for hedging - non-current (Note 35)	12,763	-	31,087	-	38,061	-
Contract liabilities - non-current (Note 27)	193,945	-	210,600	-	216,959	-
Lease liabilities - non-current (Notes 4, 17 and 36)	7,399,779	1	7,376,771	1	7,261,685	1
Bonds payable (Note 22)	97,884,820	16	83,398,393	15	83,698,362	15
Long-term borrowings (Note 21)	89,260,040	15	78,289,832	14	51,789,421	10
Provisions - non-current (Note 23)	1,016,300	-	961,398	-	942,830	-
Deferred tax liabilities (Note 4)	18,321,365	3	17,761,929	3	17,619,137	3
Net defined benefit liabilities - non-current (Note 24)	868,696	-	959,416	-	1,592,625	-
Guarantee deposits received - non-current (Note 36)	766,109	-	635,451	-	548,721	-
Deferred credit-gains on related-party transactions (Note 36)	122,248	-	122,526	-	122,803	-
Other non-current liabilities	37,289	-	38,509	-	89,367	-
Total non-current liabilities	215,883,354	35	189,785,912	33	163,919,971	29
Total liabilities	341,496,022	56	304,758,516	53	286,131,959	52
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4 and 26)</b>						
Share capital						
Common stock	53,528,751	9	53,528,751	9	53,528,751	10
Capital surplus	3,278,714	-	3,270,355	1	3,256,274	1
Retained earnings						
Legal reserve	19,028,517	3	17,955,250	3	17,955,250	3
Special reserve	117,342,360	20	115,505,874	20	115,505,868	21
Unappropriated earnings	13,054,993	2	17,376,404	3	14,289,651	2
Total retained earnings	149,425,870	25	150,837,528	26	147,750,769	26
Other equity	(5,325,034)	(1)	(3,089,283)	(1)	(1,832,670)	-
Treasury shares	(25,063)	-	(25,063)	-	(25,063)	-
Total equity attributable to owners of the Company	200,883,238	33	204,522,288	35	202,678,061	37
<b>NON-CONTROLLING INTERESTS (Note 26)</b>	<b>63,801,349</b>	<b>11</b>	<b>66,798,895</b>	<b>12</b>	<b>64,310,167</b>	<b>11</b>
Total equity	264,684,587	44	271,321,183	47	266,988,228	48
<b>TOTAL</b>	<b>\$ 606,180,609</b>	<b>100</b>	<b>\$ 576,079,699</b>	<b>100</b>	<b>\$ 553,120,187</b>	<b>100</b>

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

(With Deloitte & Touche review report dated November 12, 2020)

## FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share) (Reviewed, Not Audited)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2020		2019		2020		2019	
	Amount	%	Amount	%	Amount	%	Amount	%
<b>OPERATING REVENUE</b>								
(Notes 27 and 36)								
Net sales	\$ 33,614,491	68	\$ 45,780,425	74	\$ 101,116,093	67	\$ 140,751,079	74
Telecommunications service revenue	11,333,556	23	11,845,861	19	34,167,105	23	35,741,920	19
Construction revenue	1,072,706	2	735,265	1	4,508,873	3	3,957,890	2
Other operating revenue	3,533,199	7	3,312,577	6	10,941,784	7	9,869,738	5
Gain on disposal of investments, net	-	-	36,300	-	-	-	31,816	-
Total operating revenue	<u>49,553,952</u>	<u>100</u>	<u>61,710,428</u>	<u>100</u>	<u>150,733,855</u>	<u>100</u>	<u>190,352,443</u>	<u>100</u>
<b>OPERATING COSTS (Notes 12, 28 and 36)</b>								
Cost of goods sold	30,143,271	61	41,538,709	67	92,860,507	61	128,217,132	67
Cost of telecommunications services	6,026,537	12	6,150,770	10	17,585,792	12	18,520,294	10
Construction costs	1,071,916	2	721,276	1	4,364,081	3	3,865,278	2
Other operating costs	1,891,082	4	1,743,061	3	6,380,547	4	4,732,178	3
Loss on disposal of investments, net	4,682	-	-	-	9,990	-	-	-
Total operating costs	<u>39,137,488</u>	<u>79</u>	<u>50,153,816</u>	<u>81</u>	<u>121,200,917</u>	<u>80</u>	<u>155,334,882</u>	<u>82</u>
<b>GROSS PROFIT</b>	<u>10,416,464</u>	<u>21</u>	<u>11,556,612</u>	<u>19</u>	<u>29,532,938</u>	<u>20</u>	<u>35,017,561</u>	<u>18</u>
<b>REALIZED CONSTRUCTION INCOME</b>	-	-	-	-	278	-	278	-
<b>OPERATING EXPENSES</b>								
(Notes 28 and 36)								
Selling and marketing	4,511,611	9	4,632,269	8	13,718,353	9	13,828,394	7
General and administrative	2,370,563	5	2,748,937	5	7,512,850	5	8,580,612	5
Research and development	213,071	1	303,860	-	649,151	1	822,313	-
Expected credit loss	76,069	-	10,670	-	218,763	-	201,912	-
Total operating expenses	<u>7,171,314</u>	<u>15</u>	<u>7,695,736</u>	<u>13</u>	<u>22,099,117</u>	<u>15</u>	<u>23,433,231</u>	<u>12</u>
<b>OPERATING INCOME</b>	<u>3,245,150</u>	<u>6</u>	<u>3,860,876</u>	<u>6</u>	<u>7,434,099</u>	<u>5</u>	<u>11,584,608</u>	<u>6</u>
<b>NON-OPERATING INCOME AND EXPENSES</b>								
Net loss on derecognition of financial assets at amortized cost (Note 9)	-	-	-	-	-	-	(2,800)	-
Share of the profit or loss of associates	2,010,267	4	1,557,580	2	3,989,638	3	4,969,908	3
Interest income	70,045	-	63,829	-	226,187	-	234,447	-
Other income - other	336,561	1	259,980	-	1,139,124	1	669,564	-
Gain on financial (liabilities) assets at fair value through profit or loss	219,546	-	18,386	-	273,027	-	206,785	-
Gain on change in fair value of investment properties (Note 18)	25,474	-	542,820	1	3,083,084	2	856,624	-
Interest expense (Notes 28 and 36)	(702,484)	(1)	(761,141)	(1)	(2,240,568)	(2)	(2,449,186)	(1)
Other expenses	(255,572)	(1)	(199,768)	-	(567,494)	(1)	(562,716)	-
Loss on disposal of property, plant and equipment (Note 16)	(84,969)	-	(122,527)	-	(434,198)	-	(544,016)	-

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## FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share) (Reviewed, Not Audited)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2020		2019		2020		2019	
	Amount	%	Amount	%	Amount	%	Amount	%
Loss on disposal of concessions (Note 20)	\$ -	-	\$ (1,262)	-	\$ -	-	\$ (1,467)	-
Loss on disposal of intangible assets (Note 20)	(1)	-	(2)	-	(4)	-	(194)	-
Exchange gain (loss), net	(24,840)	-	61,170	-	21,311	-	286,145	-
Impairment loss (Notes 14 and 16)	(52,340)	-	(13,381)	-	(124,504)	-	(97,469)	-
Total non-operating incomes and expenses	<u>1,541,687</u>	<u>3</u>	<u>1,405,684</u>	<u>2</u>	<u>5,365,603</u>	<u>3</u>	<u>3,565,625</u>	<u>2</u>
INCOME BEFORE INCOME TAX	4,786,837	9	5,266,560	8	12,799,702	8	15,150,233	8
INCOME TAX EXPENSE (Notes 4 and 29)	(575,815)	(1)	(746,810)	(1)	(2,266,430)	(1)	(2,146,280)	(1)
NET INCOME	<u>4,211,022</u>	<u>8</u>	<u>4,519,750</u>	<u>7</u>	<u>10,533,272</u>	<u>7</u>	<u>13,003,953</u>	<u>7</u>
OTHER COMPREHENSIVE INCOME, NET								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized gain (loss) on investments in equity instruments designated as at fair value through other comprehensive income	(47,034)	-	17,541	-	(135,437)	-	22,622	-
Gain on property revaluation (Note 15)	-	-	6,370	-	67,461	-	337,927	-
Share of the other comprehensive income of associates accounted for using the equity method	(155,521)	-	271,668	-	(935,725)	(1)	1,207,791	1
Income tax relating to items that will not be reclassified subsequently to profit or loss	193	-	(1,270)	-	(10,545)	-	(36,286)	-
	<u>(202,362)</u>	<u>-</u>	<u>294,309</u>	<u>-</u>	<u>(1,014,246)</u>	<u>(1)</u>	<u>1,532,054</u>	<u>1</u>
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating foreign operations	427,106	1	(1,905,452)	(3)	(1,194,404)	(1)	(1,149,143)	(1)
Gain on hedging instruments	4,390	-	7,424	-	18,324	-	(103,417)	-
Share of the other comprehensive income of associates accounted for using the equity method	255,430	-	(487,275)	-	(220,817)	-	(224,149)	-
	<u>686,926</u>	<u>1</u>	<u>(2,385,303)</u>	<u>(3)</u>	<u>(1,396,897)</u>	<u>(1)</u>	<u>(1,476,709)</u>	<u>(1)</u>
Other comprehensive (loss) income, net of income tax	<u>484,564</u>	<u>1</u>	<u>(2,090,994)</u>	<u>(3)</u>	<u>(2,411,143)</u>	<u>(2)</u>	<u>55,345</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 4,695,586</u>	<u>9</u>	<u>\$ 2,428,756</u>	<u>4</u>	<u>\$ 8,122,129</u>	<u>5</u>	<u>\$ 13,059,298</u>	<u>7</u>

(Continued)

## FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share) (Reviewed, Not Audited)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2020		2019		2020		2019	
	Amount	%	Amount	%	Amount	%	Amount	%
NET INCOME								
ATTRIBUTABLE TO:								
Owners of the Company	\$ 2,972,096	6	\$ 2,945,170	5	\$ 6,660,827	4	\$ 8,466,253	4
Non-controlling interests	<u>1,238,926</u>	<u>2</u>	<u>1,574,580</u>	<u>2</u>	<u>3,872,445</u>	<u>3</u>	<u>4,537,700</u>	<u>3</u>
	<u>\$ 4,211,022</u>	<u>8</u>	<u>\$ 4,519,750</u>	<u>7</u>	<u>\$ 10,533,272</u>	<u>7</u>	<u>\$ 13,003,953</u>	<u>7</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owners of the Company	\$ 3,321,147	6	\$ 1,066,106	2	\$ 4,401,511	3	\$ 8,716,503	5
Non-controlling interests	<u>1,374,439</u>	<u>3</u>	<u>1,362,650</u>	<u>2</u>	<u>3,720,618</u>	<u>2</u>	<u>4,342,795</u>	<u>2</u>
	<u>\$ 4,695,586</u>	<u>9</u>	<u>\$ 2,428,756</u>	<u>4</u>	<u>\$ 8,122,129</u>	<u>5</u>	<u>\$ 13,059,298</u>	<u>7</u>
EARNINGS PER SHARE (NEW TAIWAN DOLLARS; Note 29)								
Basic	<u>\$ 0.60</u>		<u>\$ 0.59</u>		<u>\$ 1.34</u>		<u>\$ 1.69</u>	
Diluted	<u>\$ 0.60</u>		<u>\$ 0.59</u>		<u>\$ 1.33</u>		<u>\$ 1.69</u>	

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

(With Deloitte & Touche review report dated November 12, 2020)

(Concluded)

**FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
(In Thousands of New Taiwan Dollars)  
(Reviewed, Not Audited)

	Equity Attributable to Owners of the Company						Other Equity				Total Equity Attributable to Owners of the Company	Non-controlling Interests	Total Equity
	Common Stock	Capital Surplus	Retained Earnings		Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Gain/(Loss) on Hedging Instruments	Unrealized Revaluation Increments	Treasury Shares			
			Legal Reserve	Special Reserve									
BALANCE AT JANUARY 1, 2019	\$ 53,528,751	\$ 2,908,631	\$ 16,752,421	\$ 114,443,170	\$ 17,996,558	\$ (3,589,901)	\$ 771,912	\$ 45,880	\$ 702,778	\$ (25,063)	\$ 203,535,137	\$ 64,194,300	\$ 267,729,437
Effect of retrospective application and retrospective restatement	-	-	-	-	(331,352)	-	-	-	-	-	(331,352)	(94,653)	(426,005)
BALANCE AT JANUARY 1, 2019, AS RESTATED	53,528,751	2,908,631	16,752,421	114,443,170	17,665,206	(3,589,901)	771,912	45,880	702,778	(25,063)	203,203,785	64,099,647	267,303,432
Appropriation of the 2018 earnings	-	-	-	-	-	-	-	-	-	-	-	-	-
Legal reserve	-	-	1,202,829	-	(1,202,829)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	1,088,579	(1,088,579)	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(9,635,175)	-	-	-	-	-	(9,635,175)	-	(9,635,175)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(7,758,030)	(7,758,030)
Net income for the nine months ended September 30, 2019	-	-	-	-	8,466,253	-	-	-	-	-	8,466,253	4,537,700	13,003,953
Other comprehensive income (loss) for the nine months ended September 30, 2019	-	-	-	-	(176)	(1,182,070)	1,167,207	(36,755)	302,044	-	250,250	(194,905)	55,345
Total comprehensive income (loss) for the nine months ended September 30, 2019	-	-	-	-	8,466,077	(1,182,070)	1,167,207	(36,755)	302,044	-	8,716,503	4,342,795	13,059,298
Change in associates accounted for using the equity method	-	2	-	-	45,021	-	-	-	-	-	45,023	471	45,494
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	163,092	163,092
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	384,917	384,917
Associate disposed the investment in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	13,521	-	(13,521)	-	-	-	-	-	-
Disposal of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	(11,276)	(11,276)
Change in the Company's capital surplus due to the distribution of dividends to subsidiaries	-	1,403	-	-	-	-	-	-	-	-	1,403	-	1,403
Disposal of investments accounted for using the equity method	-	(211)	-	(25,881)	26,409	-	(244)	-	-	-	73	-	73
Changes in percentage of ownership interests in subsidiaries	-	346,449	-	-	-	-	-	-	-	-	346,449	3,088,551	3,435,000
BALANCE, SEPTEMBER 30, 2019	\$ 53,528,751	\$ 3,256,274	\$ 17,955,250	\$ 115,505,868	\$ 14,289,651	\$ (4,771,971)	\$ 1,925,354	\$ 9,125	\$ 1,004,822	\$ (25,063)	\$ 202,678,061	\$ 64,310,167	\$ 266,988,228
BALANCE AT JANUARY 1, 2020	\$ 53,528,751	\$ 3,270,355	\$ 17,955,250	\$ 115,505,874	\$ 17,376,404	\$ (6,545,706)	\$ 2,439,965	\$ 11,700	\$ 1,004,758	\$ (25,063)	\$ 204,522,288	\$ 66,798,895	\$ 271,321,183
Appropriation of the 2019 earnings	-	-	-	-	-	-	-	-	-	-	-	-	-
Legal reserve	-	-	1,073,267	-	(1,073,267)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	1,836,486	(1,836,486)	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(8,029,313)	-	-	-	-	-	(8,029,313)	-	(8,029,313)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(6,682,000)	(6,682,000)
Subsidiary's cash dividends from capital surplus	-	-	-	-	-	-	-	-	-	-	-	(51,156)	(51,156)
Net income for the nine months ended September 30, 2020	-	-	-	-	6,660,827	-	-	-	-	-	6,660,827	3,872,445	10,533,272
Other comprehensive income (loss) for the nine months ended September 30, 2020	-	-	-	-	-	(1,388,569)	(931,030)	6,314	53,969	-	(2,259,316)	(151,827)	(2,411,143)
Total comprehensive income (loss) for the nine months ended September 30, 2020	-	-	-	-	6,660,827	(1,388,569)	(931,030)	6,314	53,969	-	4,401,511	3,720,618	8,122,129
Change in associates accounted for using the equity method	-	7,190	-	-	(3,190)	-	-	-	-	-	4,000	(26)	3,974
Associate disposed the investment in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	(22,914)	-	22,914	-	-	-	-	-	-
Change in the Company's capital surplus due to the distribution of dividends to subsidiaries	-	1,169	-	-	-	-	-	-	-	-	1,169	-	1,169
Change in percentage of ownership interest of subsidiaries	-	-	-	-	(17,068)	-	651	-	-	-	(16,417)	15,018	(1,399)
BALANCE, SEPTEMBER 30, 2020	\$ 53,528,751	\$ 3,278,714	\$ 19,028,517	\$ 117,342,360	\$ 13,054,993	\$ (7,934,275)	\$ 1,532,500	\$ 18,014	\$ 1,058,727	\$ (25,063)	\$ 200,883,238	\$ 63,801,349	\$ 264,684,587

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

(With Deloitte & Touche review report dated November 12, 2020)



# FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Nine Months Ended September 30	
	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 12,799,702	\$ 15,150,233
Adjustments for:		
Depreciation	15,172,862	16,392,460
Amortization	3,770,858	3,342,761
Expected credit loss	218,763	201,912
Interest expenses	2,240,568	2,449,186
Net loss on disposal of financial assets at amortized cost	-	2,800
Interest income	(226,187)	(234,447)
Dividend income	(144,197)	(66,584)
Share of the profit of associates	(3,989,638)	(4,969,908)
Loss on disposal of property, plant and equipment	434,198	544,016
Loss on disposal of intangible asset	4	194
Loss on disposal of concession	-	1,467
Gain on disposal of investments	-	(39,071)
Impairment loss	124,504	97,469
Write-down (reversal) of inventories	28,328	(513,918)
Realized gain on the transactions with associates	(278)	(278)
Gain on change in fair value of investment properties	(3,083,084)	(856,624)
Loss on disposal of subsidiary	-	773
Gain on modification of lease	(4,779)	(776)
Net changes in operating assets and liabilities		
Financial assets at fair value through profit or loss	(285,691)	1,267,468
Financial assets for hedging	-	1,868
Contract assets	(471,192)	(564,203)
Notes and accounts receivable	1,388,721	436,484
Other receivables	634,409	308,400
Inventories	5,218,368	6,094,477
Prepayments	(988,733)	(822,103)
Other current assets	153,447	(370,961)
Incremental cost of obtaining a contract	202,792	(1,397,978)
Financial liabilities at fair value through profit or loss	4,084	(4,639)
Contract liabilities	829,852	206,311
Notes and accounts payable	(4,287,905)	3,643,880
Notes and accounts payable to related parties	(64,718)	(49,455)
Other payables	(1,159,104)	(2,437,194)
Provisions	41,103	16,331
Other current liabilities	269,394	(680,810)
Net defined benefit assets/liabilities	(320,420)	(277,400)
Cash generated from operations	28,506,031	36,872,141
Interest received	220,584	240,659
Dividend received	4,724,706	4,192,612

(Continued)

# FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Nine Months Ended September 30	
	2020	2019
Interest paid	\$ (2,381,155)	\$ (2,536,618)
Income tax paid	<u>(486,264)</u>	<u>(3,475,817)</u>
Net cash generated from operating activities	<u>30,583,902</u>	<u>35,292,977</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of financial assets at fair value through other comprehensive income	(464,893)	(5,207)
Cash received by reduction of capital of financial assets at fair value through other comprehensive income	13,500	-
(Increase) decrease in financial assets at amortized cost	(163,857)	448,834
Acquisition of investments accounted for using the equity method	(3,821,532)	(438,641)
Disposal of investments accounted for using the equity method	-	162,010
Increase in prepayments for investments	-	(100,000)
Net cash outflow on acquisition of subsidiaries	-	(436,659)
Net cash outflow on disposal of a subsidiary	-	(39,803)
Acquisition of property, plant, equipment and prepayments for equipment	(11,587,400)	(18,707,288)
Proceeds from disposal of property, plant and equipment	160,267	49,714
Decrease (increase) in refundable deposits	136,471	(309,615)
Decrease (increase) in other receivables	156,164	(756,000)
Acquisition of intangible assets	(488,104)	(612,501)
Acquisition of right-of-use assets	(154,366)	(888,591)
Acquisition of investment properties	-	(10,564)
Proceeds from the disposal of investment properties	-	540,262
Increase in concessions	(42,094,636)	(27,562)
Proceeds from disposal of concessions	-	7,987
Decrease in other financial assets	1,670,718	2,449,497
Increase in other non-current assets	<u>(51,507)</u>	<u>(1,077,106)</u>
Net cash used in investing activities	<u>(56,689,175)</u>	<u>(19,751,233)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase (decrease) in short-term borrowings	7,901,387	(9,336,377)
Increase in short-term bills payables	2,519,000	528,000
Proceeds from issue of bonds	27,700,000	19,000,000
Repayments of bonds payable	(14,200,000)	(9,900,000)
Proceeds from long-term borrowings	215,829,729	169,431,426
Repayment of long-term borrowings	(201,609,421)	(187,617,483)
Repayment of the principal portion of lease liability	(3,009,055)	(2,829,258)
Increase in guarantee deposits received	25,898	51,857
Decrease in other non-current liabilities	(1,220)	(1,421)

(Continued)

# FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Nine Months Ended September 30	
	2020	2019
Cash dividend paid	\$ (8,028,144)	\$ (9,633,772)
Cash capital increase by subsidiaries	-	384,917
Dividends paid to non-controlling interest	(6,635,292)	(7,613,373)
Increase in non-controlling interests	<u>162</u>	<u>3,435,000</u>
Net cash generated from (used in) financing activities	<u>20,493,044</u>	<u>(34,100,484)</u>
EFFECTS OF EXCHANGE RATE CHANGES	<u>152,693</u>	<u>(500,956)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(5,459,536)	(19,059,696)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>38,924,588</u>	<u>35,342,560</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$ 33,465,052</u>	<u>\$ 16,282,864</u>

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

(With Deloitte & Touche review report dated November 12, 2020)

(Concluded)

# FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020 AND 2019 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise) (Reviewed, Not Audited)

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### 1. GENERAL INFORMATION

Far Eastern New Century Corporation (FENC or the “Company”), which was incorporated in 1954, manufactures and sells polyester materials and semi-finished and finished textiles such as cotton, synthetic or blended fabrics, towels and bed sheets, and woven and knitted garments; PET (polyethylene terephthalate) bottles and sheets; and natural, synthetic or blended yarns and polyester textured yarns. It also does yarn, silk and cloth printing and dyeing.

On October 13, 2009, the shareholders resolved to change the Company’s name from its former name, Far Eastern Textile Co., Ltd., to Far Eastern New Century Corporation; thus, the original ticker symbol of FETL was changed to FENC.

The consolidated financial statements of the Company and its subsidiaries, hereto forth collectively referred to as the “Group”, are presented in the Company’s functional currency, the New Taiwan dollar (NTD).

### 2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were reported to the board of directors on November 12, 2020.

### 3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), IFRS and Interpretations of IAS (SIC) (collectively, the IFRSs) endorsed and issued into effect by the Financial Supervisory Commission (FSC).

- Amendment to IFRS 16 “Covid-19 - Related Rent Concessions”

The Group elected to apply the practical expedient provided in the amendment to IFRS 16 with respect to rent concessions negotiated with the lessor as a direct consequence of the COVID-19. Related accounting policies are stated in Note 4. Before the application of the amendment, the Group was required to determine whether the abovementioned rent concessions are lease modifications and thus have to be accounted for as lease modifications.

The Group applied the amendment from January 1, 2020. Retrospective application of the amendment has no impact on the retained earnings as of January 1, 2020.

The initial application of the amendments to the IFRSs endorsed and issued into effect by the FSC would not have any material impact on the Group’s accounting policies.

b. New IFRSs in issue but not yet endorsed and issued into effect by the FSC

<b>New IFRSs</b>	<b>Effective Date Announced by IASB (Note 1)</b>
“Annual Improvements to IFRS Standards 2018-2020”	January 1, 2022 (Note 2)
Amendments to IFRS 3 “Reference to the Conceptual Framework”	January 1, 2022 (Note 3)
Amendments to IFRS 4 “Extension of the Temporary Exemption from Applying IFRS 9”	Effective immediately upon promulgation by the IASB
Amendments IFRS 9, IAS 39, IAS 7, IFRS 4 and IFRS 16 “Interest Rate Benchmark Reform - Phase 2”	January 1, 2021
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 IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	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 (Note 4)
Amendments to IAS 37 “Onerous Contracts - Cost of Fulfilling a Contract”	January 1, 2022 (Note 5)

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual reporting periods beginning on or after their respectively effective dates.

Note 2: The amendments to IFRS 9 are applied prospectively to modifications and exchanges of financial liabilities that occur on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IAS 41 “Agriculture” are applied prospectively to the fair value measurements on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IFRS 1 “First-time Adoptions of IFRSs” are applied retrospectively for annual reporting periods beginning on or after January 1, 2022.

Note 3: The amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2022.

Note 4: The amendments are applicable to property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after January 1, 2021.

Note 5: The amendments are applicable to contracts for which the entity has not yet fulfilled all its obligations on January 1, 2022.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of the other standards and interpretations will have on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### a. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual financial statements.

##### b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments and investment properties that are measured at fair value, net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets, and net defined benefit assets which are measured at the present value of the fair value of plan assets less defined benefit obligation.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- 3) Level 3 inputs are unobservable inputs for the asset or liability.

##### c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e. its subsidiaries).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statements of profit or loss and other comprehensive income from the effective date of acquisition up to the effective date of disposal, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group’s ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group’s interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets (including any goodwill) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

See Note 13, Table 12 and Table 13 for the detailed information of subsidiaries, including the percentages of ownership and main businesses.

The Group's investment in Corpus Christi Polymers LLC complies with the joint operations. Therefore, the Group recognized its share of the assets, liabilities, revenues and expenses of the joint operation. Refer to Note 15.

d. Other significant accounting policies

Except for the following, the accounting policies applied in these consolidated financial statements are consistent with those applied in the consolidated financial statements for the year ended December 31, 2019. For the summary of other significant accounting policies, please refer to the consolidated financial statements for the year ended December 31, 2019.

1) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2) Leases

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

a) The Group as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Lease payments from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases.

Variable lease payments that do not depend on an index or a rate are recognized as income in the periods in which they are incurred.

b) The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. For a lease modification that is not accounted for as a separate lease, the Group accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset of lease modifications that decrease the scope of the lease, and recognizes in profit or loss any gain or loss on the partial or full termination of the lease; making a corresponding adjustment to the right-of-use assets of all other lease modifications. Lease liabilities are presented on a separate line in the consolidated balance sheets.

The Group negotiates with the lessor for rent concessions as a direct consequence of the Covid-19 to change the lease payments originally due by June 30, 2021, that results in the revised consideration for the lease less than. There is no substantive change to other terms and conditions. The Group elects to apply the practical expedient to all of these rent concessions, and therefore, does not assess whether the rent concessions are lease modifications. Instead, the Group recognizes the reduction in lease payment in profit or loss in the period in which the events or conditions that trigger the concession occurs, and makes a corresponding adjustment to the lease liability.

### 3) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

## **5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Group's accounting policies, management is required to make judgments, estimations, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.



The Group considers the economic implications of the COVID-19 when making its critical accounting estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

For the critical accounting judgments and key sources of estimation uncertainty of the consolidated financial statements, refer to the consolidated financial statements for the year ended December 31, 2019.

## 6. CASH AND CASH EQUIVALENTS

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Cash			
Cash on hand and petty cash	\$ 31,256	\$ 34,263	\$ 60,611
Demand and checking accounts	<u>30,068,715</u>	<u>33,004,579</u>	<u>13,050,998</u>
	<u>30,099,971</u>	<u>33,038,842</u>	<u>13,111,609</u>
Cash equivalents (investments with original maturities of less than three months)			
Time deposits	2,439,440	2,062,519	2,302,710
Commercial paper and corporate bonds purchased under resale agreements	<u>749,533</u>	<u>3,741,139</u>	<u>737,282</u>
	<u>3,188,973</u>	<u>5,803,658</u>	<u>3,039,992</u>
Management discretionary accounts			
Demand accounts	<u>176,108</u>	<u>82,088</u>	<u>131,263</u>
	<u>\$ 33,465,052</u>	<u>\$ 38,924,588</u>	<u>\$ 16,282,864</u>

The Group's members individually contracted and fully authorized an "other related party", Oriental Securities Investment Advisory Co., Ltd. to manage discretionary funds.

The intervals of market rates for cash equivalents as of the balance sheet date were as follows:

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Time deposits	0.10%-2.40%	0.10%-2.90%	0.10%-3.05%
Commercial paper and corporate bonds purchased under resale agreements	0.21%-0.91%	0.48%-2.15%	0.39%-0.58%

## 7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	September 30, 2020	December 31, 2019	September 30, 2019
<u>Financial assets mandatorily classified as at fair value through profit or loss (FVTPL)</u>			
Derivative financial assets (not under hedge accounting)			
Forward exchange contracts	\$ 24,916	\$ 11,479	\$ 15,115
Non-derivative financial assets			
Mutual funds - beneficial certificates	5,041,124	4,653,960	4,521,386
Listed shares	<u>273,367</u>	<u>388,277</u>	<u>271,635</u>
	<u>\$ 5,339,407</u>	<u>\$ 5,053,716</u>	<u>\$ 4,808,136</u>
<u>Financial liabilities held for trading - current</u>			
Derivative financial liabilities (not under hedge accounting)			
Forward exchange contracts	<u>\$ 5,945</u>	<u>\$ 1,861</u>	<u>\$ 2,209</u>

### a. Forward exchange contracts

The Group entered into forward exchange contracts to hedge against the exchange risks on foreign currency assets and liabilities. Since these transactions did not meet the criteria for hedge accounting, they were classified as financial instruments at FVTPL.

The Group had outstanding forward exchange contracts, which were stated as follows:

	Currency	Maturity	Contract Amount (Thousands)
<u>September 30, 2020</u>			
Sell	USD/NTD	2020.10.08-2020.11.30	USD44,620/TWD 1,312,721
Sell	EUR/USD	2020.10.30-2020.11.30	EUR10,000/USD11,804
Buy	USD/JPY	2020.10.30-2020.11.24	USD6,000/JPY636,980
Buy	USD/RMB	2020.10.30-2020.10.30	USD3,000/RMB20,492
Sell	USD/JPY	2020.10.26-2020.12.28	USD5,000/JPY528,050
Buy	USD/NTD	2020.10.13-2020.10.23	USD17,500/TWD 514,740
Sell	USD/RMB	2020.10.15-2021.01.27	USD31,900/RMB221,382
Sell	JPY/NTD	2020.10.13-2020.11.30	JPY970,000/TWD268,539

### December 31, 2019

Sell	USD/NTD	2020.01.06-2020.04.29	USD69,750/TWD 2,104,757
Sell	EUR/USD	2020.01.31-2020.02.26	EUR6,000/USD6,670
Buy	USD/JPY	2020.01.08-2020.03.17	USD14,500/JPY1,572,912
Buy	USD/RMB	2020.01.31-2020.02.26	USD12,000/RMB84,204
Sell	USD/JPY	2020.01.28-2020.02.26	USD6,000/JPY649,146
Buy	USD/NTD	2020.01.07-2020.01.16	USD2,300/TWD70,199
Sell	USD/RMB	2020.01.14-2020.02.24	USD17,000/RMB119,713
Sell	SGD/MYR	2020.01.30-2020.03.26	SGD500/MYR1,534

(Continued)

	Currency	Maturity	Contract Amount (Thousands)
<u>September 30, 2019</u>			
Sell	USD/NTD	2019.10.04-2019.11.22	USD32,500/TWD1,011,993
Sell	EUR/USD	2019.10.29-2019.11.27	EUR7,000/USD7,785
Buy	USD/JPY	2019.10.08-2019.11.22	USD13,000/JPY1,377,000
Buy	USD/RMB	2019.10.29	USD9,000/RMB63,993
Sell	USD/JPY	2019.10.25-2019.11.26	USD3,350/JPY358,745
Buy	USD/NTD	2019.10.04-2019.11.16	USD2,000/TWD62,522
Sell	USD/RMB	2019.10.11-2019.11.25	USD24,000/RMB170,412
Sell	SGD/MYR	2019.10.29-2019.11.27	SGD400/MYR1,216
(Concluded)			

b. Options contracts

The Group sold option contracts to profit on royalties and prevent the difference between exchange rate fluctuation risks.

The Group had no outstanding option contracts as of September 30, 2020, December 31, 2019 and September 30, 2019.

## 8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	September 30, 2020	December 31, 2019	September 30, 2019
Financial assets at fair value through <u>other comprehensive income (FVTOCI)</u>			
Domestic listed shares	\$ 421,885	\$ 403,142	\$ 402,543
Domestic unlisted shares	1,363,696	937,065	915,962
Real estate investment trust mutual funds - beneficial certificates	311,400	307,500	302,700
Oversea shares	<u>469,399</u>	<u>509,231</u>	<u>496,142</u>
	<u>\$ 2,566,380</u>	<u>\$ 2,156,938</u>	<u>\$ 2,117,347</u>
Current	\$ 69,972	\$ 80,853	\$ 80,819
Non-current	<u>2,496,408</u>	<u>2,076,085</u>	<u>2,036,528</u>
	<u>\$ 2,566,380</u>	<u>\$ 2,156,938</u>	<u>\$ 2,117,347</u>

These investments in equity instruments are not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

Kaohsiung Rapid Transit Corporation, the entity in which the Group invested, is the BOT Concession Company under the BOT concession contract that it entered into with the Kaohsiung City Government. When the concession period expires (concession expires in October 2037), the assets shall be transferred to the Kaohsiung City Government and the BOT Concession Company will be eliminated.

## 9. FINANCIAL ASSETS AT AMORTIZED COST

	September 30, 2020	December 31, 2019	September 30, 2019
<u>Current</u>			
Domestic investments			
Time deposits with original maturities of more than 3 months (a.)	<u>\$ 1,931,846</u>	<u>\$ 1,792,168</u>	<u>\$ 1,552,611</u>
<u>Non-current</u>			
Domestic investments			
Time deposits with original maturities of more than 3 months (a.)	\$ 44,100	\$ 19,921	\$ -
Subordinated corporate bonds of Cathay Life Insurance Co., Ltd. (b.)	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
	<u>\$ 544,100</u>	<u>\$ 519,921</u>	<u>\$ 500,000</u>

- a. The interest rates for time deposits with original maturity of more than 3 months were from 0.45% to 2.40%, 0.60% to 3.20% and 0.81% to 1.76% as of September 30, 2020, December 31, 2019 and September 30, 2019.
- b. In June 2019, the Group purchased corporate bonds which were issued by Cathay Life Insurance Co., Ltd., the coupon rate and the effective interest rate are both 3.00%.

Refer to Note 37 for information related to investments in financial assets at amortized cost pledged as collateral or for security.

For the nine months ended September 30, 2019, the Group disposed corporate bonds which were issued by Taiwan Life Insurance Co., Ltd amounted to \$400,000 thousand, and recognized loss on derecognition of financial assets at amortized cost amounted to \$2,800 thousand.

## 10. CREDIT RISK MANAGEMENT FOR INVESTMENTS IN DEBT INSTRUMENTS

The Group invested in subordinated corporate bonds of Cathay Life Insurance Co., Ltd. was classified as at amortized cost.

	September 30, 2020	December 31, 2019	September 30, 2019
Amortized cost			
Gross carrying amount	\$ 500,000	\$ 500,000	\$ 500,000
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 500,000</u>	<u>\$ 500,000</u>	<u>\$ 500,000</u>

In order to minimize credit risk, the Group has tasked its credit management committee to develop and maintain a credit risk grading framework to categorize exposures according to degree of risk of default. The credit rating information may be obtained from independent rating agencies where available and, if not available, the credit management committee uses other publicly available financial information to rate the debtors.

## 11. NOTES AND ACCOUNTS RECEIVABLE

	September 30, 2020	December 31, 2019	September 30, 2019
<u>Notes and accounts receivable</u>			
At amortized cost			
Notes and accounts receivable	\$ 26,080,923	\$ 28,116,742	\$ 30,116,827
Less: Allowance for doubtful accounts	(1,197,778)	(1,181,254)	(1,168,884)
Less: Unrealized interest income	(2,201)	(2,607)	(2,741)
Less: Unearned financing income	<u>(1,685)</u>	<u>-</u>	<u>-</u>
	<u>\$ 24,879,259</u>	<u>\$ 26,932,881</u>	<u>\$ 28,945,202</u>
Notes receivable - operating	\$ 24,879,259	\$ 26,486,590	\$ 28,945,202
Notes receivable - non-operating	<u>-</u>	<u>446,291</u>	<u>-</u>
	<u>\$ 24,879,259</u>	<u>\$ 26,932,881</u>	<u>\$ 28,945,202</u>

At the end of the reporting period, accounts receivable from sales with payment by installments of the Group were as follows:

	September 30, 2020	December 31, 2019	September 30, 2019
Gross amounts of accounts receivable	\$ 111,550	\$ 130,025	\$ 136,184
Unrealized interest income	<u>(5,868)</u>	<u>(7,873)</u>	<u>(8,608)</u>
	<u>\$ 105,682</u>	<u>\$ 122,152</u>	<u>\$ 127,576</u>
Current	\$ 22,432	\$ 22,027	\$ 21,894
Non-current	<u>83,250</u>	<u>100,125</u>	<u>105,682</u>
	<u>\$ 105,682</u>	<u>\$ 122,152</u>	<u>\$ 127,576</u>

Accounts receivable expected to be recovered after one year are classified as non-current assets. The above accounts receivable are expected to be recovered before 2028.

Accounts receivable from financial leases of the Group were as follows:

	<b>September 30, 2020</b>
Gross amounts of financial leases receivable	\$ 55,835
Unearned financing income	<u>(6,377)</u>
	<u>\$ 49,458</u>
Undiscounted lease payments	
Year 1	
Year 2	\$ 7,976
Year 3	7,976
Year 4	7,976
Year 5	7,976
Year 6 onwards	7,976
	<u>15,955</u>
	55,835
Less: Unearned financing income	<u>(6,377)</u>
Finance lease receivable	<u>\$ 49,458</u>
Current	\$ 6,347
Non-current	<u>43,111</u>
	<u>\$ 49,458</u>

The Group entered into a finance lease agreement with a client to lease out its data center equipment as part of the enterprise project services provided to the client. The term of the finance lease entered into was 8 years. The interest rate inherent in the lease was 3.5%, which was determined at the contract date and was fixed for the entire term of the lease.

In order to minimize credit risk, the management of the Company has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all accounts receivables. The expected credit losses on accounts receivables are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date.

The Group recognizes 100% of an allowance for doubtful accounts when there is information indicating that a debtor is experiencing severe financial difficulty and there is no realistic prospect of recovery of the receivable. Furthermore, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of accounts receivables.

September 30, 2020

	<b>1 to 90 Days</b>	<b>91 to 180 Days</b>	<b>181 to 365 Days</b>	<b>Over 365 Days</b>	<b>Total</b>
Gross carrying amount	\$ 23,813,965	\$ 1,792,046	\$ 85,757	\$ 385,269	\$ 26,077,037
Loss allowance (Lifetime ECL)	<u>(492,699)</u>	<u>(309,498)</u>	<u>(37,774)</u>	<u>(357,807)</u>	<u>(1,197,778)</u>
Amortized cost	<u>\$ 23,321,266</u>	<u>\$ 1,482,548</u>	<u>\$ 47,983</u>	<u>\$ 27,462</u>	<u>\$ 24,879,259</u>

December 31, 2019

	<b>1 to 90 Days</b>	<b>91 to 180 Days</b>	<b>181 to 365 Days</b>	<b>Over 365 Days</b>	<b>Total</b>
Gross carrying amount	\$ 25,502,590	\$ 2,016,012	\$ 195,807	\$ 399,726	\$ 28,114,135
Loss allowance (Lifetime ECL)	<u>(541,671)</u>	<u>(277,410)</u>	<u>(48,978)</u>	<u>(313,195)</u>	<u>(1,181,254)</u>
Amortized cost	<u>\$ 24,960,919</u>	<u>\$ 1,738,602</u>	<u>\$ 146,829</u>	<u>\$ 86,531</u>	<u>\$ 26,932,881</u>

September 30, 2019

	<b>1 to 90 Days</b>	<b>91 to 180 Days</b>	<b>181 to 365 Days</b>	<b>Over 365 Days</b>	<b>Total</b>
Gross carrying amount	\$ 27,487,177	\$ 2,121,373	\$ 132,041	\$ 373,495	\$ 30,114,086
Loss allowance (Lifetime ECL)	<u>(534,480)</u>	<u>(261,413)</u>	<u>(49,643)</u>	<u>(323,348)</u>	<u>(1,168,884)</u>
Amortized cost	<u>\$ 26,952,697</u>	<u>\$ 1,859,960</u>	<u>\$ 82,398</u>	<u>\$ 50,147</u>	<u>\$ 28,945,202</u>

The above aging schedule was based on the invoice date.

The movements of the loss allowance of accounts receivables were as follows:

	<b>For the Nine Months Ended September 30</b>	
	<b>2020</b>	<b>2019</b>
Balance at January 1	\$ 1,181,254	\$ 1,110,203
Acquisitions through business combinations	-	5,205
Add: Bad debt recovered	145,714	152,788
Add: Impairment losses recognized on receivables	218,763	201,912
Less: Amounts written off	(346,577)	(300,405)
Foreign exchange gains and losses	<u>(1,376)</u>	<u>(819)</u>
Balance at September 30	<u>\$ 1,197,778</u>	<u>\$ 1,168,884</u>

## 12. INVENTORIES

	September 30, 2020	December 31, 2019	September 30, 2019
Merchandise inventories	\$ 2,309,669	\$ 3,476,737	\$ 5,472,135
Finished goods	5,456,527	6,705,248	7,190,359
Work in progress	2,686,821	3,313,982	3,939,326
Raw materials	5,270,021	7,474,416	5,990,749
Supplies	1,046,498	1,308,865	1,143,859
Available-for-sale - buildings and land	751,742	989,163	995,709
Available-for-construction - land	208,384	208,384	208,384
Construction in progress	<u>2,621,626</u>	<u>3,640,697</u>	<u>3,427,945</u>
	<u>\$ 20,351,288</u>	<u>\$ 27,117,492</u>	<u>\$ 28,368,466</u>

The cost of inventories recognized as cost of goods sold for the three months and nine months ended September 30, 2020 and 2019 were \$30,143,271 thousand, \$41,538,709 thousand, \$92,860,507 thousand and \$128,217,132 thousand, respectively. The cost of goods sold included reversal of write-downs (inventory write-downs) \$54,304 thousand, \$85,638 thousand, \$(28,328) thousand and \$513,918 thousand for the three months and nine months ended September 30, 2020 and 2019. Previous write-downs were reversed as a result of increased selling prices in certain markets.

## 13. SUBSIDIARIES

### a. Subsidiaries included in the consolidated financial statements

Investor	No	Investee	Nature of Activities	Proportion of Ownership		
				September 30, 2020	December 31, 2019	September 30, 2019
Far Eastern New Century Corporation	1	Far EasTone Telecommunications Co., Ltd. (Note 1)	Telecommunications	38.29	38.29	38.29
	2	Yuan Ding Investment Co., Ltd.	Investment	99.70	99.70	99.70
	3	Far Eastern Resources Development Co., Ltd	Real estate leasing and development service	100.00	100.00	100.00
	4	Yuan Tong Investment Co., Ltd.	Investment	100.00	100.00	100.00
	5	Far Eastern Polychem Industries Ltd. (FEPI)	Investment and chemical fiber sales	100.00	100.00	100.00
	6	Oriental Petrochemical (Taiwan) Co., Ltd.	Petrochemical materials production	80.76	80.76	80.76
	7	Far Eastern Investment (Holding) Ltd.	Investment and chemical sales	100.00	100.00	100.00
	8	PET Far Eastern (Holding) Ltd. (PETH)	Investment	100.00	100.00	100.00
	9	Kai Yuan International Investment Co., Ltd.	Investment	100.00	100.00	100.00
	10	Far Eastern Polytex (Holding) Ltd.	Investment	100.00	100.00	100.00
	11	Yuan Ding Co., Ltd. (Note 2)	Real estate leasing and hotel	49.99	49.99	49.99
	12	Far Eastern Construction Co., Ltd.	Real estate construction and sale	65.11	65.11	65.11
	13	Ding Yuan International Investment Co., Ltd.	Investment	100.00	100.00	100.00
	14	An Ho Garment Co., Ltd.	Garment production and investment	100.00	100.00	100.00
	15	FEDP (Holding) Ltd. (FEDP)	Investment	100.00	100.00	100.00
	16	Fu Kwok Garment Manufacturing Co., Ltd.	Garment production	100.00	100.00	100.00
	17	Far Eastern Textile Ltd.	Textile production	100.00	100.00	100.00
	18	Far Eastern Electronic Toll Collection Co., Ltd.	Electronic toll collection service	66.33	66.33	66.33
	19	Yuan Hsin Digital Payment Co., Ltd.	Digital payment	65.01	65.01	65.01
	20	Malaysia Garment Manufactures Pte. Ltd.	Clothing production and investment	50.92	50.92	50.92
	21	FE Oriental Investment Holding (Singapore) Pte. Ltd. (Note 11)	Investment	100.00	100.00	-

(Continued)



Investor	No	Investee	Nature of Activities	Proportion of Ownership		
				September 30, 2020	December 31, 2019	September 30, 2019
Yuan Ding Investment Co., Ltd.	22	Oriental Textile (Holding) Ltd. (OTTI)	Investment and textile sales	100.00	100.00	100.00
	23	Far Eastern Apparel (Holding) Ltd. (FEAH)	Investment and textile sales	100.00	100.00	100.00
	24	Far Eastern Fibertech Ltd.	Nylon production	100.00	100.00	100.00
	25	Far Eastern Apparel Co., Ltd.	Sales of textile, garments, and clothing	100.00	100.00	100.00
	26	Oriental Resources Development Co., Ltd. (Note 8)	Production and wholesale of medical supplies	100.00	100.00	100.00
	27	Oriental Green Materials Co., Ltd. (Note 8)	Waste recycling and re-processing	100.00	100.00	-
	28	Yuan Faun Co., Ltd.	Consulting	100.00	100.00	100.00
	29	FETG Investment Antilles N.V.	Investment	100.00	100.00	100.00
Far Eastern Investment (Holding) Ltd. (FEIH)	30	PET Far Eastern (M) Sdn. Bhd.	Bottle production	100.00	100.00	100.00
	31	Far Eastern Apparel (Vietnam) Ltd.	Clothing production	100.00	100.00	100.00
	32	Worldwide Polychem (HK) Ltd. (WWPI)	Foreign trade	100.00	100.00	100.00
	33	Far Eastern Polytex (Vietnam) Ltd.	Chemical fiber and textile production	100.00	100.00	100.00
Far Eastern Polychem Industries Ltd. (FEPI)	34	Far Eastern New Apparel (Vietnam) Ltd.	Clothing production	100.00	100.00	100.00
	35	Magna View Sdn. Bhd.	Investment	100.00	100.00	100.00
	36	APG Polytech USA Holdings, Inc.	Investment	100.00	100.00	100.00
	37	Far Eastern Industries (Shanghai) Ltd.	Chemical fiber production	100.00	100.00	100.00
	38	Far Eastern Industries (Yangzhou) Ltd.	Production and sales of polyester products	100.00	100.00	100.00
	39	Far Eastern Ishizuka Green Pet Corporation (FIGP)	Recycled PET production and sales	90.00	90.00	90.00
Far Eastern Construction Co., Ltd.	40	Far Eastern General Contractor Inc.	Construction	99.95	99.95	99.95
Far Eastern Apparel (Holding) Ltd. (FEAH)	41	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Garment production	100.00	100.00	100.00
	42	Far Eastern Innovation Apparel (Suzhou) Co., Ltd.	Garment production	100.00	100.00	100.00
FETG Investment Antilles N.V.	43	Waldorf Services B.V. (Note 3)	Investment	-	-	-
Yuan Faun Co., Ltd.	44	Yuan Cheng Human Resources Consultant Corporation	Personnel recruitment	55.19	55.19	55.19
Yuan Tong Investment Co., Ltd.	45	Sino Belgium (Holding) Ltd.	Investment	90.88	90.88	90.88
Far Eastern Electronic Toll Collection Co., Ltd.	46	FETC International Co., Ltd.	Human services and equipment procurement and product sales agency services	100.00	100.00	100.00
FETC International Co., Ltd.	47	FETC International (Thailand) Co., Ltd. (Note 9)	Human services and equipment procurement and product sales agency services	100.00	-	-
Far Eastern Apparel (Suzhou) Co., Ltd.	48	Suzhou An Ho Apparel Ltd.	Garment production	100.00	100.00	100.00
PET Far Eastern (Holding) Ltd. (PETH)	49	Oriental Petrochemical (Shanghai) Corporation	PTA production and sales	61.35	61.35	61.35
Oriental Textile (Holding) Ltd. (OTTI)	50	Far Eastern Industries (Wuxi) Ltd.	Fiber and textile productions	100.00	100.00	100.00
	51	Oriental Industries (Suzhou) Ltd.	Production and sales of polyester resins and industrial fabrics	100.00	100.00	100.00
FEDP (Holding) Ltd. (FEDP)	52	Far Eastern Industries (Suzhou) Ltd.	Production and sales of polyester products	100.00	100.00	100.00
Far Eastern Polytex (Holding) Ltd.	53	Wuhan Far Eastern New Material Ltd.	Production and sales of PET sheet, chip, filament, staple fibers, and apparel	100.00	100.00	100.00
	54	Far Eastern Apparel (Suzhou) Ltd.	Garment production	100.00	100.00	100.00
	55	Far Eastern Yihua Petrochemical (Yangzhou) Corporation	PTA and by-product production and sale	60.00	60.00	60.00
	56	Far Eastern New Century (China) Investment Co., Ltd.	Investment	100.00	100.00	100.00
Far Eastern New Century (China) Investment Co., Ltd.	57	Shanghai Yuan Zi Information Technology Co., Ltd.	Internet software development services	100.00	100.00	100.00
	58	Yuan Ding Enterprise (Shanghai) Limited (Note 4)	Chemical products; wholesale of machineries and lubricants; agency commission; importing, exporting of goods and other complimentary businesses	40.00	40.00	40.00

(Continued)

Investor	No	Investee	Nature of Activities	Proportion of Ownership		
				September 30, 2020	December 31, 2019	September 30, 2019
Sino Belgium (Holding) Ltd.	59	Sino Belgium Beer (Suzhou) Ltd.	Beer brewing	100.00	100.00	100.00
	60	Martens Beers Trading (Shanghai) Ltd.	Beer sale	100.00	100.00	100.00
Oriental Petrochemical (Shanghai) Corporation	61	Shanghai Far Eastern Petrochemical Logistic Corporation	Transportation	100.00	100.00	100.00
Yuan Ding Co., Ltd.	62	Ding Hotel Co., Ltd.	Hotel	99.26	99.26	99.26
	63	YDT Technology International Co., Ltd.	Electronic materials and by-product sale	100.00	100.00	100.00
FET Consulting Engineers Co., Ltd.	64	Far Eastern Technical Consultants Co., Ltd.	Real estate development business consulting and management	100.00	100.00	100.00
	65	FET Consulting Engineers Co., Ltd.	Corporate management consulting, pipe & cable installment and replacement	100.00	100.00	100.00
YDT Technology International Co., Ltd.	66	Ding Integrated Marketing Services Co., Ltd.	Market research and general advertisement	80.00	80.00	80.00
	67	DDIM (Virgin Islands) Ltd.	Investment	100.00	100.00	100.00
YDC (Virgin Islands) Ltd.	68	YDC (Virgin Islands) Ltd.	Investment	100.00	100.00	100.00
DDIM (Virgin Islands) Ltd.	69	Speedy (Shanghai) Digital Tech. Co., Ltd.	Intelligent control equipment and security monitoring products	100.00	100.00	100.00
	70	Yuan Ding Integrated Information Service (Shanghai) Inc.	Internet software development services	100.00	100.00	100.00
APG Polytech USA Holdings, Inc.	71	PT Malaysia Garment Bintan (PTMG)	Clothing production	99.00	99.00	99.00
	72	APG Polytech, LLC	Chemical fiber production	100.00	100.00	100.00
FE Oriental Investment Holding (Singapore) Pte. Ltd.	73	Phoenix Technologies International, LLC (Notes 7 and 20)	Recycled PET production and sales	100.00	90.00	90.00
	74	Oriental Investment Holding (Netherlands) B.V. (Note 12)	Investment	100.00	-	-
Oriental Investment Holding (Netherlands) B.V.	75	FE New Century Industry (Singapore) Pte. Ltd. (Note 18)	Textile products sales	100.00	-	-
	76	Oriental Martens (Netherlands) B.V. (Note 13)	Investment	100.00	-	-
Far EasTone Telecommunications Co., Ltd.	77	New Century InfoComm Tech Co., Ltd.	Types I and II telecommunications services	100.00	100.00	100.00
	78	ARCOA Communication Co., Ltd.	Sale of communications products and office equipment	61.63	61.63	61.63
ARCOA Communication Co., Ltd.	79	KGEx.com Co., Ltd.	Type II telecommunications services	99.99	99.99	99.99
	80	Yuan Cing Co., Ltd.	Call center services	100.00	100.00	100.00
New Century InfoComm Tech Co., Ltd.	81	Far Eastern Info Service Holding Ltd. (FEIS) (Note 6)	Investment	100.00	100.00	100.00
	82	O-music Co., Ltd.	Electronic information providing services	-	-	-
Digital United (Cayman) Ltd.	83	Yuanshi Digital Technology Co., Ltd. (Note 16)	Electronic information providing services	98.20	93.62	93.62
	84	Yuanbao Financial Technology Co., Ltd. (Note 10)	Data processing services and electronic information provision services	100.00	100.00	-
New Diligent Co., Ltd.	85	Far Eastern Property Insurance Agency Ltd. Co. (Note 14)	Property insurance agent	100.00	-	-
	86	DataExpress Infotech Co., Ltd. (Note 15)	Sale of communications products	70.00	70.00	70.00
Digital United (Cayman) Ltd.	87	New Diligent Co., Ltd.	Investment	100.00	100.00	100.00
	88	Information Security Service Digital United Inc.	Security and monitoring service via Internet	100.00	100.00	100.00
New Diligent Co., Ltd.	89	Digital United (Cayman) Ltd.	Investment	100.00	100.00	100.00
	90	Prime Ecopower Co., Ltd.	Energy technology service	100.00	100.00	100.00
Digital United (Cayman) Ltd.	91	Nextlink Technology Co., Ltd. (Note 5)	Electronic information service	70.00	70.00	70.00
	92	Digital United Information Technology (Shanghai) Ltd.	Design and research of computer system	100.00	100.00	100.00
New Diligent Co., Ltd.	93	Sino Lead Enterprise Limited	Telecommunications services	100.00	100.00	100.00
	94	Far East New Diligent Company Ltd.	Investment	100.00	100.00	100.00
	95	New Diligent Hong Kong Co., Ltd.	Investment	100.00	100.00	100.00

(Continued)

Investor	No	Investee	Nature of Activities	Proportion of Ownership		
				September 30, 2020	December 31, 2019	September 30, 2019
Far Eastern New Diligent Company Ltd.	96	Far Eastern Tech-info Ltd. (Shanghai) (Note 17)	Computer software, data processing and network information providing services	-	100.00	100.00
DataExpress Infotech Co., Ltd.	97	Linkwell Tech. Co., Ltd. (Note 15)	Sale of communications products	-	100.00	100.00
	98	Home Master Technology Ltd.	Sale of communications products	100.00	100.00	100.00
Nextlink Technology Co., Ltd.	99	Microfusion Technology Co., Ltd. (Note 5)	Electronic information service	100.00	100.00	100.00
	100	Nextlink (HK) Technology Co., Ltd. (Note 5)	Electronic information service	100.00	100.00	100.00
	101	Microfusion Technology (HK) Co., Ltd. (Note 21)	Electronic information service	-	-	-
Microfusion Technology Co., Ltd.	102	Microfusion Technology (HK) Co., Ltd. (Notes 5 and 9)	Electronic information service	-	-	-
Nextlink (HK) Technology Co., Ltd.	103	Nextlink (SH) Technology Co., Ltd. (Note 5)	Electronic information service	100.00	100.00	100.00

(Concluded)

- Note 1: Even though the Company and its subsidiaries' consolidated ownership of Far Eastone was not over 50%, over half of the board of directors of Far Eastone were appointed by the Group. Thus, Far Eastone is included in the consolidated financial statements.
- Note 2: Even though the Company and its subsidiaries' consolidated ownership of Yuan Ding Co., Ltd. was not over 50%, the president of Yuan Ding Co., Ltd. was appointed by the Group. Thus, Yuan Ding Co., Ltd. is included in the consolidated financial statements.
- Note 3: The Group completed the liquidation on January 3, 2019. FETG Investment Antilles N.V will be responsible for the subsequent obligations.
- Note 4: Based on the board of directors' resolution (representing the authorities of shareholders' meeting) in February 2019, Yuan Ding Enterprise (Shanghai) Limited issued new shares via cash amounting to RMB 994,000 thousand. The Group subscribed new shares and decreased its interest from 100% to 40%. As the Group still maintain over half of the board of directors of Yuan Ding Enterprise (Shanghai) Limited, the Group does not lose control of Yuan Ding Enterprise (Shanghai) Limited. Refer to Note 33.
- Note 5: In line with a subsidiary, Far Eastone Telecommunications Co., Ltd., overall strategy of entering into the fast growing cloud market. On November 5, 2018, the board of directors resolved to acquire Nextlink Technology Co., Ltd. The settlement was completed on March 4, 2019, refer to Note 31.
- Note 6: On April 15, 2019, the group entered into an agreement to dispose Omusic Co., Ltd. The disposal was completed on April 30, 2019, on which date control of Omusic Co., Ltd. passed to the acquirer, refer to Note 32.
- Note 7: In order to enhance the competitiveness in the industry, the board of directors of APG Polytech USA Holdings, Inc., a subsidiary of FENC, resolved on June 3, 2019 to acquire a subsidiary, Phoenix Technologies International, LLC, by increasing its capital amounted to US\$10,000 thousand based on Membership Interest Purchase Agreement. The capital injection was completed on June 5, 2019, refer to Note 31.

- Note 8: According to the board of directors resolution on July 30, 2019, in order to strengthen the corporate organizational functions, Oriental Resources Development Co., Ltd., a FENC's subsidiary, divided its recycling related business operations to a new established company, Oriental Green Materials Limited, by issued all Oriental Green Materials Limited's common stocks to Yuan Ding Investment Co., Ltd., the shareholder of Oriental Resources Development Co., Ltd. This division is the Group organizational adjustment, and it will not effect on the consolidated net asset value per share and earnings per share.
- Note 9: The subsidiary was dissolved on November 8, 2019 which is approved by local government.
- Note 10: The new subsidiary was established on November 19, 2019 for NT\$60,000 thousand.
- Note 11: On December 4, 2019, the Group established a 100% holding subsidiary, FE Oriental Investment Holding (Singapore) Pte., Ltd. The Group invested USD\$5,000 thousand on September 11, 2020.
- Note 12: On January 23, 2020, the Group established a 100% holding subsidiary, Oriental Investment Holding (Netherlands) B.V. However, there is no actual cash outflow until September 30, 2020.
- Note 13: On February 12, 2020, the Group established a 100% holding subsidiary, Oriental Martens (Netherlands) B.V. However, there is no actual cash outflow until September 30, 2020.
- Note 14: On February 21, 2020, the Group established a new subsidiary for NT\$5,000 thousand.
- Note 15: In order to cooperate the corporate organizational strategies, reduce management costs and improve operating effectiveness, DataExpress Infotech Co., Ltd.'s board of directors resolved on February 17, 2020 to proceed a merge with its 100% subsidiary, Linkwell Tech Co., Ltd. DataExpress Infotech Co., Ltd became the surviving company and Linkwell Tech Co., Ltd. merged into DataExpress Tech Co., Ltd. The surviving company's name is DataExpress Infotech Co., Ltd after the merger. The merger was set on April 1, 2020.
- Note 16: In order to enrich operating capital and speed up business expansion in the mobile ecommerce market, Yuanshi Digital Technology Co., Ltd. a FENC's subsidiary, issued new shares via cash amounting to \$800,000 thousand through the issuance of 80,000 thousand shares at an issue price of NT\$10 per share in May 2020. The Group subscribed new shares and increase its interest from 93.62% to 98.20%. Refer to Note 33.
- Note 17: The subsidiary was dissolved in 2020 which is approved by local government.
- Note 18: On June 19, 2020, the Group established a 100% holding subsidiary, FE New Century Industry (Singapore) Pte. Ltd. The Group invested USD\$4,900 thousand on September 15, 2020.
- Note 19: The Group established a new subsidiary, FETC International (Thailand) Co., Ltd. for THB\$8,250 thousand in August 2020.
- Note 20: In August 2020, the Group obtained all non-controlling interest of subsidiary Phoenix Technologies International, LLC by exchanging out all shares of Perform Technologies, LLC (recognized as financial assets at fair value through other comprehensive income) held by the Group and receiving NT\$162 thousand, and then increased its interest from 90% to 100%. Refer to Note 33.
- Note 21: The Company was established and registered on September 3, 2020. However, there is no actual cash outflow until September 30, 2020.

Except for the financial statements of Far EasTone Telecommunications Co., Ltd. and its subsidiaries for the nine months ended September 30, 2020 and 2019, all the other non-significant subsidiaries' financial statements were unreviewed.

b. Details of subsidiaries that have material non-controlling interests

Name of Subsidiary	Profit Allocated to Non-controlling Interests				Accumulated Non-controlling Interests		
	For the Three Months Ended September 30		For the Nine Months Ended September 30		September 30, 2020	December 31, 2019	September 30, 2019
	2020	2019	2020	2019			
Far EasTone	<u>\$ 1,290,898</u>	<u>\$ 1,379,843</u>	<u>\$ 4,043,243</u>	<u>\$ 4,135,618</u>	<u>\$ 41,301,718</u>	<u>\$ 43,893,802</u>	<u>\$ 42,555,795</u>

The summarized financial information below represents amounts before intragroup eliminations.

Far EasTone and Far EasTone's subsidiaries:

	September 30, 2020	December 31, 2019	September 30, 2019
Current assets	\$ 21,881,645	\$ 27,257,217	\$ 25,270,823
Non-current assets	147,381,742	106,905,719	107,731,344
Current liabilities	(34,088,590)	(22,132,215)	(30,119,534)
Non-current liabilities	<u>(68,800,991)</u>	<u>(41,424,301)</u>	<u>(34,438,152)</u>
Equity	<u>\$ 66,373,806</u>	<u>\$ 70,606,420</u>	<u>\$ 68,444,481</u>
Equity attributable to:			
Owners of the Group	\$ 25,072,088	\$ 26,712,618	\$ 25,888,686
Non-controlling interests of Far EasTone	40,407,380	43,051,337	41,723,448
Non-controlling interests of Far EasTone's subsidiaries	<u>894,338</u>	<u>842,465</u>	<u>832,347</u>
	<u>\$ 66,373,806</u>	<u>\$ 70,606,420</u>	<u>\$ 68,444,481</u>

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Revenue	<u>\$ 18,630,069</u>	<u>\$ 21,407,239</u>	<u>\$ 56,693,648</u>	<u>\$ 62,651,958</u>
Net income for the period	\$ 2,078,944	\$ 2,220,370	\$ 6,520,259	\$ 6,663,003
Other comprehensive income for the period	<u>(17,038)</u>	<u>5,685</u>	<u>(78,296)</u>	<u>(32,046)</u>
Total comprehensive income for the period	<u>\$ 2,061,906</u>	<u>\$ 2,226,055</u>	<u>\$ 6,441,963</u>	<u>\$ 6,630,957</u>
Net income attributable to:				
Owners of the Group	\$ 788,046	\$ 840,527	\$ 2,477,016	\$ 2,527,385
Non-controlling interests of Far EasTone	1,270,054	1,354,633	3,992,077	4,073,255
Non-controlling interests of Far EasTone's subsidiaries	<u>20,844</u>	<u>25,210</u>	<u>51,166</u>	<u>62,363</u>
	<u>\$ 2,078,944</u>	<u>\$ 2,220,370</u>	<u>\$ 6,520,259</u>	<u>\$ 6,663,003</u>

(Continued)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Total comprehensive income attributable to:				
Owners of the Group	\$ 781,538	\$ 842,724	\$ 2,447,060	\$ 2,515,181
Non-controlling interests of Far EasTone	1,259,564	1,358,175	3,943,800	4,053,587
Non-controlling interests of Far EasTone's subsidiaries	<u>20,804</u>	<u>25,156</u>	<u>51,103</u>	<u>62,189</u>
	<u>\$ 2,061,906</u>	<u>\$ 2,226,055</u>	<u>\$ 6,441,963</u>	<u>\$ 6,630,957</u>

(Concluded)

	For the Nine Months Ended September 30	
	2020	2019
Net cash inflow from:		
Operating activities	\$ 19,585,136	\$ 17,606,568
Investing activities	(47,321,627)	(5,929,850)
Financing activities	23,993,532	(10,761,964)
Effect of exchange rate changes	<u>(1,067)</u>	<u>(2,047)</u>
Net cash (outflow) inflow	<u>\$ (3,744,026)</u>	<u>\$ 912,707</u>

## 14. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

### Investments in Associates

	September 30, 2020		December 31, 2019		September 30, 2019	
	Carrying Value	% of Ownership	Carrying Value	% of Ownership	Carrying Value	% of Ownership
Material associate						
Listed companies						
Asia Cement Corporation	<u>\$ 24,381,997</u>	27	<u>\$ 24,627,983</u>	26	<u>\$ 22,953,826</u>	26
Associate that are not individually material						
Listed companies						
Far Eastern Department Stores Co., Ltd.	10,637,380	33	8,229,421	25	7,702,621	25
Far Eastern International Bank	7,214,888	16	6,942,480	16	6,824,478	16
Oriental Union Chemical Corporation	5,323,240	31	5,647,218	31	5,674,723	31
Everest Textile Corporation	<u>973,912</u>	26	<u>1,104,322</u>	26	<u>1,170,530</u>	26
	<u>24,149,420</u>		<u>21,923,441</u>		<u>21,372,352</u>	
Unlisted companies						
Oriental Securities Corporation	4,784,561	47	4,868,187	47	4,830,612	47
Pacific Liu Tong Investment Co., Ltd.	4,446,855	40	4,317,863	40	4,217,616	40
Yu Yuan Investment Co., Ltd.	3,068,466	44	3,128,822	44	2,980,882	44
Far Eastern Union Petrochemical (Yangzhou) Corporation (Note)	2,136,307	50	2,038,169	50	2,190,512	50
Da Ju Fiber Co., Ltd.	2,301,359	42	2,259,130	42	2,081,021	42
Liquid Air Far East Co., Ltd.	2,246,616	35	2,135,073	35	1,966,252	35
Far Eastern International Leasing Corporation	1,888,208	34	1,869,536	34	1,862,407	34
Tong Da Air Industry (Yangzhou) Co., Ltd. (Note)	915,353	50	1,169,018	50	1,179,552	50

(Continued)

	<u>September 30, 2020</u>		<u>December 31, 2019</u>		<u>September 30, 2019</u>	
	Carrying Value	% of Ownership	Carrying Value	% of Ownership	Carrying Value	% of Ownership
Yu Ding Industry Co., Ltd.	\$ 904,586	31	\$ 891,164	31	\$ 833,792	31
Freudenberg Far Eastern Spunweb Co., Ltd.	526,495	30	503,208	30	458,069	30
Kowloon Cement Corporation	464,945	49	449,658	49	453,469	49
Yuan Ding Leasing Corporation	397,597	46	394,072	46	389,693	46
Drive Catalyst SPC-SP Tranche One	230,744	50	242,551	50	251,756	50
Drive Catalyst SPC-SP Tranche Three	242,561	50	238,348	50	-	-
FEDS Asia Pacific Development Co., Ltd.	136,530	5	132,517	5	136,927	5
Yue Ming Corporation	68,324	47	75,347	47	71,845	47
Opas Fund Segregated Portofolio Company	1,619	34	1,656	34	1,708	34
Drive Catalyst SPC	504	34	520	34	536	34
Com 2B	-	20	-	20	-	20
	<u>24,761,630</u>		<u>24,714,839</u>		<u>23,906,649</u>	
	<u>\$ 73,293,047</u>		<u>\$ 71,266,263</u>		<u>\$ 68,232,827</u>	

(Concluded)

Note: Because of the change of operating dynamic, the consolidation will achieve the cost-saving benefits and tax incentives by reducing operational duplication in environment, energy, and quality perspectives. The associates-Far Eastern Union Petrochemical (Yangzhou) Corporation, Tong Da Air Industry (Yangzhou) Co., Ltd. and the subsidiary of Oriental Union Chemical Corporation, Oriental Petrochemical (YangZhou) Corporation, as for the merger, it is planned to enhance the overall competency for the three companies. Far Eastern Union Petrochemical (Yangzhou) Corporation will be the surviving company, Tong Da Air Industry (Yangzhou) Co., Ltd. and Oriental Petrochemical (YangZhou) Corporation will be the dissolved company. The tentative record date of the merger will be December 31, 2020.

Material associates:

Name of Associate	Nature of Activities	Principal Place of Business	Proportion of Ownership and Voting Rights		
			September 30, 2020	December 31, 2019	September 30, 2019
Asia Cement Corporation	Cement production	Taiwan	27%	26%	26%

Fair values (Level 1) of investments in associates with available published price quotation are summarized as follows:

Name of Associate	September 30, 2020	December 31, 2019	September 30, 2019
Asia Cement Corporation	<u>\$ 37,473,148</u>	<u>\$ 42,323,806</u>	<u>\$ 37,330,940</u>

The Group is the single largest shareholder of Asia Cement Corporation with 27% of the voting rights of the investee. Considering the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other shareholders and the voting patterns at previous shareholders' meetings, which indicate that other shareholders are not passive. Therefore, the Group cannot direct the relevant activities of Asia Cement Corporation and does not control Asia Cement Corporation. Management of the Group considered the Group as exercising significant influence over Asia Cement Corporation and, therefore, classified it as an associate of the Group.

Investments in Far Eastern International Bank (FEIB) was accounted for using the equity method because the Group has significant influence over FEIB even though the Group owned 16% of each investee's voting shares.

Investments in FEDS Asia Pacific Development Corporation was accounted for using the equity method because the Group had significant influence over them even though the Group owned less than 20% of each investee's voting shares.

The Group's management evaluated that there is no future cash flows of Com2B, an investee which accounted for using the equity method. Therefore, the Group recognized the impairment loss amounted to \$12,390 thousand in the first half year of 2019.

As from April 1, 2019, Catalyst\_207 SPC-SP Tranche One and Catalyst\_207 SPC, the investees which were accounted for using the equity method, change their former names to Drive Catalyst SPC-SP Tranche One and Drive Catalyst SPC.

The calculation of the investments which were accounted for using the equity method and the share of profit or loss and other comprehensive income of the investments were based on the associates' unreviewed financial statements, except those of Asia Cement Corporation (ACC), Far Eastern Department Stores Co., Ltd., Far Eastern International Bank, Oriental Union Chemical Corporation, Everest Textile Corporation and Pacific Liu Tong Investment Co., Ltd. for the nine months ended September 30, 2020 and 2019. The independent auditors expressed a qualified reviewed report on the financial statements of the associates above because the financial statements of some of the investees of these associates are unreviewed.

## 15. JOINT OPERATION

On March 21, 2018, the Group formed a joint venture with Indorama Ventures Holdings LP and Alpek S.A.B. de C.V. to establish a new associate, Corpus Christi Polymers LLC. The three joint ventures contributed equal amounts of investment in the joint venture. On December 21, 2018, Corpus Christi Polymers LLC acquired M&G Chemicals' PTA and PET plants and other asset in Texas, USA, and the acquisition was approved by the US Federal Trade Commission. The main operations for Corpus Christi Polymers LLC is going to be petrochemical materials and chemical fiber productions. The assets and liabilities relating to the joint operation which is recognized by the Group was as follow:

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Assets			
Current assets	\$ 187,971	\$ 783,332	\$ 362,363
Non-current assets	12,246,798	12,132,352	12,103,762
Liabilities			
Current liabilities	(166,822)	(223,081)	(190,202)
Non-current liabilities	<u>(103,875)</u>	<u>(114,253)</u>	<u>(114,887)</u>
Net assets	<u>\$ 12,164,072</u>	<u>\$ 12,578,350</u>	<u>\$ 12,161,036</u>
	<b>For the Three Months Ended September 30</b>	<b>For the Nine Months Ended September 30</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>
	<b>2019</b>	<b>2020</b>	<b>2019</b>
Expenses and losses	<u>\$ 13,147</u>	<u>\$ 57,939</u>	<u>\$ 46,177</u>
The interest in the joint operation	33.33%	33.33%	33.33%

For the nine months ended September 30, 2020 and 2019, the assets and liabilities relating to the joint operation which is recognized by the Group were unreviewed.



## 16. PROPERTY, PLANT, EQUIPMENT AND PREPAYMENTS FOR EQUIPMENT

	September 30, 2020	December 31, 2019	September 30, 2019
<u>Carrying amount</u>			
Property, plant and equipment	\$ 160,552,803	\$ 163,017,162	\$ 162,268,005
Prepayments for equipment	<u>1,602,980</u>	<u>2,150,572</u>	<u>2,979,435</u>
	<u>\$ 162,155,783</u>	<u>\$ 165,167,734</u>	<u>\$ 165,247,440</u>

	Land	Buildings	Machinery and Equipment	Telecommuni- cations Equipment	Computer Equipment	Leasehold Improvements	Operating and Miscellaneous Equipment	Construction-in- progress and Prepayment for Equipment	Total
<u>Cost</u>									
Balance at January 1, 2020	\$ 20,061,400	\$ 37,512,980	\$ 148,743,860	\$ 81,464,024	\$ 15,371,587	\$ 6,231,251	\$ 21,378,723	\$ 34,151,473	\$ 364,915,298
Additions	73,469	24,365	257,965	3,694	9,868	14,593	235,118	12,952,059	13,571,131
Disposals	-	(158,840)	(1,570,543)	(1,327,423)	(262,648)	(113,243)	(383,881)	(15,379)	(3,831,957)
Reclassification	-	2,680,882	2,892,651	4,020,596	321,386	106,547	781,214	(13,440,130)	(2,636,854)
Effect of exchange rate differences	(56,919)	(220,170)	(647,402)	-	(32,162)	(1,818)	(78,926)	(589,556)	(1,626,953)
Balance at September 30, 2020	<u>\$ 20,077,950</u>	<u>\$ 39,839,217</u>	<u>\$ 149,676,531</u>	<u>\$ 84,160,891</u>	<u>\$ 15,408,031</u>	<u>\$ 6,237,330</u>	<u>\$ 21,932,248</u>	<u>\$ 33,058,467</u>	<u>\$ 370,390,665</u>
<u>Accumulated depreciation and impairment</u>									
Balance at January 1, 2020	\$ (95,894)	\$ (16,869,686)	\$ (88,498,294)	\$ (59,940,554)	\$ (13,278,224)	\$ (4,880,766)	\$ (16,184,146)	\$ -	\$ (199,747,564)
Disposals	-	111,470	1,499,558	881,823	261,632	108,974	374,035	-	3,237,492
Depreciation expense	-	(758,864)	(4,163,968)	(5,224,809)	(549,753)	(149,679)	(1,108,235)	-	(11,955,308)
Impairment loss	-	(445)	(116,917)	-	-	-	(5,528)	-	(122,890)
Reclassification	-	(45,845)	217	-	173	-	40,345	-	(5,110)
Effect of exchange rate differences	-	52,443	265,390	-	3,521	849	36,295	-	358,498
Balance at September 30, 2020	<u>\$ (95,894)</u>	<u>\$ (17,510,927)</u>	<u>\$ (91,014,014)</u>	<u>\$ (64,283,540)</u>	<u>\$ (13,562,651)</u>	<u>\$ (4,920,622)</u>	<u>\$ (16,847,234)</u>	<u>\$ -</u>	<u>\$ (208,234,882)</u>
Carrying amount at January 1, 2020 / December 31, 2019	<u>\$ 19,965,506</u>	<u>\$ 20,643,294</u>	<u>\$ 60,245,566</u>	<u>\$ 21,523,470</u>	<u>\$ 2,093,363</u>	<u>\$ 1,350,485</u>	<u>\$ 5,194,577</u>	<u>\$ 34,151,473</u>	<u>\$ 165,167,734</u>
Carrying amount at September 30, 2020	<u>\$ 19,982,056</u>	<u>\$ 22,328,290</u>	<u>\$ 58,662,517</u>	<u>\$ 19,877,351</u>	<u>\$ 1,845,380</u>	<u>\$ 1,316,708</u>	<u>\$ 5,085,014</u>	<u>\$ 33,058,467</u>	<u>\$ 162,155,783</u>
<u>Cost</u>									
Balance at January 1, 2019	\$ 20,320,013	\$ 35,367,004	\$ 142,989,148	\$ 80,706,468	\$ 15,012,127	\$ 4,703,657	\$ 22,122,453	\$ 34,740,587	\$ 355,961,457
Adjustments on initial application of IFRS 16	-	-	-	(281,281)	-	(68,892)	(214,020)	-	(564,193)
Balance at January 1, 2019 (restated)	20,320,013	35,367,004	142,989,148	80,425,187	15,012,127	4,634,765	21,908,433	34,740,587	355,397,264
Additions	43,986	181,987	254,682	6,402	17,152	16,786	248,614	13,641,813	14,411,422
Disposals	-	(69,578)	(2,079,693)	(1,220,018)	(572,919)	(194,218)	(469,343)	(18,588)	(4,624,357)
Acquisitions through business combinations	-	98,028	1,129,205	-	1,192	5,395	13,637	546	1,248,003
Derecognition of a subsidiary	-	-	-	-	(2,869)	-	(241)	-	(3,110)
Reclassification	(304,462)	1,884,953	6,664,330	2,871,933	1,109,960	153,955	873,181	(14,405,408)	(1,151,558)
Effect of exchange rate differences	1,202	(186,761)	(1,053,591)	-	1,619	(30)	(10,925)	153,507	(1,094,979)
Balance at September 30, 2019	<u>\$ 20,060,739</u>	<u>\$ 37,275,633</u>	<u>\$ 147,904,081</u>	<u>\$ 82,083,504</u>	<u>\$ 15,566,262</u>	<u>\$ 4,616,653</u>	<u>\$ 22,563,356</u>	<u>\$ 34,112,457</u>	<u>\$ 364,182,685</u>
<u>Accumulated depreciation and impairment</u>									
Balance at January 1, 2019	\$ (95,894)	\$ (16,063,508)	\$ (86,311,873)	\$ (53,749,336)	\$ (13,389,707)	\$ (4,083,176)	\$ (16,304,363)	\$ -	\$ (189,997,857)
Adjustments on initial application of IFRS 16	-	-	-	188,608	-	40,004	116,913	-	345,525
Balance at January 1, 2019 (restated)	(95,894)	(16,063,508)	(86,311,873)	(53,560,728)	(13,389,707)	(4,043,172)	(16,187,450)	-	(189,652,332)
Disposals	-	68,558	2,027,155	726,364	571,944	173,279	463,327	-	4,030,627
Impairment loss	-	(12,264)	(71,761)	-	-	-	-	-	(84,025)
Acquisitions through business combinations	-	(17,356)	(690,890)	-	(908)	(1,940)	(11,740)	-	(722,834)
Derecognition of a subsidiary	-	-	-	-	2,369	-	176	-	2,545
Depreciation expense	-	(744,839)	(4,139,768)	(6,270,605)	(705,189)	(193,682)	(1,109,887)	-	(13,163,970)
Reclassification	-	7,807	(32,993)	-	(697)	(27,343)	57,311	-	4,085
Effect of exchange rate differences	-	77,895	604,959	-	(66)	8	(32,137)	-	650,659
Balance at September 30, 2019	<u>\$ (95,894)</u>	<u>\$ (16,683,707)</u>	<u>\$ (88,615,171)</u>	<u>\$ (59,104,969)</u>	<u>\$ (13,522,754)</u>	<u>\$ (4,092,850)</u>	<u>\$ (16,820,400)</u>	<u>\$ -</u>	<u>\$ (198,935,245)</u>
Carrying amount at September 30, 2019	<u>\$ 19,964,845</u>	<u>\$ 20,591,926</u>	<u>\$ 59,288,910</u>	<u>\$ 22,978,535</u>	<u>\$ 2,044,008</u>	<u>\$ 523,803</u>	<u>\$ 5,742,956</u>	<u>\$ 34,112,457</u>	<u>\$ 165,247,440</u>

The Group expects that there are no future cash flows of the machinery equipment which produced certain products from the chemical fiber department. As a result, the recoverable amount was less than the carrying amount. For the three months and nine months ended September 30, 2020 and 2019, the Group recognized the impairment loss amounting to \$52,765 thousand, \$12,387 thousand, \$122,890 thousand and \$84,025 thousand, respectively. The impairment loss was recognized in the comprehensive income statements under the impairment loss account.

The Group reclassified its owner-occupied land in Neili, Taoyuan (recognized as property, plant and equipment - land, amounting to \$318,726 thousand) to investment property due to the end of owner-occupation and participate into the area's development project. The Group reclassified its owner-occupied plant in Nanzi, Kaohsiung to investment property due to the end of owner-occupation and leasing to others. Totally, the Group recognized gains on property revaluation amounted to \$6,370 thousand and \$337,927 thousand for the three months and nine months ended September 30, 2020 and 2019, refer to Note 18.

For the nine months ended September 30, 2020, the building of The Group construction project located in Banqiao (recognized as construction-in-progress, amounting to \$2,566,457 thousand) was completed and leased to non-consolidated entities, it was reclassified to investment properties according to fair value and recognized gains on property revaluation \$67,461 thousand, refer to Note 18.

The above items of property, plant and equipment were depreciated on a straight-line basis over the following estimated useful lives:

Building	3-60 years
Telecommunications equipment	2-26 years
Computer equipment	1-15 years
Machinery and equipment	1-20 years
Leasehold improvements and operating and miscellaneous equipment	1-31 years

As of September 30, 2020, December 31, 2019 and September 30, 2019, farmland was reclassified to property, plant and equipment amounted to \$247,450 thousand, \$238,430 thousand and \$238,430 thousand, and to investment properties amounted to \$39,489 thousand, \$39,489 thousand and \$39,041 thousand, respectively. The titles to the land are temporarily registered in the name of trustees who have either signed an agreement showing the farmland belong to the Group or have pledged the land to the Group

## 17. LEASE ARRANGEMENTS

### a. Right-of-use assets

	September 30, 2020	December 31, 2019	September 30, 2019
<u>Carrying amounts</u>			
Land	\$ 8,097,039	\$ 8,192,579	\$ 8,389,161
Buildings	9,789,016	9,733,637	9,674,530
Machinery	14,771	19,413	15,147
Operating and other equipment	<u>800,663</u>	<u>746,843</u>	<u>682,012</u>
	<u>\$ 18,701,489</u>	<u>\$ 18,692,472</u>	<u>\$ 18,760,850</u>

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Additions to right-of-use assets	\$ <u>1,229,076</u>	\$ <u>1,254,904</u>	\$ <u>3,548,500</u>	\$ <u>3,521,522</u>
Depreciation charge for right-of-use assets				
Land	\$ 76,991	\$ 66,957	\$ 198,404	\$ 195,891
Buildings	940,064	949,999	2,830,210	2,857,866
Machinery	1,487	888	4,516	2,557
Operating and other equipment (Note)	<u>60,602</u>	<u>57,197</u>	<u>188,968</u>	<u>172,176</u>
	\$ <u>1,079,144</u>	\$ <u>1,075,041</u>	\$ <u>3,222,098</u>	\$ <u>3,228,490</u>

For the three months and nine months ended September 30, 2020, the depreciation expenses of right-of-use assets - operating and other equipment amounting to \$60,602 thousand and \$188,968 thousand, respectively, and partial of the depreciation expense amounting to \$1,214 thousand and \$4,544 thousand, respectively, were capitalized as property, plant and equipments.

Except for addition and recognition of depreciation expenses above-mentioned, the Group right-of-use assets did not have significant sublease and impairment for the three months and nine months ended September 30, 2020 and 2019.

b. Lease liabilities

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
<u>Carrying amounts</u>			
Current	\$ <u>3,220,486</u>	\$ <u>3,187,540</u>	\$ <u>3,360,129</u>
Non-current	\$ <u>7,399,779</u>	\$ <u>7,376,771</u>	\$ <u>7,261,685</u>

Range of discount rate for lease liabilities was as follows:

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Land	0.62%-4.13%	0.76%-2.63%	0.76%-2.63%
Buildings	0.58%-4.33%	0.71%-4.35%	0.71%-4.35%
Machinery	0.76%-1.00%	0.76%-1.08%	0.76%-1.08%
Operating and other equipment	0.59%-8.00%	0.71%-8.00%	0.71%-4.27%

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Interest expense from lease liabilities	\$ <u>31,600</u>	\$ <u>29,420</u>	\$ <u>99,422</u>	\$ <u>91,355</u>

c. Material lease-in activities and terms

The Group leases certain operating and other equipment for operating uses with lease terms of 1 to 7.6 years. These arrangements do not contain renewal or purchase options.

The Group also leases land and buildings for the use of plants, offices, operating lands and cell sites with lease terms of 0.5 to 50 years. The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms.

d. Other lease information

Lease arrangements under operating leases for the leasing out of investment properties are set out in Notes 18.

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Expenses relating to short-term leases	<u>\$ 107,648</u>	<u>\$ 55,044</u>	<u>\$ 265,755</u>	<u>\$ 200,564</u>
Expenses relating to low-value asset leases	<u>\$ 366</u>	<u>\$ 422</u>	<u>\$ 1,221</u>	<u>\$ 1,502</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 990</u>	<u>\$ 637</u>	<u>\$ 1,903</u>	<u>\$ 2,302</u>
Total cash outflow for leases			<u>\$ (3,332,220)</u>	<u>\$ (3,102,497)</u>

The Group has elected to apply the recognition exemption for short-term leases and low-value asset leases and thus, did not recognize right-of-use assets and lease liabilities for these leases.

## 18. INVESTMENT PROPERTIES

	<b>Completed Investment Properties</b>
Balance at September 30, 2020	<u>\$ 134,908,748</u>
Balance at December 31, 2019	<u>\$ 127,633,553</u>
Balance at September 30, 2019	<u>\$ 126,613,069</u>

The abovementioned investment properties were leased out for 3 to 35 years. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

The maturity analysis of lease payments receivable under operating leases of investment properties as of September 30, 2020, December 31, 2019 and September 30, 2019 was as follows:

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Year 1	\$ 964,003	\$ 913,168	\$ 904,682
Year 2	1,162,806	903,137	900,100
Year 3	1,050,874	776,796	795,446
Year 4	1,012,768	686,526	673,127
Year 5	933,475	659,977	649,665
Year 6 onwards	<u>2,474,422</u>	<u>1,338,147</u>	<u>1,433,182</u>
	<u>\$ 7,598,348</u>	<u>\$ 5,277,751</u>	<u>\$ 5,356,202</u>

The fair value of investment properties was estimated using unobservable inputs (Level 3). The movements in the fair value were as follows:

	<b>Completed Investment Properties</b>
Balance at January 1, 2020	\$ 127,633,553
Reclassification	5,858,558
Recognized in profit (gain arising from the change in fair value of investment property)	1,423,790
Recognized in other comprehensive income (exchange differences on translating foreign operations)	<u>(7,153)</u>
Balance at September 30, 2020	<u>\$ 134,908,748</u>
Balance at January 1, 2019	\$ 124,816,527
Additions	10,564
Disposals	(262)
Reclassification	1,230,016
Recognized in profit (gain arising from the change in fair value of investment property)	563,893
Recognized in other comprehensive income (exchange differences on translating foreign operations)	<u>(7,669)</u>
Balance at September 30, 2019	<u>\$ 126,613,069</u>

The main investment properties are as follows:

The Group and Asia Cement Corporation (ACC) co-own land located on Dunhua South Road in Taipei. Under an agreement between the Group and ACC, Yuan Ding paid for the construction of a multifunctional building on this land and owned the 30-year right of superficies. According to the agreement, the 30-year right of superficies have started on November 15, 1993. However, the ownership of the building was registered in the name of the Group, ACC and Yuan Ding at 12%, 12% and 76%, respectively. Upon expiration of the agreement, the Group and ACC will equally acquire Yuan Ding's 76% ownership of the building based on the carrying amount of the building.

The Group set up right of superficies on land located on Shulin District in New Taipei City and Zhongli District, Bade District in Taoyuan City for the 30-year and 35-year, to other related parties Oriental Institute of Technology and Mr. Xu Yuanzhi Memorial Foundation, respectively.

The construction of a building (Mega City) located in the Banqiao district, Xin Ban section was completed in 2011, and the building was leased to Far Eastern Department Stores Co., Ltd. (FEDS) as its department store space. A portion of the rental income generated from the operating lease was recognized over the lease term on a straight-line basis and the rest of the income was recognized as a percentage of FEDS's gross operating income. The lease of FEDS will expire in December 2026. The construction of Banqiao Zhong Ben commercial building (Mega Tower) was completed in the first half year of 2015 and recognized as inventories (available-for-sale - buildings and land). For the nine months ended September 30, 2020, a portion of the floors which had been rented out to others were reclassified from inventories to investment properties at their fair value of \$473,233 thousand, and a gain on the transfers from inventories to investment properties amounting to \$259,369 thousand (recognized as gain on change in fair value of investment properties), was recognized. For the three and nine months ended September 30, 2019, a portion of the floors which had been rented out to others were reclassified from inventories to investment properties at their fair value of \$265,971 thousand and \$530,358 thousand, respectively, and a gain on the transfers from inventories to investment properties amounting to \$147,157 thousand and \$292,731 thousand (recognized as gain on change in fair value of investment properties), respectively, was recognized.

For the nine months ended September 30, 2020, The Groups' properties located in the Xidun district, Taichung City (originally recognized as inventories-construction in progress) was completed and leased to other related party Far Eastern Ai Mai Co., Ltd. The properties was reclassified from inventories to investment properties at their fair value of \$2,744,407 thousand and a gain on transfers from inventories to investment properties and recognized as gain on change in fair value of investment properties amounting to \$1,399,925 thousand.

The construction project - Taipei Far Eastern Telecom Park, investment property located in Banqiao, was in accordance with the enforcement rules of the Act for Promotion of Private Participation in Infrastructure Projects, and the market rentals were valued according to similar comparable subjects in the area. For the nine months ended September 30, 2020, A building of The Group construction project located in the Banqiao district was completed and reclassified from property, plant, and equipment to investment properties at their fair value of \$2,633,918 thousand, refer to Note 16.

The Group extrapolated the main market rentals both at between \$0.4 thousand to \$6.8 thousand per ping (i.e. 1 ping = 3.3 square meters) for the nine months ended September 30, 2020 and 2019.

For the nine months ended September 30, 2019, The Group's land located in the Neili district, Taoyuan city and Nanzi District, Kaohsiung City were reclassified from property, plant, and equipment to investment properties at their fair value of \$650,283 thousand and \$6,370 thousand, respectively. Refer to Note 16.

The fair values of investment properties were as follows:

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Independent valuation	<u>\$ 134,908,748</u>	<u>\$ 127,633,553</u>	<u>\$ 126,613,069</u>

The fair value of the main investment properties on September 30, 2020, December 31, 2019 and September 30, 2019 were based on the valuations carried out on October 23, 2020, January 31, 2020 and October 25, 2019 by independent qualified professional valuers, Mr. Chia-ho Tsai and Ms. Chun-Chun Hu, from Debenham Tie Leung Real Estate Appraiser Office, a member of certified ROC real estate appraisers.

After consultation with the appraisers, except for main investment properties whose fair value were revalued by appraisers on September 30, 2020, December 31, 2019 and September 30, 2019, the Group determined the other investment properties' fair values reported on December 31, 2019 and January 1, 2019 were still valid on September 30, 2020 and 2019.

The fair value of investment properties, except for undeveloped land, was measured using the income approach. The significant assumptions used were as follows:

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Expected future cash inflows	\$ 70,910,470	\$ 61,343,277	\$ 61,140,464
Expected future cash outflows	<u>(3,031,204)</u>	<u>(2,306,872)</u>	<u>(2,302,412)</u>
Expected future cash inflows, net	<u>\$ 67,879,266</u>	<u>\$ 59,036,405</u>	<u>\$ 58,838,052</u>
Discount rate intervals	1.845%-2.47%	1.845%-2.38%	1.845%-2.38%

The expected future cash inflows/outflows of investment properties in Banqiao disclosed above was based on parts of different types of investment properties located in Banqiao. Then, the fair value of the Group's investment properties in Banqiao was calculated based on the expected future cash inflows/outflows of different types of investment properties to extrapolate the total area of the Group's investment properties in Banqiao.

Part of the investment properties had been leased out under operating leases. The rental income generated for the three months and nine months ended September 30, 2020 and 2019, were \$361,383 thousand, \$274,024 thousand, \$1,041,719 thousand and \$843,501 thousand, respectively.

The expected future cash inflows generated by investment properties referred to rental income, deposit interest, loss on vacancy rate of space and disposal value. The rental income was extrapolated using the comparative market rentals, excluding too-high and too-low values, taking into account the annual rental growth rate. However, when the investment properties had a specific rental period, the rental income was extrapolated on that rental period with no more than 10 years. Loss on vacancy rate of space was extrapolated using the vacancy rates of the neighboring stores and factories, and the disposal value was determined using the direct capitalization method under the income approach. The expected future cash outflows on investment property included expenditures such as land value taxes, house taxes, insurance premium, maintenance costs, replacement allowance and depreciation. These expenditures were extrapolated on the basis of the current level of expenditures, taking into account the future adjustment to the government-announced land value and the tax rate promulgated under the House Tax Act.

The discount rate was determined by reference to the local same class product, a reasonable rental income level and the selling price of investment properties taking into consideration the liquidity, potential risk, appreciation and the complexity of management; in addition, the discount rate should not be lower than the interest rate for two-year time deposits of Chunghwa Post Corporation plus 0.75%.

The Group's undeveloped land was mainly located in Zhongli District and Taipei City. The fair value was measured using the land development analysis, because it was undeveloped and cannot be measured by the income approach. The significant assumptions used were as follows:

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Estimated total sale price	<u>\$ 23,371,495</u>	<u>\$ 23,371,495</u>	<u>\$ 20,971,566</u>
Rate of return	15%	15%	15%
Overall capital interest rate intervals	2.72%-4.66%	2.72%-4.66%	1.04%-2.41%

The estimated amount from Zhongli, Taoyuan which has been disclosed in the total sale price above is the sum of the amount from partial investment properties in Zhongli, Taoyuan. It is calculated by reference to any existing lease, local rentals, or market rentals for similar comparable subjects. The total fair value of investment properties is calculated by extrapolating the fair value from its estimation of the sale price of partial investment properties.

The total selling price is estimated on the basis of the most effective use of land or property available for sale after development is completed, taking into account the related regulations, domestic macroeconomic prospects, local land use, and market rates.

## 19. GOODWILL

	<b>For the Nine Months Ended September 30</b>	
	<b>2020</b>	<b>2019</b>
<u>Cost</u>		
Balance at January 1	\$ 12,290,228	\$ 11,862,742
Acquisitions through business combinations (Note 31)	-	430,117
Reclassification	-	481,848
Effect of exchange rate differences	<u>(1,667)</u>	<u>2,721</u>
Balance at September 30	<u>\$ 12,288,561</u>	<u>\$ 12,777,428</u>

If an investment's acquisition cost exceeds the fair value of the identifiable net assets acquired and the source of this excess cannot be identified, this excess should be recorded as goodwill. Goodwill mainly resulted from the mergers and acquisitions of Far EastOne and APG Polytech USA Holdings, Inc., from which it had obtained a large percentage of companies with which it had merged.

For related information on goodwill. Refer to Note 18 of the consolidated financial statements for the year ended December 31, 2019.

## 20. CONCESSIONS AND OTHER INTANGIBLE ASSETS

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
<u>Carrying amounts</u>			
Concessions	<u>\$ 78,348,264</u>	<u>\$ 38,069,295</u>	<u>\$ 38,835,174</u>
Other intangible assets			
Computer software	3,085,052	3,357,779	3,375,739
Others	<u>1,319,500</u>	<u>1,568,850</u>	<u>1,644,568</u>
	<u>4,404,552</u>	<u>4,926,629</u>	<u>5,020,307</u>
	<u>\$ 82,752,816</u>	<u>\$ 42,995,924</u>	<u>\$ 43,855,481</u>



	<b>Concessions</b>	<b>Computer Software</b>	<b>Others</b>	<b>Total</b>
Balance at January 1, 2020	\$ 38,069,295	\$ 3,357,779	\$ 1,568,850	\$ 42,995,924
Additions	42,094,636	483,192	4,912	42,582,740
Amortization	(2,856,750)	(831,611)	(82,497)	(3,770,858)
Disposals	-	(4)	-	(4)
Reclassifications	1,041,083	77,029	(141,938)	976,174
Effect of exchange rate differences	<u>-</u>	<u>(1,333)</u>	<u>(29,827)</u>	<u>(31,160)</u>
Balance at September 30, 2020	<u>\$ 78,348,264</u>	<u>\$ 3,085,052</u>	<u>\$ 1,319,500</u>	<u>\$ 82,752,816</u>
Balance at January 1, 2019	\$ 41,136,801	\$ 3,595,018	\$ 1,402,458	\$ 46,134,277
Additions	27,562	564,462	48,039	640,063
Amortization	(2,393,771)	(794,992)	(153,998)	(3,342,761)
Disposals	(9,454)	(194)	-	(9,648)
Acquisitions through business combinations	-	2,519	113,800	116,319
Derecognition from disposal of subsidiaries	-	(87)	-	(87)
Reclassifications	74,036	9,312	222,911	306,259
Effect of exchange rate differences	<u>-</u>	<u>(299)</u>	<u>11,358</u>	<u>11,059</u>
Balance at September 30, 2019	<u>\$ 38,835,174</u>	<u>\$ 3,375,739</u>	<u>\$ 1,644,568</u>	<u>\$ 43,855,481</u>

The above intangible assets were depreciated on a straight-line basis up to the estimated useful lives of the assets, as follows:

Concessions	20 years
Computer software	10 years
Others	24 years

The Group's joint operation entity, Corpus Christi Polymers LLC, received approval of property tax exemption in the future 5 years from the local tax ministry. The exemption will be recognized in other intangible assets and will authorized within 5 years.

The deposit for the bidding price amounting to \$1,000,000 thousand that the FENC's subsidiary, Far Eastern Telecommunications Co., Ltd used to bid for a 5G wireless communication license in September 2019 was included in other noncurrent assets on December 31, 2019. In February 2020, the deposit was used to pay for a portion of the bidding price and was reclassified as intangible assets-concessions.

## 21. BORROWINGS

### a. Short-term borrowings

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Bank credit loans	\$ 43,102,456	\$ 34,724,450	\$ 37,168,072
Secured and pledged borrowings	228,517	705,136	600,000
Loans from related parties	<u>-</u>	<u>-</u>	<u>728,996</u>
	<u>\$ 43,330,973</u>	<u>\$ 35,429,586</u>	<u>\$ 38,497,068</u>

- 1) The range of interest rates for bank loans were from 0.22% to 3.35%, 0.60% to 4.57% and 0.36% to 4.50% on September 30, 2020, December 31, 2019 and September 30, 2019, respectively.
- 2) Loans from related parties were the Group's repayments to related parties. Interest rates were 10% on September 30, 2019.

b. Short-term bills payable

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Commercial paper	\$ 10,649,000	\$ 8,130,000	\$ 7,249,000
Less: Unamortized discount on commercial paper	<u>11,024</u>	<u>4,397</u>	<u>2,230</u>
	<u>\$ 10,637,976</u>	<u>\$ 8,125,603</u>	<u>\$ 7,246,770</u>

The short-term bills payable outstanding were issued at interest rates ranging from 0.53% to 1.60%, 0.70% to 1.60% and 0.698% to 1.588%, on September 30, 2020, December 31, 2019 and September 30, 2019, respectively.

c. Long-term borrowings

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Bank loans	<u>\$ 57,548,072</u>	<u>\$ 68,003,780</u>	<u>\$ 47,434,896</u>
Long-term commercial paper	37,410,000	12,800,000	5,989,000
Less: Unamortized discount on commercial paper	<u>49,827</u>	<u>36,171</u>	<u>4,112</u>
	<u>37,360,173</u>	<u>12,763,829</u>	<u>5,984,888</u>
	94,908,245	80,767,609	53,419,784
Less: Current portion	<u>5,648,205</u>	<u>2,477,777</u>	<u>1,630,363</u>
	<u>\$ 89,260,040</u>	<u>\$ 78,289,832</u>	<u>\$ 51,789,421</u>

The foregoing loans are repayable through a lump sum payment of capital on maturity and payments of interest monthly; a lump sum of capital and interest on maturity; a lump sum of capital on maturity and prepaid interest which are in New Taiwan dollars, Japanese yen, RMB, Euros and U.S. dollars. And, some of the loans are revolving credit loans, which can be revolved within the credit line limitation. The maturity dates of revolving credit loans are based on the maturity dates of the credit line limit contracts. The maturity dates and bank interest rates of the Group's borrowings were as follows:

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Maturity	January 2021- April 2031	September 2020- April 2031	November 2019- April 2031
Bank interest rate intervals	0.36%-4.90%	0.42%-3.00%	0.42%-3.47%

On March 22, 2011, a FENC's subsidiary, FECC, entered into a credit agreement with Hua Nan Bank and updated the credit agreement into \$5,600,000 thousand after several times over the years. FECC pledged its land and construction pertaining to the Xin Ben project (Ban Qiao - New Section No. 8) and amounting to \$8,880,000 thousand as first mortgage to the creditor banks. Other agreement terms were divided into three lines: Line A, Line B, and Line D. Line A is 20 years after use of the credit (April 12, 2011). Its borrowing interest rate is based on Hua Nan Bank's periodic savings interest rate plus 0.4% then divided by 0.946%, and no revolving credit but batch credit available within 5 years; no repayment in the first 5 years; quarterly repayments of \$30,000 thousand quarterly from the sixth year and final repayment on maturity. Line B is 5 years after approval of the credit (January 29, 2016). Its borrowing interest rate is based on reference interest rate (The Taipei Inter-bank 90 days' Offered Rate TAIBOR) plus 0.69544% (negotiated by each loan), and revolving credit within the period; no longer than 6 months; lump sum repayment on maturity. Line D is 7 years after signing the contract (March 30, 2015). Its borrowing interest rate is based on reference interest rate plus 0.804%, and no revolving credit but partial draw down available before March 30, 2021; credit will be paid every 6 months from March 30, 2021 after each drawdown date. The first 8 installments should repay 5% of the loan, and the last installment should repay 60% of loan.

On July 19, 2017, a FENC's subsidiary, Oriental Petrochemicals (Taiwan) Corporation (OPTC), received a five-year syndicated loan in a total amount of \$16,800,000 thousand from multiple banks and Mega International Commercial Bank as the leading bank. During the contract period, OPTC needs to maintain its liability ratio within a certain range, which is calculated based on the recent audited non-consolidated financial statements. If OPTC fails to meet the requirement, it should readjust the liability ratio to the required range in 5 months from June 1 next year. Otherwise, starting from November 1, OPTC has to pay extra 0.125% interest of the outstanding amounts until the day before the liability ratio has met the range requirement. The repayment method of this credit is divided into two lines. Line A: The first period is 24 months after the first drawdown date, and then every half of a year is a period. It is divided into seven installments. The repayment amount from the first period to the sixth period is 5% of the loan amount, and the full amount will be repaid on the expiration date. Line B: The loan can be revolve within the credit amount, and the first period of decreasing date is 48 months after the first drawdown date, and then every 6 months is a period, the credit will decrease \$500,000 thousand each in the first two period, and the full amount will be repaid on the expiration date.

On April 23, 2012, in order to construct a freeway taximeter system infrastructure, an FENC's subsidiary, Far Eastern Electronic Toll Collection Corporation (FETC), entered into a syndicated loan agreement amounting to \$6,420,000 thousand with Cathay United Bank and three other financial institutions. The agreement terms are as follows:

The syndicated loan, which consisted of three different loans with different terms and lines of credit (B and C), was obtained to meet FETC's capital needs for operating and maintain the infrastructure for the electronic toll collection project ("ETC project"). Its amount, date, and are expected to move aside as the repayment period:

<b>Project</b>	<b>Credit</b>	<b>Fixed dial Date</b>	<b>Expected Repayment Period</b>
Syndicated loan borrowings			
B	\$ 3,294,000 thousand	2012.05.10	2019.08-2025.11
C	220,000 thousand	2012.05.10	The first drawdown to 6 months after completing the transfer of assets by the borrower based on the building operation contract

Another requirement in the syndicated loan agreement was for FETC to open special bank accounts and to place appropriate payments to these bank accounts through deposits and time deposits. The bank accounts pertaining to the loan reserve and time deposits that had been pledged to Cathy United Bank were accounted for under other financial assets - non-current (Note 37). The terms of B further included a requirement for FETC to keep its loan capital and interest coverage ratio at more than 1.10 during the interest accrual period after November 10, 2014. In addition, FETC should get prior written consent from Cathy United Bank based on the schedule and amount of the ETC project shown in FETC's annual budget before FETC disposes of the pledged deposits and should replace these deposits with other operating assets as collateral. The value of the operating assets should be the lower of the value of newly built operating assets for ETC's operations or the value of other assets that had not been provided to Cathy United Bank as collateral. As of September 30, 2020, December 31, 2019 and September 30, 2019, the amount of operating assets with pledged rights was \$3,850,000, \$3,850,000 and \$3,756,000, respectively (refer to Note 37). ETC had repaid the credit line A \$31,693 thousand on February 10, 2019, and canceled the credit line A amount \$2,906,000 thousand.

With FETC's long-term debts with floating rates, which may cause material cash flow risks, FETC started to use interest rate swaps on the first day it made a loan drawdown to hedge against adverse cash flow fluctuations on its liabilities under the syndicated loan agreement.

## 22. BONDS PAYABLE

	September 30, 2020	December 31, 2019	September 30, 2019
Nonconvertible domestic bonds	\$ 117,600,000	\$ 104,100,000	\$ 105,900,000
Discount of nonconvertible domestic bonds	<u>(120,487)</u>	<u>(107,945)</u>	<u>(107,729)</u>
	117,479,513	103,992,055	105,792,271
Less: Current portion	<u>19,594,693</u>	<u>20,593,662</u>	<u>22,093,909</u>
	<u>\$ 97,884,820</u>	<u>\$ 83,398,393</u>	<u>\$ 83,698,362</u>

### Bonds

Period	Maturity	Annual Rate (%)	Issued Amount	Outstanding Balance			Repayment
				September 30, 2020	December 31, 2019	September 30, 2019	
<u>Company</u>							
Unsecured bonds							
103-2	2014.12.04-2019.12.04	1.47	\$ 2,200,000	\$ -	\$ -	\$ 1,100,000	(Note 1)
103-3	2015.02.06-2020.02.06	1.38	2,600,000	-	1,300,000	1,300,000	(Note 1)
104-1	2015.05.25-2020.05.25	1.39	8,000,000	-	4,000,000	4,000,000	(Note 1)
104-2	2015.10.02-2020.10.02	1.28	5,200,000	2,600,000	2,600,000	5,200,000	(Note 1)
104-3	2015.11.16-2020.11.16	1.25	2,800,000	2,800,000	2,800,000	2,800,000	(Note 2)
105-1-A	2016.04.29-2021.04.29	0.88	6,000,000	3,000,000	6,000,000	6,000,000	(Note 1)
105-1-B	2016.04.29-2021.04.29	-	2,000,000	2,000,000	2,000,000	2,000,000	(Note 4)
105-2	2016.09.20-2021.09.20	0.72	3,800,000	3,800,000	3,800,000	3,800,000	(Note 2)
106-1	2017.05.17-2022.05.17	1.15	5,000,000	5,000,000	5,000,000	5,000,000	(Note 1)
106-2	2018.01.08-2023.01.08	0.95	3,000,000	3,000,000	3,000,000	3,000,000	(Note 2)
107-1	2018.05.18-2023.05.18	0.92	6,000,000	6,000,000	6,000,000	6,000,000	(Note 1)
107-2	2018.07.18-2023.07.18	0.90	8,000,000	8,000,000	8,000,000	8,000,000	(Note 1)
108-1	2019.04.29-2024.04.29	0.93	8,000,000	8,000,000	8,000,000	8,000,000	(Note 2)
108-2	2019.08.08-2024.08.08	0.79	6,000,000	6,000,000	6,000,000	6,000,000	(Note 2)
109-1	2020.04.22-2025.04.22	0.66	6,000,000	6,000,000	-	-	(Note 2)
109-2-A	2020.06.10-2025.06.10	0.77	2,200,000	2,200,000	-	-	(Note 2)
109-2-B	2020.06.10-2027.06.10	0.85	3,000,000	3,000,000	-	-	(Note 2)
109-3	2020.09.17-2027.09.17	0.83	5,500,000	5,500,000	-	-	(Note 2)

(Continued)

Period	Maturity	Annual Rate (%)	Issued Amount	Outstanding Balance			Repayment
				September 30, 2020	December 31, 2019	September 30, 2019	
<u>Subsidiary Yuan Ding Investment</u>							
Unsecured bonds							
104-1	2015.07.10-2020.07.10	1.43	\$ 3,000,000	\$ -	\$ 1,500,000	\$ 1,500,000	(Note 1)
104-2	2015.11.09-2020.11.09	1.28	2,000,000	1,000,000	1,000,000	2,000,000	(Note 1)
105-1	2016.05.30-2021.05.30	0.90	3,800,000	1,900,000	3,800,000	3,800,000	(Note 1)
106-1	2017.06.30-2022.06.30	1.15	3,000,000	3,000,000	3,000,000	3,000,000	(Note 2)
107-1	2018.06.29-2023.06.29	0.92	3,000,000	3,000,000	3,000,000	3,000,000	(Note 2)
108-1	2019.10.03-2024.10.03	0.77	3,000,000	3,000,000	3,000,000	-	(Note 2)
109-1	2020.05.08-2023.05.08	0.70	5,000,000	5,000,000	-	-	(Note 2)
<u>Subsidiary Far EastOne</u>							
Unsecured bonds							
102-4	2013.06.27-2020.06.27	1.33	5,000,000	-	2,500,000	2,500,000	(Note 3)
102-6-C	2013.12.24-2019.12.24	1.58	3,200,000	-	-	3,200,000	(Note 2)
105-1	2017.01.05-2022.01.05	1.17	5,200,000	5,200,000	5,200,000	5,200,000	(Note 2)
106-1	2017.04.26-2022.04.26	1.17	4,500,000	4,500,000	4,500,000	4,500,000	(Note 2)
106-2	2017.09.04-2024.09.04	1.17	2,000,000	2,000,000	2,000,000	2,000,000	(Note 2)
106-3-A	2017.12.20-2023.06.20	0.95	1,500,000	1,500,000	1,500,000	1,500,000	(Note 2)
106-3-B	2017.12.20-2024.12.20	1.09	1,500,000	1,500,000	1,500,000	1,500,000	(Note 2)
107-1-A	2018.05.07-2023.05.07	0.85	1,500,000	1,500,000	1,500,000	1,500,000	(Note 2)
107-1-B	2018.05.07-2025.05.07	1.01	3,500,000	3,500,000	3,500,000	3,500,000	(Note 2)
108-1-A	2019.06.25-2024.06.25	0.75	3,200,000	3,200,000	3,200,000	3,200,000	(Note 2)
108-1-B	2019.06.25-2026.06.25	0.81	1,800,000	1,800,000	1,800,000	1,800,000	(Note 2)
108-2-A	2019.12.20-2026.12.20	0.80	2,600,000	2,600,000	2,600,000	-	(Note 5)
108-2-B	2019.12.20-2029.12.20	0.85	500,000	500,000	500,000	-	(Note 6)
109-1-A	2020.03.16-2025.03.16	0.67	1,500,000	1,500,000	-	-	(Note 2)
109-1-B	2020.03.16-2027.03.16	0.70	2,500,000	2,500,000	-	-	(Note 2)
109-1-C	2020.06.25-2030.03.16	0.77	1,000,000	1,000,000	-	-	(Note 2)
109-2-A	2020.06.02-2027.06.02	0.73	1,000,000	1,000,000	-	-	(Note 2)
Total outstanding balance				<u>\$ 117,600,000</u>	<u>\$ 104,100,000</u>	<u>\$ 105,900,000</u>	

(Concluded)

Note 1: These bonds are repayable at 50% of the total amount at the end of the fourth year and the other 50% at the end of the fifth year of bond issuance. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

Note 2: These bonds are repayable in lump sum on maturity. The interest is calculated by the simple fix interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

Note 3: These bonds are repayable at 50% and 50% of the total amount at the end of fifth and seventh years, respectively. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

Note 4: This bond is repayable in lump sum at the 104.8411% of total amount on maturity.

Note 5: These bonds are repayable at 50% of the total amount at the end of the sixth year and the other 50% at the end of the seventh year of bond issuance. The interest is calculated by the simple interest method and is payable annually.

Note 6: These bonds are repayable at 50% of the total amount at the end of the ninth year and the other 50% at the end of the tenth year. The interest is calculated by the simple interest method and is payable annually.

## 23. PROVISIONS

	September 30, 2020	December 31, 2019	September 30, 2019
Dismantling obligation	\$ 1,149,602	\$ 1,094,702	\$ 1,074,673
Warranties	87,357	88,320	100,640
Onerous contract	<u>15,938</u>	<u>28,772</u>	<u>45,715</u>
	<u>\$ 1,252,897</u>	<u>\$ 1,211,794</u>	<u>\$ 1,221,028</u>
Current	\$ 236,597	\$ 250,396	\$ 278,198
Non-current	<u>1,016,300</u>	<u>961,398</u>	<u>942,830</u>
	<u>\$ 1,252,897</u>	<u>\$ 1,211,794</u>	<u>\$ 1,221,028</u>

	Dismantling Obligation	Warranties	Onerous Contracts	Total
Balance at January 1, 2020	\$ 1,094,702	\$ 88,320	\$ 28,772	\$ 1,211,794
Additions	59,886	10,583	15,938	86,407
Reductions	<u>(4,986)</u>	<u>(11,546)</u>	<u>(28,772)</u>	<u>(45,304)</u>
Balance at September 30, 2020	<u>\$ 1,149,602</u>	<u>\$ 87,357</u>	<u>\$ 15,938</u>	<u>\$ 1,252,897</u>
Balance at January 1, 2019	\$ 1,036,544	\$ 101,757	\$ 66,396	\$ 1,204,697
Additions	49,273	17,401	45,715	112,389
Reductions	<u>(11,144)</u>	<u>(18,518)</u>	<u>(66,396)</u>	<u>(96,058)</u>
Balance at September 30, 2019	<u>\$ 1,074,673</u>	<u>\$ 100,640</u>	<u>\$ 45,715</u>	<u>\$ 1,221,028</u>

## 24. RETIREMENT BENEFIT PLANS

For defined benefit plans, employee benefit expenses for the three months and nine months ended September 30, 2020 and 2019 were calculated as \$13,225 thousand, \$29,808 thousand, \$51,744 thousand and \$83,156 thousand by the actuarially determined pension cost discount rate as of December 31, 2019 and 2018.

## 25. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The contract-related assets and liabilities from some of the consolidated entities are classified as current or non-current depending on the operating cycle. Amounts expected to be received or paid within one year or over one year were as follows:

	<b>September 30, 2020</b>		
	<b>Within One Year</b>	<b>Over One Year</b>	<b>Total</b>
<u>Assets</u>			
Notes and accounts receivable	\$ 737,171	\$ 107,037	\$ 844,208
Inventories - construction and real estate	751,742	2,830,010	3,581,752
Contract assets - current	817,488	486,477	1,303,965
Other financial assets - current	1,082,884	297,999	1,380,883
Refundable deposits - current	4,027	5,711	9,738
<u>Liabilities</u>			
Notes and accounts payable	582,534	78,474	661,008
Notes and accounts payable to related parties	71,005	-	71,005
Contract liabilities - current	759,128	839,791	1,598,919
Provisions - current	32,924	23,686	56,610
	<b>December 31, 2019</b>		
	<b>Within One Year</b>	<b>Over One Year</b>	<b>Total</b>
<u>Assets</u>			
Notes and accounts receivable	\$ 379,462	\$ 103,084	\$ 482,546
Inventories - construction and real estate	2,200,142	2,638,102	4,838,244
Contract assets - current	1,375,769	836,997	2,212,766
Other financial assets - current	11,805	1,026,932	1,038,737
Refundable deposits - current	43,502	8,012	51,514
<u>Liabilities</u>			
Notes and accounts payable	1,725,739	25,573	1,751,312
Notes and accounts payable to related parties	124,633	-	124,633
Contract liabilities - current	317,248	774,157	1,091,405
Provisions - current	7,395	62,752	70,147

	<b>September 30, 2019</b>		
	<b>Within One Year</b>	<b>Over One Year</b>	<b>Total</b>
<u>Assets</u>			
Notes and accounts receivable	\$ 182,552	\$ 143,156	\$ 325,708
Inventories - construction and real estate	2,141,762	2,490,276	4,632,038
Contract assets - current	284,563	1,338,064	1,622,627
Other financial assets - current	4,877	671,475	676,352
Refundable deposits - current	654	13,104	13,758
<u>Liabilities</u>			
Notes and accounts payable	435,481	58,091	493,572
Notes and accounts payable to related parties	70,298	-	70,298
Contract liabilities - current	175,525	850,692	1,026,217
Provisions - current	2,150	96,597	98,747

## 26. EQUITY

### a. Share capital

#### 1) Common stock

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Number of shares authorized (in thousands)	<u>6,000,000</u>	<u>6,000,000</u>	<u>6,000,000</u>
Shares authorized	<u>\$ 60,000,000</u>	<u>\$ 60,000,000</u>	<u>\$ 60,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>5,352,875</u>	<u>5,352,875</u>	<u>5,352,875</u>
Shares issued	<u>\$ 53,528,751</u>	<u>\$ 53,528,751</u>	<u>\$ 53,528,751</u>

The shares issued had a par value of \$10 and have the rights of voting and receiving dividends.

#### 2) Global depositary receipt

The Company issued global depositary receipts (GDRs), one GDRs unit represents 10 common stock of the Company. The GDRs were traded and listed on the Luxembourg Stock Exchange. As of September 30, 2020, December 31, 2019 and September 30, 2019, there are 53 thousand units, 6 thousand units and 6 thousand units outstanding, which were equal to 533 thousand, 59 thousand and 59 thousand common stock of the Company.



b. Capital surplus

	September 30, 2020	December 31, 2019	September 30, 2019
May be used to offset a deficit, distributed as cash dividends or transferred to share capital (1)			
Difference between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	\$ 2,654,932	\$ 2,654,932	\$ 2,654,932
<u>May be used to offset a deficit only</u>			
Arising from changes in percentage of ownership interest in subsidiaries (2)	495,232	495,232	495,232
Treasury shares transaction	16,638	15,469	15,469
<u>May not be used for any purpose</u>			
Changes in equity-method associates capital surplus	<u>111,912</u>	<u>104,722</u>	<u>90,641</u>
	<u>\$ 3,278,714</u>	<u>\$ 3,270,355</u>	<u>\$ 3,256,274</u>

- 1) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital.
- 2) Such capital surplus arises from the effect of changes in ownership interest in a subsidiary, resulted from equity transactions other than actual disposal or acquisition.

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the Company's Articles, where the Company made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used as the basis for proposing a distribution plan. After adding prior years' unappropriated earnings, the Company would retain a certain amount for expansion plans and then make the distribution of dividends evenly by all of the shares. When capital increase, the amount of dividend for new shares of that year would be according to resolution of the shareholders' meeting.

The Company's shareholders' meeting resolved to modify the dividend policy in the Company's Articles on June 30, 2020: where the Company made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the net profit after tax plus the items other than the net profit after tax which is included in the current year's retained earnings, setting aside or reversing special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used as the basis for proposing a distribution plan. After adding prior years' unappropriated earnings, the Company would retain a certain amount for expansion plans and then make the distribution of dividends evenly by all of the shares. When capital increase, the amount of dividend for new shares of that year would be according to resolution of the shareholders' meeting. For the policies on distribution of employees' compensation and remuneration to directors, please refer to Note 28, d. "Employees' compensation and remuneration of directors".

The Company's dividends should be appropriated at a percentage based on the Company's Articles of Incorporation to have a stable dividend distribution while taking into account the future economic condition, cash dividends and taxation. The cash dividends should be at least 10% of total dividends declared, unless cash is required for investments, productivity expansion, any significant future capital expenditures or plans to improve financial structure.

Appropriation of earnings to legal reserve should be made until the legal reserve equals the Company's paid-in capital. Legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's capital surplus, the excess may be transferred to capital or distributed in cash.

Under Rule No. 1010012865, Rule No. 1010047490 and Rule No. 1030006415 issued by the FSC and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs", the Company should appropriate or reverse to a special reserve.

The appropriations from the 2019 and 2018 earnings were approved in the shareholders' meetings on June 30, 2020 and June 28, 2019, respectively. The appropriations and dividends per share were as follows:

	<u>Appropriation of Earnings</u>		<u>Dividends Per Share</u>	
			<u>(NT\$)</u>	
	<u>For Year 2019</u>	<u>For Year 2018</u>	<u>For Year 2019</u>	<u>For Year 2018</u>
Legal reserve	\$ 1,073,267	\$ 1,202,829		
Special reserve	1,836,486	1,088,579		
Cash dividends	8,029,313	9,635,175	\$ 1.5	\$ 1.8

d. Special reserve

The Group's appropriated special reserve on the first-time adoption of IFRSs were as \$22,287,929 thousand.

Information of special reserve appropriated or reversed on elimination of the original need to appropriate a special reserve is as follows:

	<u>For the Nine Months Ended</u>	
	<u>2020</u>	<u>2019</u>
Balance at January 1 and September 30	<u>\$ 21,552,496</u>	<u>\$ 21,552,496</u>

On the initial application of fair value model to investment properties, the Group appropriated for a special reserve of \$80,462,245 thousand, the same amount as the net increase that arose from fair value measurement and was transferred to retained earnings.

	<b>For the Nine Months Ended September 30</b>	
	<b>2020</b>	<b>2019</b>
Balance at January 1	\$ 90,776,716	\$ 89,713,777
Appropriation in respect of:		
Application of the fair value method for investment properties	1,838,006	1,089,437
Reversed on elimination of the original need to appropriate a special reserve		
Disposal of associates	-	(25,881)
Balance at September 30	<u>\$ 92,614,722</u>	<u>\$ 90,777,333</u>

e. Other equity items

The changes in other equity items were as follows:

	<b>Exchange Differences on Translating Foreign Operations</b>	<b>Unrealized Gain (Loss) on Financial Assets at FVTOCI</b>	<b>Gain (Loss) on Hedging Instruments</b>	<b>Gain on Property Revaluation</b>	<b>Total</b>
Balance at January 1, 2020	\$ (6,545,706)	\$ 2,439,965	\$ 11,700	\$ 1,004,758	\$ (3,089,283)
Exchange differences arising on translation of foreign operations	(1,088,064)	-	-	-	(1,088,064)
Unrealized gain (loss) on financial assets at FVTOCI	-	(76,049)	-	-	(76,049)
Gain (loss) on hedging instruments	-	-	6,314	-	6,314
Gain on property revaluation	-	-	-	53,969	53,969
Share of the other comprehensive gain (loss) of associates	(300,505)	(854,981)	-	-	(1,155,486)
Effect on changes in percentage of ownership in subsidiaries	-	651	-	-	651
Associate disposed the investment in equity instruments designated as at FVTOCI	-	22,914	-	-	22,914
Balance at September 30, 2020	<u>\$ (7,934,275)</u>	<u>\$ 1,532,500</u>	<u>\$ 18,014</u>	<u>\$ 1,058,727</u>	<u>\$ (5,325,034)</u>
Balance at January 1, 2019	\$ (3,589,901)	\$ 771,912	\$ 45,880	\$ 702,778	\$ (2,069,331)
Exchange differences arising on translation of foreign operations	(881,405)	-	-	-	(881,405)
Unrealized gain (loss) on financial assets at FVTOCI	-	8,185	-	-	8,185
Gain (loss) on hedging instruments	-	-	(35,637)	-	(35,637)
Gain on property revaluation	-	-	-	302,152	302,152
Share of the other comprehensive gain (loss) of associates	(302,960)	1,159,022	(178)	-	855,884
Associate disposed the investment in equity instruments designated as at FVTOCI	-	(13,521)	-	-	(13,521)
Disposal of associates accounted for using the equity method	2,295	(244)	(940)	(108)	1,003
Balance at September 30, 2019	<u>\$ (4,771,971)</u>	<u>\$ 1,925,354</u>	<u>\$ 9,125</u>	<u>\$ 1,004,822</u>	<u>\$ (1,832,670)</u>

f. Non-controlling interests

	<b>For the Nine Months Ended September 30</b>	
	<b>2020</b>	<b>2019</b>
Beginning balance	\$ 66,798,895	\$ 64,194,300
Adjustment on initial application of IFRS 16	-	(94,653)
Balance at January 1 as restated	<u>66,798,895</u>	<u>64,099,647</u>
Attributable to non-controlling interests:		
Net income	3,872,445	4,537,700
Cash dividends distributed by subsidiaries	(6,682,000)	(7,758,030)
Cash dividends from Capital surplus distributed by subsidiaries	(51,156)	-
Exchange differences on translating foreign operations	(106,340)	(267,738)
Unrealized (loss) gain on financial assets at FVTOCI	(56,441)	13,926
Gain (loss) on hedging instruments	12,010	(67,780)
Share of other comprehensive (loss) income of associates accounted for using the equity method	(1,056)	126,687
Changes in capital surplus of associates accounted for using the equity method	18	-
Changes in unappropriated earnings of associates accounted for using the equity method	(44)	471
Non-controlling interests arising from subsidiaries' issuance of new share capital for cash	-	384,917
Disposal of a subsidiary	-	(11,276)
Effect on changes in percentage of ownership in subsidiaries	15,018	3,088,551
Acquisition of a subsidiary	-	<u>163,092</u>
Ending balance	<u>\$ 63,801,349</u>	<u>\$ 64,310,167</u>

g. Treasury shares

The Company's shares held by its subsidiary, Yuan Ding Co., Ltd. (Yuan Ding), at the end of the reporting periods were as follows:

<b>Name of Subsidiary</b>	<b>Number of Shares Held (In Thousands)</b>	<b>Carrying Amount</b>	<b>Market Price</b>
<u>September 30, 2020</u>			
Yuan Ding	779	<u>\$ 25,063</u>	<u>\$ 19,718</u>
<u>December 31, 2019</u>			
Yuan Ding	779	<u>\$ 25,063</u>	<u>\$ 23,265</u>
<u>September 30, 2019</u>			
Yuan Ding	779	<u>\$ 25,063</u>	<u>\$ 22,329</u>

The Group consolidated its subsidiary, Yuan Ding since December 28, 2011. As of December 31, 2011, the Group's shares held by Yuan Ding had a carrying value of \$25,063 thousand.

The Group's shares held by the subsidiary are recognized as treasury shares. The subsidiaries which hold treasury shares can retain shareholders' rights except the rights to participate in any share issuance for cash and to vote.

## 27. REVENUE

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Revenue from contracts with customers				
Revenue from sale of goods	\$ 33,614,491	\$ 45,780,425	\$ 101,116,093	\$ 140,751,079
Telecommunications service revenue	11,333,556	11,845,861	34,167,105	35,741,920
Construction revenue	1,072,706	735,265	4,508,873	3,957,890
Other operating revenue	<u>3,533,199</u>	<u>3,312,577</u>	<u>10,941,784</u>	<u>9,869,738</u>
	49,553,952	61,674,128	150,733,855	190,320,627
Gain on disposal of investments, net	<u>-</u>	<u>36,300</u>	<u>-</u>	<u>31,816</u>
	<u>\$ 49,553,952</u>	<u>\$ 61,710,428</u>	<u>\$ 150,733,855</u>	<u>\$ 190,352,443</u>

### a. Description of customer contract

Refer to Note 4 the summary of significant accounting policies.

### b. Contact balances

	September 30, 2020	December 31, 2019	September 30, 2019	January 1, 2019
Contract assets				
Bundle sale of goods	\$ 6,896,623	\$ 6,655,169	\$ 6,441,899	\$ 5,433,851
Real estate construction	986,627	1,876,768	1,256,131	1,760,390
Retentions receivable	317,338	335,998	366,496	306,082
Others	1,138,539	-	-	-
Less: Allowance for impairment loss	<u>(135,925)</u>	<u>(135,925)</u>	<u>(135,925)</u>	<u>(135,925)</u>
	<u>\$ 9,203,202</u>	<u>\$ 8,732,010</u>	<u>\$ 7,928,601</u>	<u>\$ 7,364,398</u>
Current	\$ 6,154,808	\$ 6,398,973	\$ 5,745,222	\$ 5,828,641
Non-current	<u>3,048,394</u>	<u>2,333,037</u>	<u>2,183,379</u>	<u>1,535,757</u>
	<u>\$ 9,203,202</u>	<u>\$ 8,732,010</u>	<u>\$ 7,928,601</u>	<u>\$ 7,364,398</u>
Contract liabilities				
Sale of goods and services	\$ 3,977,325	\$ 3,654,987	\$ 4,085,072	\$ 3,821,027
Sale of real estate	4,406	4,652	5,231	19,886
Real estate construction	344,801	74,874	105,658	114,423
Retentions payable	<u>1,249,712</u>	<u>1,011,879</u>	<u>915,328</u>	<u>900,146</u>
	<u>\$ 5,576,244</u>	<u>\$ 4,746,392</u>	<u>\$ 5,111,289</u>	<u>\$ 4,855,482</u>

(Continued)

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>	<b>January 1, 2019</b>
Current	\$ 5,382,299	\$ 4,535,792	\$ 4,894,330	\$ 4,647,210
Non-current	<u>193,945</u>	<u>210,600</u>	<u>216,959</u>	<u>208,272</u>
	<u>\$ 5,576,244</u>	<u>\$ 4,746,392</u>	<u>\$ 5,111,289</u>	<u>\$ 4,855,482</u> (Concluded)

For notes and accounts receivable, refer to Note 11.

The changes in the contract asset and the contract liability primarily resulted from the timing difference between the Group's fulfillment of performance obligations and the respective customer's payment, and there did not have other significant changes other than above for the nine months ended September 30, 2020 and 2019.

c. Assets related to contract costs

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Current			
Costs to fulfill a contract (classified as other current assets)	<u>\$ 2,152</u>	<u>\$ -</u>	<u>\$ -</u>
Non-current			
Incremental costs of obtaining a contract	<u>\$ 3,195,315</u>	<u>\$ 3,398,107</u>	<u>\$ 3,200,141</u>

1) Costs to fulfill a contract

The Group provides enterprise project services, and its directly related costs which are used to fulfill future performance obligations are recognized as costs to fulfill a contract within the expected recoverable scope (recognized as other current assets). Costs to fulfill a contract are reclassified as operating costs in the contract period, in line with the revenue recognition method.

2) Incremental costs of obtaining a contract

The Group considered its past experience and believes the commission and subsidies paid for obtaining contracts are wholly recoverable. Total expenses recognized were \$743,570 thousand and \$647,776 thousand for the three months ended September 30, 2020 and 2019, respectively, and \$2,196,663 thousand and \$1,777,478 thousand for the nine months ended September 30, 2020 and 2019, respectively.

d. Disaggregation of revenue

Refer to Note 43 for information about disaggregation of revenue.

## 28. NET PROFIT FROM CONTINUING OPERATIONS

### a. Interest expenses

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Capitalized interests on properties	\$ 26,516	\$ 41,414	\$ 95,001	\$ 110,057
Capitalization rates	0.66%-3.65%	0.36%-4.35%	0.36%-3.70%	0.36%-4.51%

### b. Depreciation and amortization

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Property, plant and equipment	\$ 3,928,418	\$ 4,279,267	\$ 11,955,308	\$ 13,163,970
Right-of-use assets	1,077,930	1,075,041	3,217,554	3,228,490
Intangible assets	<u>1,481,957</u>	<u>1,120,829</u>	<u>3,770,858</u>	<u>3,342,761</u>
	<u>\$ 6,488,305</u>	<u>\$ 6,475,137</u>	<u>\$ 18,943,720</u>	<u>\$ 19,735,221</u>
An analysis of deprecation by function				
Operating costs	\$ 4,444,945	\$ 4,635,734	\$ 13,396,616	\$ 14,385,700
Operating expenses	545,573	704,816	1,720,681	1,979,430
Other expense	<u>15,830</u>	<u>13,758</u>	<u>55,565</u>	<u>27,330</u>
	<u>\$ 5,006,348</u>	<u>\$ 5,354,308</u>	<u>\$ 15,172,862</u>	<u>\$ 16,392,460</u>
An analysis of amortization by function				
Operating costs	\$ 1,234,988	\$ 859,934	\$ 3,030,136	\$ 2,582,923
Operating expenses	<u>246,969</u>	<u>260,895</u>	<u>740,722</u>	<u>759,838</u>
	<u>\$ 1,481,957</u>	<u>\$ 1,120,829</u>	<u>\$ 3,770,858</u>	<u>\$ 3,342,761</u>

### c. Employee benefits expense

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Post-employment benefits				
Defined contribution plans	\$ 151,889	\$ 202,554	\$ 455,193	\$ 584,489
Defined benefit plans	13,225	29,808	51,744	83,156
Other employee benefits	<u>4,882,032</u>	<u>5,633,453</u>	<u>15,771,876</u>	<u>16,453,185</u>
Total employee benefit expense	<u>\$ 5,047,146</u>	<u>\$ 5,865,815</u>	<u>\$ 16,278,813</u>	<u>\$ 17,120,830</u>

(Continued)

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Analysis of employee benefit expense by function				
Operating costs	\$ 2,561,038	\$ 3,272,467	\$ 8,050,664	\$ 8,728,139
Operating expenses	<u>2,486,108</u>	<u>2,593,348</u>	<u>8,228,149</u>	<u>8,392,691</u>
	<u>\$ 5,047,146</u>	<u>\$ 5,865,815</u>	<u>\$ 16,278,813</u>	<u>\$ 17,120,830</u> (Concluded)

d. Employees' compensation and remuneration of directors

The Company accrued employees' compensation and remuneration of directors at the rates of 2.0% to 3.5% and no higher than 2.5%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors. However, the Company has to first offset losses from the previous years. The employees' compensation and remuneration of directors for the nine months ended September 30, 2020 and 2019 were as follows:

Accrual rate

	<b>For the Nine Months Ended September 30</b>	
	<b>2020</b>	<b>2019</b>
Employees' compensation	2.49%	3.24%
Remuneration of directors	1.87%	2.45%

Amount

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Employees' compensation	<u>\$ 45,791</u>	<u>\$ 112,090</u>	<u>\$ 172,673</u>	<u>\$ 295,302</u>
Remuneration of directors	<u>\$ 38,875</u>	<u>\$ 86,337</u>	<u>\$ 129,505</u>	<u>\$ 223,699</u>

If there have changes in the amounts after the annual consolidated financial statements were authorized for issue, the differences are recorded as a change in the accounting estimate.

The appropriations employees' compensation and remuneration of directors for 2019 and 2018 that were resolved by the board of directors on March 24, 2020 and March 22, 2019, respectively, are stated below:

	<b>For the Year Ended December 31</b>	
	<b>2019</b>	<b>2018</b>
Employees' compensation	\$ 371,474	\$ 414,416
Remuneration of directors	204,277	225,812



Rate

	<b>For the Year Ended December 31</b>	
	<b>2019</b>	<b>2018</b>
Employees' compensation	3.28%	3.10%
Remuneration of directors	1.80%	1.69%

There was no difference between the actual appropriated amounts of employees' compensation and remuneration of directors and the amounts recognized in the consolidated financial statements for the year ended December 31, 2019 and 2018. The Company offered to settle employee's compensation in cash.

Information on the employees' compensation and remuneration of directors resolved by the Company's board of directors in 2020 and 2019 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

## 29. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Major components of tax recognized in profit or loss

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Current tax				
In respect of the current year	\$ 435,723	\$ 570,230	\$ 1,484,487	\$ 1,930,785
Income tax on unappropriated earnings	-	-	731	1,394
Adjustments for prior years	<u>(8,739)</u>	<u>3,605</u>	<u>(10,573)</u>	<u>15,097</u>
	<u>426,984</u>	<u>573,835</u>	<u>1,474,645</u>	<u>1,947,276</u>
Deferred tax	<u>148,831</u>	<u>172,975</u>	<u>791,785</u>	<u>199,004</u>
Income tax expense recognized in profit or loss	<u>\$ 575,815</u>	<u>\$ 746,810</u>	<u>\$ 2,266,430</u>	<u>\$ 2,146,280</u>

In July 2019, the president of the ROC announced the amendments to the Statute for Industrial Innovation, which stipulate that the amounts of unappropriated earnings in 2018 and thereafter that are reinvested in the construction or purchase of certain assets or technologies are allowed as deduction when computing the income tax on unappropriated earnings. When calculating the tax on unappropriated earnings, the Group only deducts the amount of the unappropriated earnings that has been reinvested in capital expenditure.

b. Income tax recognized in other comprehensive income

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
<u>Deferred tax</u>				
In respect of the current period				
Fair value changes of financial assets at FVTOCI	\$ 193	\$ 4	\$ 2,947	\$ (511)
Gains on property revaluation	-	(1,274)	(13,492)	(35,775)
	<u>\$ 193</u>	<u>\$ (1,270)</u>	<u>\$ (10,545)</u>	<u>\$ (36,286)</u>

c. Income tax assessments

	<b><u>Latest Year of Income Tax Return That Tax Authorities Had Examined and Cleared</u></b>
Far Eastern New Century Corporation	2015
Far Eastern Resources Development Co., Ltd.	2015
Oriental Petrochemical (Taiwan) Co., Ltd.	2017
Fu Kwok Knitting & Garment Co., Ltd.	2017
Yuan Tong Investment Co., Ltd.	2017
Kai Yuan International Investment Co., Ltd.	2018
Ding Yuan International Investment Co., Ltd.	2018
An Ho Garment Co., Ltd.	2018
Far Eastern Textile Ltd.	2018
Far Eastern Construction Co., Ltd.	2018
Far Eastern General Contractor Inc.	2017
Yuan Ding Investment Co., Ltd.	2018
Far Eastern Fibertech Co., Ltd.	2018
Oriental Resources Development Co., Ltd.	2018
Far Eastern Apparel Co., Ltd.	2018
Yuan Faun Co., Ltd.	2018
Yuan Cheng Human Resources Consultant Corporation	2017
Yuan Ding Co., Ltd.	2018
Far Eastern Technical Consultants Co., Ltd.	2018
YDT Technology International Co., Ltd.	2018
FET Consulting Engineers Co., Ltd.	2018
Ding Ding Integrated Marketing Service Co., Ltd.	2018
Ding Ding Hotel Co., Ltd.	2017
Far Eastern Electronic Toll Collection Co., Ltd.	2018
Yuan Hsin Digital Payment Co., Ltd.	2018
FETC International Co., Ltd	2017
ARCOA Communication Co., Ltd.	2017
Information Security Service Digital United Inc.	2018
Linkwell Tech. Co., Ltd.	2018

(Continued)

	<b>Latest Year of Income Tax Return That Tax Authorities Had Examined and Cleared</b>
Yuan Cing Co., Ltd.	2018
New Diligent Co., Ltd.	2018
KGEx.com Co., Ltd.	2017
Home Master Technology Ltd.	2018
Yuanshi Digital Technology Co., Ltd.	2017
New Century InfoComm Tech Co., Ltd	2018
Nextlink Technology Co., Ltd.	2017
Microfusion Technology Co., Ltd.	2018
Prime Ecopower Co., Ltd.	2018
	(Concluded)

Far EasTone Telecommunications Co., Ltd.

Income tax returns of Far EasTone through 2017, except 2016, have been assessed by the tax authorities.

### 30. EARNINGS PER SHARE

Unit: NT\$ Per Share

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Basic earnings per share	<u>\$ 0.60</u>	<u>\$ 0.59</u>	<u>\$ 1.34</u>	<u>\$ 1.69</u>
Diluted earnings per share	<u>\$ 0.60</u>	<u>\$ 0.59</u>	<u>\$ 1.33</u>	<u>\$ 1.69</u>

The earnings and weighted average number of common stock outstanding that were used in the computation of earnings per share were as follows:

#### Net Income for the Period

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Net income for the period attributable to owners of the Company	<u>\$ 2,972,096</u>	<u>\$ 2,945,170</u>	<u>\$ 6,660,827</u>	<u>\$ 8,466,253</u>

## Weighted Average Number of Common Stock Outstanding

Unit: In Thousand Shares

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
Weighted average number of common stock used in the computation of basic earnings per share	4,982,323	4,998,028	4,985,583	4,998,120
Effect of potentially dilutive common stock:				
Employees' compensation	<u>6,825</u>	<u>10,307</u>	<u>13,500</u>	<u>15,038</u>
Weighted average number of common stock used in the computation of diluted earnings per share	<u>4,989,148</u>	<u>5,008,335</u>	<u>4,999,083</u>	<u>5,013,158</u>

In calculating the weighted average number of share outstanding for consolidated EPS, the Company recognized the number of the shares held by associates as treasury shares and deducted the number of treasury shares from the weighted average number of outstanding shares in the current period.

If the Company offered to settle compensation paid to employees in cash or shares, the Company assumed the entire amount of the compensation would be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the calculation of diluted earnings per share, if the effect was dilutive. Such dilutive effect of the potential shares was included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

The Company calculated basic EPS with the weighted average number of actual outstanding shares in the current period. Based on the calculation, for the three months and nine months ended September 30, 2020 and 2019, the Company's EPS were \$0.56, \$0.55, \$1.24 and \$1.58, respectively.

### 31. BUSINESS COMBINATIONS

#### a. Subsidiaries acquired

Subsidiary	Principal Activity	Date of Acquisition	Proportion of Voting Equity Interests Acquired (%)	Consideration Transferred
Nextlink Technology Co., Ltd.	Electronic informational services	March 4, 2019	70	<u>\$ 420,000</u>
Phoenix Technologies International, LLC	Recycled PET production and sales	June 5, 2019	90	<u>\$ 313,750</u>

In line with Far EasTone's overall strategy of increasing market share of the fast growing cloud services market, the board of directors of New Century InfoComm Tech Co., Ltd. (Far EasTone's 100% owned subsidiary) resolved on November 5, 2018 to acquire Nextlink Technology Co., Ltd. (Nextlink Technology), and the acquisition was completed on March 4, 2019.

In order to enhance the competitiveness in the industry, the board of directors of APG Polytech USA Holdings, Inc., a subsidiary of FENC, resolved on June 3, 2019 to acquire a subsidiary, Phoenix Technologies International, LLC, by increasing its capital amounted to \$313,750 thousand (US\$10,000 thousand) based on Membership Interest Purchase Agreement. The capital injection was completed on June 5, 2019.

b. Consideration transferred

	<b>Nextlink Technology Co., Ltd.</b>	<b>Phoenix Technologies International, LLC</b>
Cash	<u>\$ 420,000</u>	<u>\$ 313,750</u>

c. Assets acquired and liabilities assumed at the date of acquisition

	<b>Nextlink Technology Co., Ltd.</b>	<b>Phoenix Technologies International, LLC</b>
Current assets	\$ 314,100	\$ 400,578
Non-current assets	146,885	520,824
Current liabilities	(267,471)	(166,005)
Non-current liabilities	<u>(10,884)</u>	<u>(471,302)</u>
	<u>\$ 182,630</u>	<u>\$ 284,095</u>

d. Non-controlling interests

The non-controlling interest (30% of total equity in Nextlink Technology Co., Ltd.) was measured using the market approach by reference to the fair value of the non-controlling interest on the date of acquisition, which was \$133,333 thousand.

The non-controlling interest (10% of total equity in Phoenix Technologies International, LLC.) was measured using the market approach by reference to the fair value of the non-controlling interest on the date of acquisition, which was \$29,759 thousand (US\$949 thousand).

e. Goodwill recognized on acquisitions

	<b>Nextlink Technology Co., Ltd.</b>	<b>Phoenix Technologies International, LLC</b>
Consideration transferred	\$ 420,000	\$ 313,750
Plus: Non-controlling interests (30% in Nextlink Technology Co., Ltd. and 10% in Phoenix Technologies International, LLC)	133,333	29,759
Less: Fair value of identifiable net assets acquired	<u>(182,630)</u>	<u>(284,095)</u>
Goodwill recognized on acquisitions	<u>\$ 370,703</u>	<u>\$ 59,414</u>

The goodwill generated from the acquisition of Nextlink Technology Co., Ltd. and Phoenix Technologies International, LLC mainly represents benefits of expected synergies of mergers, revenue growth, future market developments and the assembled workforces of Nextlink Technology and Phoenix Technologies International, LLC. These benefits are not recognized separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

f. Net cash outflow on the acquisition of subsidiaries

	<b>Nextlink Technology Co., Ltd.</b>	<b>Phoenix Technologies International, LLC</b>
Consideration paid in cash	\$ 420,000	\$ 313,750
Less: Cash and cash equivalent balances acquired	<u>(68,196)</u>	<u>(228,895)</u>
	<u>\$ 351,804</u>	<u>\$ 84,855</u>

g. Impact of acquisitions on the results of the Group

The financial results of the acquirees since the acquisition dates, which are included in the consolidated statements of comprehensive income, are as follows:

	<b>Nextlink Technology Co., Ltd.</b>	<b>Phoenix Technologies International, LLC</b>
Operating revenue	\$ 824,673	\$ 339,557
Net income	<u>\$ 1,501</u>	<u>\$ (75,250)</u>

Had the business combination been in effect at the beginning of the reporting period, the Group's operating revenue for the three months and nine months ended September 30, 2019 would have been \$61,710,428 thousand and \$190,970,933 thousand, respectively, and the Group's net income for the three months and nine months ended September 30, 2019 would have been \$4,519,750 thousand and \$12,949,460 thousand, respectively. This pro forma information is for illustrative purposes only and is not necessarily an indication of the revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on January 1, 2019, nor is it intended to be a projection of future results.

### 32. DISPOSAL OF SUBSIDIARIES

On April 15, 2019, the Group entered into an agreement to dispose of Omusic Co., Ltd. (Omusic), which provides electronic information services. The disposal was completed on April 30, 2019, on which date control of Omusic passed to the acquirer.

a. Consideration received from disposal

	<b>Omusic</b>
Consideration received in cash	<u>\$ 10,500</u>

b. Analysis of assets and liabilities on the date control was lost

	<b>Omusic</b>
Current assets	\$ 99,652
Non-current assets	989
Current liabilities	<u>(78,092)</u>
Net assets disposed of	<u>\$ 22,549</u>

c. Loss on disposal of a subsidiary

	<b>Omusic</b>
Consideration received	\$ 10,500
Net assets disposed of	(22,549)
Non-controlling interests	<u>11,276</u>
Loss on disposal	<u>\$ (773)</u>

d. Net cash outflow on disposal of a subsidiary

	<b>Omusic</b>
Consideration received in cash	\$ 10,500
Less: Cash and cash equivalent balances disposed of	<u>(50,303)</u>
	<u>\$ (39,803)</u>

### 33. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

For the nine months ended September 30, 2020

In May 2020, the Group subscribed for additional new shares of Yuan Shi Digital Technology Co., Ltd. in cash at a percentage different from its existing ownership percentage, increasing its continuing interest from 93.62% to 98.20%.

As it did not have effect on the Group's control over the subsidiary, the transaction above was recognized as equity transaction. Cash consideration paid and equity transactions were as follows:

	<b>Yuan Shi Digital Technology Co., Ltd.</b>
Cash consideration received	\$ -
The proportionate share of the carrying amount of the net assets of the subsidiary	<u>(14,217)</u>
Differences recognized from equity transactions	<u>\$ (14,217)</u>
<u>Line items adjusted for equity transactions</u>	
Unappropriated earnings	<u>\$ (14,217)</u>

In August 2020, the Group obtained all non-controlling interest of subsidiary Phoenix Technologies International, LLC by exchanging out all shares of Perform Technologies, LLC (recognized as financial assets at fair value through other comprehensive income) held by the Group and receiving NT\$162 thousand, and then increased its interest from 90% to 100%.

As it did not have effect on the Group's control over the subsidiary, the transaction above was recognized as equity transaction. Cash consideration paid and equity transactions were as follows:

	<b>Phoenix Technologies International, LLC</b>
Cash consideration received	\$ 162
The book value of the exchanged out financial assets at fair value through other comprehensive income	(1,561)
The proportionate share of the carrying amount of the net assets of the subsidiary	<u>(801)</u>
Differences recognized from equity transactions	<u>\$ (2,200)</u>
<u>Line items adjusted for equity transactions</u>	
Retained earnings	<u>\$ (2,200)</u>

For the nine months ended September 30, 2019

In February 2019, the Group subscribed for additional new shares of Yuan Ding Enterprise (Shanghai) Limited in cash at a percentage different from its existing ownership percentage, decreasing its continuing interest from 100% to 40%. As the Group still maintain over half of the board of directors of Yuan Ding Enterprise (Shanghai) Limited, the Group does not lose control of Yuan Ding Enterprise (Shanghai) Limited.

As it did not have effect on the Group's control over the subsidiary, the transaction above was recognized as equity transaction. Cash consideration paid and equity transactions were as follows:

	<b>Yuan Ding Enterprise (Shanghai) Limited</b>
Cash consideration received	\$ 3,435,000
The proportionate share of the carrying amount of the net assets of the subsidiary	<u>(3,088,551)</u>
Differences recognized from equity transactions	<u>\$ 346,449</u>
<u>Line items adjusted for equity transactions</u>	
Capital surplus	<u>\$ 346,449</u>



### 34. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

### 35. FINANCIAL INSTRUMENTS

#### a. Fair value of financial instruments not measured at fair value

##### 1) The financial liabilities which have significant difference from their fair values.

	<u>September 30, 2020</u>		<u>December 31, 2019</u>		<u>September 30, 2019</u>	
	<u>Carrying Amount</u>	<u>Fair Value</u>	<u>Carrying Amount</u>	<u>Fair Value</u>	<u>Carrying Amount</u>	<u>Fair Value</u>
<u>Financial liabilities</u>						
Financial liabilities measured at amortized cost						
Bonds payable	\$ 117,479,513	\$ 118,016,714	\$ 103,992,055	\$ 104,463,768	\$ 105,792,271	\$ 106,298,402

##### 2) Fair value hierarchy

#### September 30, 2020

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<u>Financial liabilities</u>				
Bonds payable	<u>\$ 118,016,714</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 118,016,714</u>

#### December 31, 2019

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<u>Financial liabilities</u>				
Bonds payable	<u>\$ 104,463,768</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 104,463,768</u>

#### September 30, 2019

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<u>Financial liabilities</u>				
Bonds payable	<u>\$ 106,298,402</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 106,298,402</u>

b. Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

September 30, 2020

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Open-end mutual funds - beneficial certificates	\$ 3,119,525	\$ -	\$ -	\$ 3,119,525
Oversea mutual funds - benefit certificates	-	1,921,599	-	1,921,599
Domestic listed shares	273,367	-	-	273,367
Forward exchange contracts	<u>-</u>	<u>-</u>	<u>24,916</u>	<u>24,916</u>
	<u>\$ 3,392,892</u>	<u>\$ 1,921,599</u>	<u>\$ 24,916</u>	<u>\$ 5,339,407</u>
Financial assets at FVTOCI				
Domestic listed shares	\$ 421,885	\$ -	\$ -	\$ 421,885
Domestic unlisted shares	-	-	1,363,696	1,363,696
Real estate investment trust mutual funds - beneficial certificates	311,400	-	-	311,400
Oversea unlisted shares	<u>-</u>	<u>-</u>	<u>469,399</u>	<u>469,399</u>
	<u>\$ 733,285</u>	<u>\$ -</u>	<u>\$ 1,833,095</u>	<u>\$ 2,566,380</u>
Financial liabilities at FVTPL				
Forward exchange contracts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,945</u>	<u>\$ 5,945</u>
Financial liabilities for hedging				
Cash flow hedges - interest rate swap contracts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,736</u>	<u>\$ 12,736</u>

December 31, 2019

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Open-end mutual funds - beneficial certificates	\$ 2,893,430	\$ -	\$ -	\$ 2,893,430
Oversea mutual funds - benefit certificates	-	1,760,530	-	1,760,530
Domestic listed shares	388,277	-	-	388,277
Forward exchange contracts	<u>-</u>	<u>-</u>	<u>11,479</u>	<u>11,479</u>
	<u>\$ 3,281,707</u>	<u>\$ 1,760,530</u>	<u>\$ 11,479</u>	<u>\$ 5,053,716</u>
Financial assets at FVTOCI				
Domestic listed shares	\$ 403,142	\$ -	\$ -	\$ 403,142
Unlisted shares	-	-	937,065	937,065
Real estate investment trust mutual funds - beneficial certificates	307,500	-	-	307,500
Oversea unlisted shares	<u>-</u>	<u>-</u>	<u>509,231</u>	<u>509,231</u>
	<u>\$ 710,642</u>	<u>\$ -</u>	<u>\$ 1,446,296</u>	<u>\$ 2,156,938</u>

(Continued)

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial liabilities at FVTPL				
Forward exchange contracts	\$ <u>          -</u>	\$ <u>          -</u>	\$ <u>    1,861</u>	\$ <u>    1,861</u>
Financial liabilities for hedging				
Cash flow hedges - interest rate swap contracts	\$ <u>          -</u>	\$ <u>          -</u>	\$ <u>   31,087</u>	\$ <u>   31,087</u> (Concluded)

September 30, 2019

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at FVTPL				
Open-end mutual funds - beneficial certificates	\$ 2,821,971	\$ -	\$ -	\$ 2,821,971
Oversea mutual funds - benefit certificates	-	1,699,415	-	1,699,415
Domestic listed shares	271,635	-	-	271,635
Forward exchange contracts	<u>          -</u>	<u>          -</u>	<u>   15,115</u>	<u>   15,115</u>
	<u>\$ 3,093,606</u>	<u>\$ 1,699,415</u>	<u>\$ 15,115</u>	<u>\$ 4,808,136</u>
Financial assets at FVTOCI				
Domestic listed shares	\$ 402,543	\$ -	\$ -	\$ 402,543
Domestic unlisted shares	-	-	915,962	915,962
Real estate investment trust mutual funds - beneficial certificates	302,700	-	-	302,700
Oversea unlisted shares	<u>          -</u>	<u>          -</u>	<u>   496,142</u>	<u>   496,142</u>
	<u>\$ 705,243</u>	<u>\$ -</u>	<u>\$ 1,412,104</u>	<u>\$ 2,117,347</u>
Financial liabilities at FVTPL				
Forward exchange contracts	\$ <u>          -</u>	\$ <u>          -</u>	\$ <u>    2,209</u>	\$ <u>    2,209</u>
Financial liabilities for hedging				
Cash flow hedges - interest rate swap contracts	\$ <u>          -</u>	\$ <u>          -</u>	\$ <u>   38,061</u>	\$ <u>   38,061</u>

There were no transfers between Levels 1 and 2 for the nine months ended September 30, 2020 and 2019.

2) Reconciliation of Level 3 fair value measurements of financial assets

For the nine months ended September 30, 2020

	<b>Financial Assets at FVTPL</b>	<b>Financial Assets at FVTOCI</b>	<b>Financial Instruments for Hedging</b>	<b>Total</b>
Balance at January 1, 2020	\$ 9,618	\$ 1,446,296	\$ (31,087)	\$ 1,424,827
Additions	-	500,000	-	500,000
Disposal	-	(1,561)	-	(1,561)
Return on the capital reduction	-	(13,500)	-	(13,500)
Recognized in profit or loss	(14,190)	-	-	(14,190)
Recognized in other comprehensive income	-	(92,463)	18,324	(74,139)
Settlements and effect of exchange rate differences	<u>23,543</u>	<u>(5,677)</u>	<u>-</u>	<u>17,866</u>
Balance at September 30, 2020	<u>\$ 18,971</u>	<u>\$ 1,833,095</u>	<u>\$ (12,763)</u>	<u>\$ 1,839,303</u>

For the nine months ended September 30, 2019

	<b>Financial Assets at FVTPL</b>	<b>Financial Assets at FVTOCI</b>	<b>Financial Instruments for Hedging</b>	<b>Total</b>
Balance at January 1, 2019	\$ (4,738)	\$ 1,407,217	\$ 67,224	\$ 1,469,703
Recognized in profit or loss	(14,266)	-	-	(14,266)
Recognized in other comprehensive income	-	5,519	(103,417)	(97,898)
Settlements and effect of exchange rate differences	<u>31,910</u>	<u>(632)</u>	<u>(1,868)</u>	<u>29,410</u>
Balance at September 30, 2019	<u>\$ 12,906</u>	<u>\$ 1,412,104</u>	<u>\$ (38,061)</u>	<u>\$ 1,386,949</u>

3) Valuation techniques and inputs applied for the purpose of measuring Level 2 fair value measurement

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Overseas mutual funds - beneficial certificates	Valuation based on the fair values of a portfolio of funds, calculated through each sub-fund by fair value net of the management and operating expenses for the sub-fund.

- 4) Valuation techniques and inputs applied for the purpose of measuring Level 3 fair value measurement

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Unlisted shares	<p>a) Asset-based approach. Valuation is based on the fair value of an investee, calculated through each investment of the investee using the income approach, market approach or a combination of the two approaches, while also taking the liquidity premium into consideration.</p> <p>b) Transaction method of market approach. The approach is a valuation strategy that looks at market ratios of companies with similar profitability at the end of the reporting period, while taking the liquidity premium into consideration.</p>
Forward exchange contracts, interest rate swap and foreign exchange contracts swap contracts	Cash flow is discounted. Future cash flows are estimated based on observable spot exchange rates at the end of the reporting period and contract rates and discounted at a rate that reflect the credit risk and value of the currency. The Group assumed 0% as discounted rate by taking the counterparties' high credit rating and short contract terms into consideration.

c. Categories of financial instruments

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
<u>Financial assets</u>			
Financial assets at FVTPL	\$ 5,339,407	\$ 5,053,716	\$ 4,808,136
Financial assets at amortized cost (Note 1)	71,087,324	81,024,585	57,744,330
Financial assets at FVTOCI	2,566,380	2,156,938	2,117,347
<u>Financial liabilities</u>			
Financial liabilities at FVTPL	5,945	1,861	2,209
Financial liabilities for hedging	12,763	31,087	38,061
Amortized cost (Note 2)	300,422,910	265,850,259	246,118,094

Note 1: The balances included financial assets measured at amortized cost, which comprised cash and cash equivalents, financial assets at amortized - cost, notes and accounts receivable (including related parties), other receivables (including related parties), long-term receivables (including related parties), refundable deposits and other financial assets.

Note 2: The balances included financial liabilities measured at amortized cost, which comprised short-term borrowings, short-term bills payable, notes and accounts payable (including related parties), other payables (including related parties), payables to suppliers of machinery and equipment, provisions, bonds payable (including current portion), long-term borrowings (including current portion) and guarantee deposits received.

d. Financial risk management objectives and policies

The Group's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the non-operating activities of the Group through internal risk reports that analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity.

The Corporate Treasury function is reviewed by the Group's board of directors in accordance with related rules and internal control system. The Group should implement the overall financial management objective as well as observe the levels of delegated authority and ensure that those with delegated authority carry out their duties.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in exchange rates (see (a) below) and interest rates (see (b) below).

a) Foreign currency risk

Several subsidiaries of the Group had foreign currency sales and purchases, which exposed the Group to exchange rate risk. Exchange rate exposures were managed within approved policy parameters through forward exchange contracts.

The carrying amounts of the Group's significant foreign currency-denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the reporting period were as Note 41.

Sensitivity analysis

The Group was mainly exposed to the U.S. dollars.

The following table details the Group's sensitivity to a 5% increase and decrease in New Taiwan dollars (the functional currency) against the U.S. dollar. The 5% sensitivity rate is used when foreign currency risk is reported internally to key management personnel and represents management's assessment of the reasonably possible changes in exchange rates. The sensitivity analysis included only outstanding foreign currency-denominated monetary items, and the translation of these items at the end of the reporting period was adjusted for a 5% change in exchange rates. A positive number below indicates an increase in pretax profit and other equity associated with New Taiwan dollars that strengthen 5% against the relevant currency. For a 5% weakening of New Taiwan dollars against the relevant currency, there would be an equal and opposite impact on pretax profit and other equity, and the balances below would be negative.

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
5% change in profit or loss			
USD	<u>\$ (80,287)</u>	<u>\$ (212,650)</u>	<u>\$ (276,219)</u>

b) Interest rate risk

The Group was exposed to interest rate risk because entities in the Group borrowed funds at both fixed and floating interest rates. It managed the risk by maintaining an appropriate mix of fixed and floating rate borrowings.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Fair value interest rate risk			
Financial assets	\$ 12,350,852	\$ 16,107,962	\$ 9,688,225
Financial liabilities	238,737,120	204,549,298	177,755,237
Cash flow interest rate risk			
Financial assets	12,425,308	12,675,075	12,642,360
Financial liabilities	38,252,615	34,360,953	37,131,535

Sensitivity analysis

The sensitivity analysis below was determined on the basis of the Group's exposure to interest rates for financial assets and financial liabilities at the end of the reporting period. An increase or decrease of 0.25% is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. For the financial assets and financial liabilities with fixed interest rate, their fair value will change as the market interest rates change. For the financial assets and financial liabilities with floating interest rate, their effective interest rates will change as the market interest rates change.

If interest rates had been 0.25% higher/lower and all other variables had been held constant, the fair value of the Group's financial assets with fixed interest rate on September 30, 2020, December 31, 2019 and September 30, 2019 would have decreased/increase by \$30,800 thousand, \$40,169 thousand and \$24,160 thousand, respectively, and the cash flows on the Group's financial assets with floating interest rate would have increased/decrease by \$31,063 thousand, \$31,688 thousand and \$31,606 thousand, respectively.

If interest rates had been 0.25% higher/lower and all other variables had been held constant, the fair value of the Group's financial liabilities with fixed interest rate on September 30, 2020, December 31, 2019 and September 30, 2019 would have decreased/increase by \$595,354 thousand, \$510,098 thousand and \$443,280 thousand, respectively, and the cash flows on the Group's financial liabilities with floating interest rate would have decreased/increase by \$95,632 thousand, \$85,902 thousand and \$92,829 thousand, respectively.

Hedge accounting

For the nine months ended September 30, 2020

The Group entered into interest rate swap contracts to mitigate the risk of changes in floating interest rates on cash flow exposure related to its outstanding variable rate debt.

All interest rate swap contracts that exchange floating rate interest amounts with fixed rate interest amounts are designated as cash flow hedges in order to reduce the Group's cash flow exposure resulting from variable interest rates on borrowings. The interest rate swaps and the interest payments on loans occur simultaneously, and the amount accumulated in equity is reclassified to profit or loss over the period that the floating rate interest payments on debt affect profit or loss.

The following tables summarize the information relating to the hedges for interest rate risk.

September 30, 2020

Hedging Instruments	Notional Amount	Maturity	Range of Interest Rates Paid	Range of Interest Rates Received	Line Item in Balance Sheet	Carrying Amount		Change In Value Used for Calculating Hedge Ineffectiveness
						Asset	Liability	
Cash flow hedge Interest rate swaps	NT\$3,294,000 thousand	November 2025	0%-4.8%	0.6%-4.9%	Financial liabilities for hedging	\$ -	\$ 12,763	\$ -

Hedged Items	Change in Value Used for Calculating Hedge Ineffectiveness	Balance in Other Equity Hedge	
		Continuing Hedges	Accounting No Longer Applied
Cash flow hedge Long-term debt in floating rate	\$ -	\$ (12,763)	\$ -

For the three months ended September 30, 2020

Comprehensive Income	Hedging Gains (Losses) Recognized in OCI	Amount of Hedge Ineffectiveness Recognized in Profit or Loss	Line Item in Which Hedge Ineffectiveness is Included	Amount Reclassified to P/L and the Adjusted Line Item Due to Hedged Item Affecting P/L
Cash flow hedge Interest expense from long-term debt	\$ 4,390	\$ -	-	\$4,316 Increase in interest expense

For the nine months ended September 30, 2020

Comprehensive Income	Hedging Gains (Losses) Recognized in OCI	Amount of Hedge Ineffectiveness Recognized in Profit or Loss	Line Item in Which Hedge Ineffectiveness is Included	Amount Reclassified to P/L and the Adjusted Line Item Due to Hedged Item Affecting P/L
Cash flow hedge Interest expense from long-term debt	\$ 18,324	\$ -	-	\$16,609 Increase in interest expense

December 31, 2019

Hedging Instruments	Notional Amount	Maturity	Range of Interest Rates Paid	Range of Interest Rates Received	Line Item in Balance Sheet	Carrying Amount		Change In Value Used for Calculating Hedge Ineffectiveness
						Asset	Liability	
Cash flow hedge Interest rate swaps	NT\$3,294,000 thousand	November 2025	0%-4.8%	0.60%-4.90%	Financial liabilities for hedging	\$ -	\$ 31,087	\$ -

Hedged Items	Change in Value Used for Calculating Hedge Ineffectiveness	Balance in Other Equity Hedge	
		Continuing Hedges	Accounting No Longer Applied
Cash flow hedge Interest expense from long-term debt	\$ -	\$ (31,087)	\$ -



September 30, 2019

Hedging Instruments	Notional Amount	Maturity	Range of Interest Rates Paid	Range of Interest Rates Received	Line Item in Balance Sheet	Carrying Amount		Change In Value Used for Calculating Hedge Ineffectiveness
						Asset	Liability	
Cash flow hedge Interest rate swaps	NT\$3,294,000 thousand	November 2025	0%-4.8%	0.60%-4.18%	Financial liabilities for hedging	\$ -	\$ 38,061	\$ -

Hedged Items	Change in Value Used for Calculating Hedge Ineffectiveness	Balance in Other Equity Hedge	
		Continuing Hedges	Accounting No Longer Applied
Cash flow hedge Long-term debt in floating rate	\$ -	\$ (38,061)	\$ -

For the three months ended September 30, 2019

Comprehensive Income	Hedging Gains (Losses) Recognized in OCI	Amount of Hedge Ineffectiveness Recognized in Profit or Loss	Line Item in Which Hedge Ineffectiveness is Included	Amount Reclassified to P/L and the Adjusted Line Item Due to Hedged Item Affecting P/L
Cash flow hedge Interest expense from long-term debt	\$ (7,424)	\$ -	-	\$7,261 Increase in interest expense

For the nine months ended September 30, 2019

Comprehensive Income	Hedging Gains (Losses) Recognized in OCI	Amount of Hedge Ineffectiveness Recognized in Profit or Loss	Line Item in Which Hedge Ineffectiveness is Included	Amount Reclassified to P/L and the Adjusted Line Item Due to Hedged Item Affecting P/L
Cash flow hedge Interest expense from long-term debt	\$ (130,417)	\$ -	-	\$19,546 Increase in interest expense

c) Other price risks

The Group was exposed to equity price risk because of its investments in stock and beneficial certificates.

Sensitivity analysis

The following sensitivity analysis was based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% lower, the fair value of financial assets at FVTPL and fair value of financial assets at FVTOCI on September 30, 2020, December 31, 2019 and September 30, 2019, would have decreased by \$394,044 thousand, \$359,959 thousand and \$345,518 thousand, respectively.

## 2) Credit risk

Credit risk refers to the risk that counter-parties will default on its contractual obligations, resulting in a financial loss to the Group. As of the end of a reporting period, the Group's maximum exposure to credit risk that will cause the Group a financial loss due to failure of counterparties to discharge on obligations and financial guarantees provided by the Group could arise from:

- a) The carrying amounts of the recognized financial assets as stated in the balance sheets; and
- b) The amounts of contingent liabilities in relation to financial guarantees issued by the Group.

The Group has a policy of dealing with only creditworthy counter-parties and obtaining sufficient collateral, where appropriate, to mitigate the risk of financial loss from defaults.

The Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continually monitored.

Accounts receivables refer to a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is made to determine the financial condition of trade receivables.

## 3) Liquidity risk

The Group manages liquidity risk by maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the use of bank borrowings and ensures compliance with loan covenants.

The maturity dates of financial liabilities (except for financial liabilities - current, i.e., with maturities of less than one year) are as follows:

	<b>1-2 Years</b>	<b>2-3 Years</b>	<b>Over 3 Years</b>	<b>Total</b>
<u>September 30, 2020</u>				
Long-term borrowings	\$ 35,807,673	\$ 33,217,035	\$ 20,235,332	\$ 89,260,040
Bonds payable	<u>22,200,000</u>	<u>21,000,000</u>	<u>54,800,000</u>	<u>98,000,000</u>
	<u>\$ 58,007,673</u>	<u>\$ 54,217,035</u>	<u>\$ 75,035,332</u>	<u>\$ 187,260,040</u>
<u>December 31, 2019</u>				
Long-term borrowings	\$ 45,212,654	\$ 27,299,971	\$ 5,777,207	\$ 78,289,832
Bonds payable	<u>13,200,000</u>	<u>22,200,000</u>	<u>48,100,000</u>	<u>83,500,000</u>
	<u>\$ 58,412,654</u>	<u>\$ 49,499,971</u>	<u>\$ 53,877,207</u>	<u>\$ 161,789,832</u>
<u>September 30, 2019</u>				
Long-term borrowings	\$ 25,463,149	\$ 21,628,380	\$ 4,697,892	\$ 51,789,421
Bonds payable	<u>19,600,000</u>	<u>22,200,000</u>	<u>42,000,000</u>	<u>83,800,000</u>
	<u>\$ 45,063,149</u>	<u>\$ 43,828,380</u>	<u>\$ 46,697,892</u>	<u>\$ 135,589,421</u>

Additional information about the maturity analysis for lease liabilities

	<b>1-5 Years</b>	<b>5-10 Years</b>	<b>10-15 Years</b>	<b>15-20 Years</b>	<b>20+ Years</b>
<u>September 30, 2020</u>					
Lease liabilities	<u>\$ 6,697,427</u>	<u>\$ 614,646</u>	<u>\$ 93,483</u>	<u>\$ 83,172</u>	<u>\$ 192,102</u>
<u>December 31, 2019</u>					
Lease liabilities	<u>\$ 6,686,931</u>	<u>\$ 700,748</u>	<u>\$ 108,607</u>	<u>\$ 83,995</u>	<u>\$ 210,173</u>
<u>September 30, 2019</u>					
Lease liabilities	<u>\$ 6,517,115</u>	<u>\$ 725,894</u>	<u>\$ 77,517</u>	<u>\$ 58,794</u>	<u>\$ 66,633</u>

### 36. TRANSACTIONS WITH RELATED PARTIES

Besides the transactions mentioned in the other notes, the transactions for the three months and nine months ended September 30, 2020 and 2019 and the related balances as of the balance sheet dates are summarized in the accompanying Tables 2, 3 and 4.

### 37. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

In addition to those disclosed in the other notes, the following assets had been pledged or mortgaged as collaterals for short-term borrowings, short-term bills payable, tariff duties, long-term borrowings, construction warranties, guarantees for related parties, litigation, and administrative tax remedies.

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Financial assets at FVTPL - current	\$ -	\$ -	\$ 26,342
Other financial assets - current	1,951,980	1,809,900	1,530,932
Inventories - available-for-construction - land	200,654	200,654	200,654
Inventories - construction in progress	-	492,503	492,503
Financial assets at amortized cost - non-current	500,000	500,000	500,000
Property, plant and equipment, net	27,249,371	28,287,683	28,454,271
Investment properties	36,562,999	35,802,323	37,347,043
Investments accounted for using the equity method	3,075,485	3,183,595	3,048,621
Concessions - cost	3,850,000	3,850,000	3,756,000
Other financial assets - non-current	<u>2,228,833</u>	<u>3,553,636</u>	<u>2,238,690</u>
	<u>\$ 75,619,322</u>	<u>\$ 77,680,294</u>	<u>\$ 77,595,056</u>

As of September 30, 2020, December 31, 2019 and September 30, 2019, FENC and some of its subsidiaries had provided 55,972 thousand shares, 47,522 thousand shares and 47,522 thousand shares, respectively, of common stock of Far EasTone Telecommunications Co., Ltd. and all 10,000 thousand of common stock of Yuan Ding Co., Ltd. as collaterals for short-term borrowings, short-term bills payable and long-term borrowings.

### 38. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of September 30, 2020, December 31, 2019 and September 30, 2019 were as follows:

- a. The Group issued but unused letters of credit aggregated at approximately \$232,233 thousand, \$399,158 thousand and \$327,979 thousand as of September 30, 2020, December 31, 2019 and September 30, 2019, respectively.
- b. The Group (except for Far EasTone and its subsidiaries) had unpaid construction contract and property, plant and equipment amounting to \$4,235,624 thousand, \$7,941,293 thousand and \$8,206,001 thousand as of September 30, 2020, December 31, 2019 and September 30, 2019, respectively.

In addition, Far EasTone and its subsidiaries unpaid property, plant, equipment and cellular phone equipment were as follows:

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Acquisition of property, plant and equipment under contracts	<u>\$ 9,559,856</u>	<u>\$ 4,241,999</u>	<u>\$ 3,318,723</u>
Acquisition of inventories under contract	<u>\$ 1,998,439</u>	<u>\$ 3,895,806</u>	<u>\$ 3,883,749</u>

- c. The lease commitments from the lease contracts (including short-term leases) with lease terms commencing after the balance sheet dates are as follows:

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Lease commitments	<u>\$ 277,802</u>	<u>\$ 247,816</u>	<u>\$ 283,601</u>

- d. The letters of bank guarantees issued for importing from manufactures all amounted to \$0 thousand, \$100,000 thousand and \$105,519 thousand as of September 30, 2020, December 31, 2019 and September 30, 2019.
- e. There were undelivered cotton contracts which were unable to be cancelled amounting to \$27,930 thousand, \$138,054 thousand and \$107,479 thousand as of September 30, 2020, December 31, 2019 and September 30, 2019, respectively.
- f. Project contracts' costs already signed by Far Eastern General Contractor Inc. (FEGC) amounted to \$45,767,107 thousand, \$46,350,772 thousand and \$46,800,335 thousand as of September 30, 2020, December 31, 2019 and September 30, 2019, respectively.
- g. Far Eastern Electronic Toll Collection Co., Ltd. (FETC) was entrusted by the Taiwan Area National Freeway Bureau (TANFB) to collect electronic tolls on freeways and had signed a third-party benefit trust contract with Far Eastern International Bank Corporation (FEIB) to manage the tolls collected. The trust property for this agreement amounted to \$4,073,142 thousand, \$3,859,807 thousand and \$3,857,880 thousand as of September 30, 2020, December 31, 2019 and September 30, 2019, respectively.
- h. Endorsements and guarantees provided to related parties are shown in Table 6 (attached).

- i. As of June 30, 2011, the usage rate of electronic toll collection (ETC) services had not reached the requirement as stated in the contract of the Electronic Toll Collection BOT Project (“ETC Project”). Thus, Far Eastern Electronic Toll Collection Co., Ltd. (FETC) filed a lawsuit against Taiwan Area National Freeway Bureau (TANFB), and the Supreme Court remanded this case to the Taipei District Court Civil Division in September 2015. FETC had accrued the related penalties, and on October 19, 2018, the Taipei District Court pronounced the judgment in FETC’s favor. The TANFB filed an appeal on November 9, 2018, and the Supreme Court rejected the appeal on July 11, 2019. The TANFB has filed an appeal on July 8, 2019.

FETC failed to complete the taximeter system infrastructure within a specified period under the ETC Project requirements. The Taipei District Court Civil Division pronounced on May 20, 2016 that FETC should pay the compensation for breach of contract to TANFB. FETC had filed an appeal on May 31, 2016 and accrued related penalties.

- j. On September 4, 2020, the board of directors of Far EasTone resolved to enter into a business cooperation agreement with Asia-Pacific Telecom Co., Ltd. (APTC). Once approval from the competent authority is obtained, Far EasTone will cooperate with APTC on frequency and network matters whereby Far EasTone shares its 3.5GHz spectrum used for providing 5G services with APTC in exchange for the sharing of two-ninths of 3.5GHz spectrum’s related capitalized costs and expenses by APTC. As of November 12, 2020, Far EasTone has not applied for approval from the competent authority regarding the aforementioned business cooperation.

In order to maximize the efficiency of utilizing Far EasTone’s network and spectrum resources, and to enhance Far EasTone’s competitiveness in the 5G markets, on September 4, 2020, the board of directors of Far EasTone resolved to acquire 11.58% ownership of APTC through private placement by subscribing for 500,000,000 new common stock issued by APTC with the amount invested not exceeding \$5,000,000 thousand after obtaining an approval from the competent authority, and to issue new common stock in exchange for part of APTC’s shares held by Hon Hai Precision Industry Co., Ltd. under a share swap arrangement on June 30, 2022.

### **39. OTHER ITEMS**

As of the date the consolidated financial statements were authorized for issue, the Group assessed that the COVID-19 pandemic would have no material impact on operation and finance aspects. The Group also assessed that there are no doubt in aspects of The Group’s ability to continue as a going concern, risk of assets impairment and financing activities. The group will continue to observe and assess the possible impact that the COVID-19 will have on the Group’s aforesaid aspects

### **40. SIGNIFICANT EVENTS AFTER REPORTING PERIODS**

- a. In order to increase the efficient utilization of Far EasTone’s spectrum and enhance the competitiveness of Far EasTone in maintaining consumer interests, on November 5, 2020, the board of directors of Far EasTone resolved to enter into a business cooperation agreement with APTC once approval from the competent authority has been obtained. The content of the agreement includes: (a) mutual sharing of 700MHz spectrum between Far EasTone and APTC whereby Far EasTone will bear seven-ninths and APTC will bear two-ninths of the 700MHz spectrum’s related capitalized costs and expenses, this agreement will be valid from November 5, 2020 to December 31, 2030; (b) the exchange of Far EasTone’s 20 MHz frequency band (2595MHz to 2615MHz spectrum) with 10MHz frequency band (upper segment of 723MHz to 728MHz spectrum and lower segment of 778MHz to 783MHz spectrum) held by APTC, the value of the aforementioned spectrum swap shall be determined in accordance with the agreement. If the competent authority approves the sharing of 700MHz spectrum earlier than the execution date of the spectrum swap, the spectrum swap agreement will be automatically terminated without implementation of the stated obligations.

- b. On November 12, 2020, the board of directors of FENC resolved to issue sustainability unsecured ordinary corporate bonds. The total amount will not exceed NT\$3,800,000 thousand with a par value of NT\$1,000 thousand or in integral multiples of NT\$1,000 thousand. The bonds may be issued in one lot or installments with issue period not longer than 10 years based on market conditions.

#### 41. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the Group entities and the exchange rates between foreign currencies and respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

September 30, 2020

	<b>Foreign Currencies (In Thousands)</b>	<b>Exchange Rate</b>	<b>Carrying Amount (NT\$)</b>
<u>Financial assets</u>			
Monetary items			
USD	\$ 249,316	29.10 (USD:NTD)	\$ 7,255,096
USD	79,794	6.817 (USD:RMB)	2,322,005
<u>Financial liabilities</u>			
Monetary items			
USD	239,515	29.10 (USD:NTD)	6,969,887
USD	34,415	6.817 (USD:RMB)	1,001,477

December 31, 2019

	<b>Foreign Currencies (In Thousands)</b>	<b>Exchange Rate</b>	<b>Carrying Amount (NT\$)</b>
<u>Financial assets</u>			
Monetary items			
USD	\$ 301,266	29.98 (USD:NTD)	\$ 9,031,955
USD	80,108	6.964 (USD:RMB)	2,401,638
<u>Financial liabilities</u>			
Monetary items			
USD	189,322	29.98 (USD:NTD)	\$ 5,675,874
USD	50,191	7.800 (USD:HKD)	1,504,726

September 30, 2019

	<b>Foreign Currencies (In Thousands)</b>	<b>Exchange Rate</b>	<b>Carrying Amount (NT\$)</b>
<u>Financial assets</u>			
Monetary items			
USD	\$ 347,869	31.040 (USD:NTD)	\$ 10,797,854
USD	82,848	7.136 (USD:RMB)	2,571,602
<u>Financial liabilities</u>			
Monetary items			
USD	183,084	31.040 (USD:NTD)	5,682,927
USD	69,657	7.800 (USD:HKD)	2,162,153

For the three months and nine months ended September 30, 2020 and 2019, (realized and unrealized) net foreign exchange gains (loss) were \$(24,840) thousand, \$61,170 thousand, \$21,311 thousand and \$286,145 thousand, respectively. It is impractical to disclose net foreign exchange gains by each significant foreign currency due to the variety of the functional currencies of the Group entities.

#### **42. SEPARATELY DISCLOSED ITEMS**

a. Information about significant transactions and b. investees

- 1) Financing provided to others: Table 5 (attached)
- 2) Endorsements/guarantees provided: Table 6 (attached)
- 3) Marketable securities held: Table 7 (attached)
- 4) Marketable securities acquired and disposed of at costs or prices at least NT\$300 million or 20% of the paid-in capital: Table 8 (attached)
- 5) Acquisitions of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital: None
- 6) Disposals of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital: None
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 9 (attached)
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 10 (attached)
- 9) Trading in derivative instruments: Notes 7 and 35
- 10) Intercompany relationships and significant intercompany transactions: Table 11 (attached)
- 11) Information on investees: Table 12 (attached)

c. Information on investments in mainland China

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: Tables 13 and 13-1 (attached)
- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: Tables 3, 4, 5, 6, 9, 10 and 11(attached)
  - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
  - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
  - c) The amount of property transactions and the amount of the resultant gains or losses.
  - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
  - e) The highest period balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.
  - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.

d. Information of major shareholders

List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder: Table 14

## 43. SEGMENT INFORMATION

### Industry Information

The information provided to the Group's chief operating decision maker in order to allocate resources to the segments and assess their performance focuses on types of goods delivered or services provided. The Group defined its operating segments as follows: Petrochemical business, chemical fiber business, textile business, mobile services business, real estate business, investment and other business.

Segment operating income is the profit generated by each operating segment, which excludes interest revenue, revaluation gain on investment properties, gain or loss on disposal of property, plant and equipment, gain or loss on disposal of concessions, gain or loss on disposal of intangible assets, exchange gain or loss, interest expense and income tax expense. It is the measure reported to the chief operating decision maker to allocate resources to the segments and assess their performance.



a. Segment revenue and results

The following was an analysis of the Group's revenue and results from continuing operations by reportable segments.

	Segments Revenue		Segments Profit	
	For the Nine Months Ended		For the Nine Months Ended	
	September 30		September 30	
	2020	2019	2020	2019
Petrochemical business			\$ (2,641,597)	\$ 307,805
Revenue generated from external customers	\$ 10,833,091	\$ 23,881,105		
Intersegment revenue	<u>15,156,018</u>	<u>23,511,070</u>		
	<u>25,989,109</u>	<u>47,392,175</u>		
Chemical fiber business			2,902,357	2,517,609
Revenue generated from external customers	53,281,244	65,828,677		
Intersegment revenue	<u>961,986</u>	<u>1,693,343</u>		
	<u>54,243,230</u>	<u>67,522,020</u>		
Textile business			(632,328)	724,865
Revenue generated from external customers	21,077,082	29,014,976		
Intersegment revenue	<u>29,992</u>	<u>30,896</u>		
	<u>21,107,074</u>	<u>29,045,872</u>		
Telecommunication services business			8,544,074	9,084,857
Revenue generated from external customers	56,551,080	62,523,188		
Intersegment revenue	<u>142,568</u>	<u>128,770</u>		
	<u>56,693,648</u>	<u>62,651,958</u>		
Real estate development			725,684	579,825
Revenue generated from external customers	5,626,259	5,100,639		
Intersegment revenue	<u>579,575</u>	<u>572,202</u>		
	<u>6,205,834</u>	<u>5,672,841</u>		
Investment and other			2,546,905	3,385,446
Revenue generated from external customers	7,507,562	8,940,888		
Intersegment revenue	<u>358,947</u>	<u>262,112</u>		
	<u>7,866,509</u>	<u>9,203,000</u>		
Adjustment and elimination	<u>(17,237,714)</u>	<u>(26,098,931)</u>	<u>122,839</u>	<u>20,693</u>
	<u>\$ 154,867,690</u>	<u>\$ 195,388,935</u>	<u>11,567,934</u>	<u>16,621,100</u>
Interest revenue			226,187	234,447
Exchange gain			21,311	286,145
Interest expense			(2,240,568)	(2,449,186)
Other revenue and income			<u>3,224,838</u>	<u>457,727</u>
Profit before tax			<u>\$ 12,799,702</u>	<u>\$ 15,150,233</u>

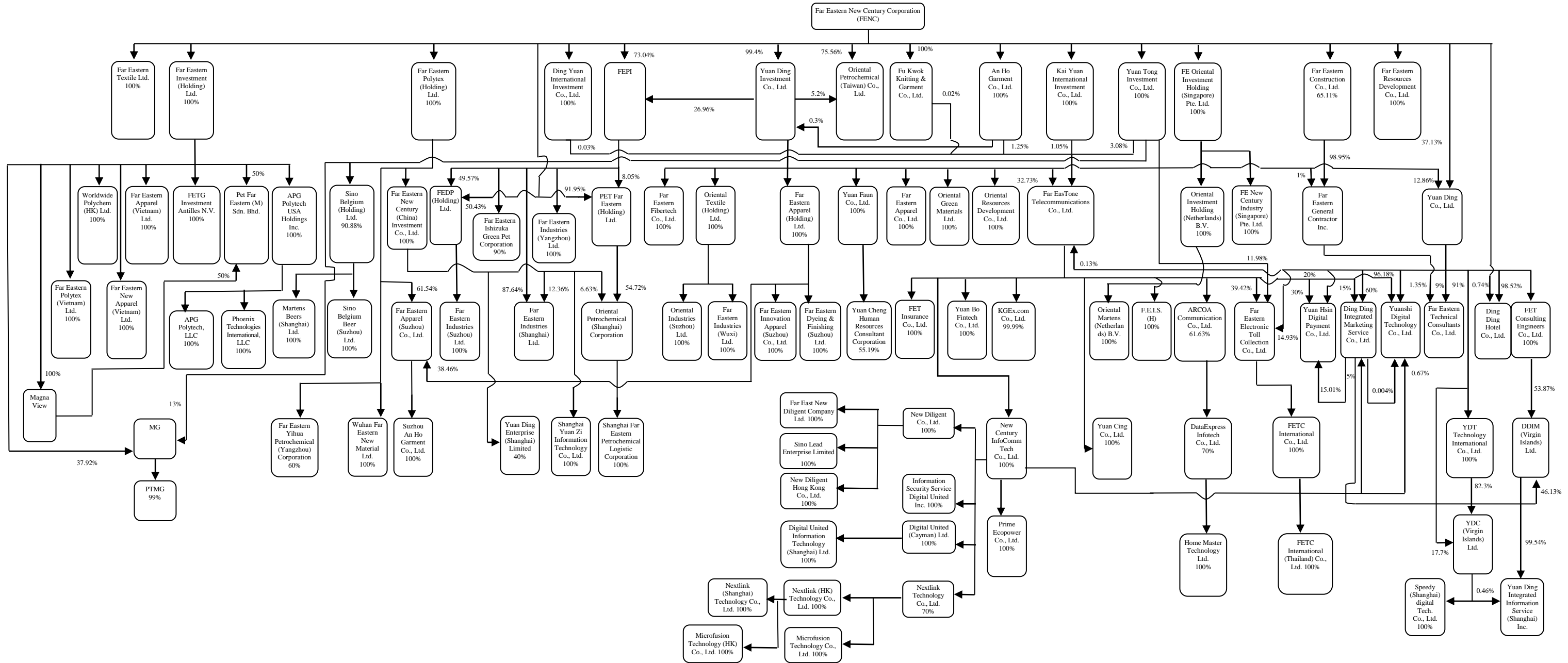
Note: For the nine months ended September 30, 2020 and 2019, the main differences between the total reportable segment revenue and consolidated operating revenue and those between the total reportable segment profit and consolidated operating income were due to the share of the associates' profit of \$3,989,638 thousand and \$4,969,908 thousand, respectively, and dividend income from associates, which amounted to \$144,197 thousand and \$66,584 thousand, respectively.

b. Segment total assets and liabilities

Segment total assets and liabilities was not disclosed due to this information was not reviewed by or regularly provided to the chief operating decision maker.

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND PERCENTAGES OF OWNERSHIP  
 SEPTEMBER 30, 2020



**FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES**

**RELATED PARTY NAME AND CATEGORIES  
SEPTEMBER 30, 2020**

Related Party Name	Related Party Categories
Asia Cement Corporation	Associates
Oriental Union Chemical Corporation	Associates
Far Eastern Department Stores Co., Ltd.	Associates
Everest Textile Corporation	Associates
Far Eastern International Bank	Associates
Oriental Securities Corporation	Associates
Kowloon Cement Corporation	Associates
Da Ju Fiber Co., Ltd.	Associates
Liquid Air Far East Co., Ltd.	Associates
Freudenberg Far Eastern Spunweb Co., Ltd.	Associates
Tong Da Air Industry (Yangzhou) Co., Ltd.	Associates
Yu Yuan Investment Co., Ltd.	Associates
Yue Ming Corporation	Associates
Yu Ding Industry Co., Ltd.	Associates
Far Eastern Union Petrochemical (Yangzhou) Corporation	Associates
Yuan Ding Leasing Corporation	Associates
Far Eastern International Leasing Corporation	Associates
Pacific Liu Tong Investment Co., Ltd.	Associates
OPAS Fund Segregated Portfolio Company	Associates
Everest Textile USA, LLC	Other related party (the subsidiary of FENC's associate)
Pacific Petrochemical (Holding) Ltd. (PPL)	Other related party (the subsidiary of FENC's associate)
Shanghai Pacific Department Store Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Pacific Dept Stores (Dalian) Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Pacific SOGO Department Stores Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Chengdu Beicheng FEDS Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Chengdu Quanxing Masion Pacific Department Store Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Bai-Ding Investment Corporation	Other related party (the subsidiary of FENC's associate)
Shanghai BaiDing Business Management. Consulting Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Chubei New Century Shopping Mall Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Everest Textile (Shanghai) Ltd.	Other related party (the subsidiary of FENC's associate)
Shanghai Yali Cement Produce Ltd.	Other related party (the subsidiary of FENC's associate)
Sichuan Yali Concrete Produce Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Chengdu Yali Cement Produce Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Wuhan Yali Concrete Produce Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Nanchang Yali Concrete Produce Co., Ltd.	Other related party (the subsidiary of FENC's associate)

(Continued)

Related Party Name	Related Party Categories
Sichuan Yali Transport Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Jiangxi Yali Transport Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Hubei Yali Transport Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Sichuan Lanfeng Cement Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Ya-Li Precast Prestressed Concrete Industries Corporation	Other related party (the subsidiary of FENC's associate)
Sichuan Yadong Cement Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Jiangxi Yadong Cement Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Wuhan Yadong Cement Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Yangzhou Yadong Cement Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Hubei Yadong Cement Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Huanggang Yadong Cement Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Nanchang Yadong Cement Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Taizhou Yadong Building Material Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Oriental Petrochemical (YangZhou) Corporation	Other related party (the subsidiary of FENC's associate)
Ya Tung Department Store Ltd.	Other related party (the subsidiary of FENC's associate)
Ya Tung Ready-mixed Concrete Corporation	Other related party (the subsidiary of FENC's associate)
Oriental Securities Investment Consultant Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Asia Cement (China) Holdings Corporation	Other related party (the subsidiary of FENC's associate)
Asia Cement (Singapore) Private Ltd.	Other related party (the subsidiary of FENC's associate)
Asia Investment Corporation	Other related party (the subsidiary of FENC's associate)
Ya Sing Ready-Mixed Concrete Corporation	Other related party (the subsidiary of FENC's associate)
Wuhan Yaxin Cement Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Nan Hwa Cement Corporation	Other related party (the subsidiary of FENC's associate)
FEDS Development Ltd.	Other related party (the subsidiary of FENC's associate)
Chongqing Metropolitan Plaza Pacific Department Store Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Fu Ming Transport Corporation	Other related party (the subsidiary of FENC's associate)
Fu-Da Transport Corporation	Other related party (the subsidiary of FENC's associate)
Chiahui Power Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Far Eastern Ai Mai Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Far Eastern Big City Shopping Malls Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Chengdu FEDS Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Chongqing FEDS Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Yuan Bo Asset Management Corporation	Other related party (the subsidiary of FENC's associate)
Far Eastern Leasing Corporation	Other related party (the subsidiary of FENC's associate)
Far Eastern Asset Management Corporation	Other related party (the subsidiary of FENC's associate)
Yuan Long Stainless Steel Co., Ltd.	Other related party (the subsidiary of FENC's associate)
Der Ching Investment Corporation	Other related party (the subsidiary of FENC's associate)
Far Eastern City Super Ltd.	Other related party (the subsidiary of FENC's associate)
Sony Music Entertainment Taiwan Ltd. (Note 1)	Other related party (corporate director of the subsidiary)
Universal Music Taiwan Ltd. (Note 1)	Other related party (corporate director of the subsidiary)
Forward Music Co., Ltd. (Note 1)	Other related party (corporate director of the subsidiary)
Him International Music Incorporated (Note 2)	Other related parties (Supervisor of the subsidiary)
Otiga Technologies Co., Ltd. (Note 2)	Other related parties (Supervisor of the subsidiary)
Telecommunication & Transportation Foundation	Other related parties (Far EasTone's donation is over one third of the foundation's fund)

(Continued)

Related Party Name	Related Party Categories
Yuan Ze University	Other related parties (the same chairman)
Oriental Institute of Technology	Other related parties (the same chairman)
Far Eastern Memorial Hospital	Other related parties (the same chairman)
Far Eastern Medical Foundation	Other related parties (the same chairman)
Far Eastern Y.Z. Hsu Science and Technology Memorial Foundation	Other related parties (the same chairman)
U-Ming Marine Transport Corporation	Other related parties (the same chairman)
Tranquil Enterprise Ltd.	Other related parties (the same chairman)
Far Eastern Polyclinic	Other related parties (the same chairman)
Yu Chang Technical & Commercial Vocational Senior High School	Other related party (related party in substance)
Mr. Xu Yuanzhi Memorial Foundation	Other related party (related party in substance)
U-Ming Marine Transport (Hong Kong) Corporation	Other related party (related party in substance)
TECO Electric & Machinery Co., Ltd.	Other related party (related party in substance)
Kaohsiung Rapid Transit Corporation	Other related party (related party in substance)
U-Ming Marine Transport (Singapore) Private Limited	Other related party (related party in substance)
Ding&Ding Management Consultants Co., Ltd.	Other related party (related party in substance)
SYSTEX Corporation	Other related party (related party in substance)
Deutsche Far Eastern Asset Management Co., Ltd. (DFEAMC)	Other related party (related party in substance)

Note 1: The Company was originally the corporate director of the subsidiary, Omusic Co., Ltd. (Omusic), but the Group disposed of Omusic on April 30, 2019, and therefore ceased to be other related party.

Note 2: The Company was originally the supervisor of the subsidiary, Omusic Co., Ltd. (Omusic), but the Group disposed of Omusic on April 30, 2019, and therefore ceased to be other related party.

(Concluded)

**TABLE 3****FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES****CONSOLIDATED RELATED-PARTY TRANSACTIONS****(In Thousands of New Taiwan Dollars)**

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Operating revenue				
Associates	\$ 339,603	\$ 416,307	\$ 856,446	\$ 1,544,132
Other related parties	<u>139,990</u>	<u>186,096</u>	<u>499,227</u>	<u>544,230</u>
	<u>\$ 479,593</u>	<u>\$ 602,403</u>	<u>\$ 1,355,673</u>	<u>\$ 2,088,362</u>
Operating cost				
Associates	\$ 284,610	\$ 307,876	\$ 777,852	\$ 939,639
Other related parties	<u>171,338</u>	<u>200,808</u>	<u>608,080</u>	<u>556,023</u>
	<u>\$ 455,948</u>	<u>\$ 508,684</u>	<u>\$ 1,385,932</u>	<u>\$ 1,495,662</u>
Operating expense				
Associates	\$ 6,274	\$ 7,984	\$ 21,347	\$ 27,822
Other related parties	<u>153,725</u>	<u>158,844</u>	<u>582,899</u>	<u>572,064</u>
	<u>\$ 159,999</u>	<u>\$ 166,828</u>	<u>\$ 604,246</u>	<u>\$ 599,886</u>

The Group had purchased the software equipment, other equipment and construction contracts from other related parties amounted to \$42,039 thousand for the three months ended September 30, 2020 and \$129,539 thousand for the nine months ended September 30, 2020. The Group had purchased the software equipment, machinery equipment and construction contracts from other related parties amounted to \$19,601 thousand for the three months ended September 30, 2019 and \$113,182 thousand for the nine months ended September 30, 2019.

The fund transaction between the Group and Opas Fund Segregated Portfolio Company (“Opas Company”) was carrying out investment to acquisition the overseas fund through the trading platform of Opas Company. The decisions on overseas mutual funds with different tranches were made by the investment committee which is formed with the Group and other investors. For the three months ended September 30, 2019, the Group acquired funds including Opas Fund Segregated Portfolio Tranche “B”, “C” amounted to \$309,961 thousand and for the nine months ended September 30, 2019, the Group acquired funds including Opas Fund Segregated Portfolio Tranche “B”, “C”, “D” amounted to \$311,084 thousand. For the three months and nine months ended September 30, 2019, the Group disposed OPAS Fund Segregated Portfolio Tranche “D” all amounted to \$1,702,985 thousand, and recognized gain on disposal amounted to \$59,218 thousand.

For the nine months ended September 30, 2019, the Group sold other equipments to other related parties at book value for \$17,299 thousand, and recognized gain on disposal amounted to \$0 thousand. For the nine months ended September 30, 2019, the Group sold securities to other related parties at book value for \$7,350 thousand, and recognized loss on disposal amounted to \$542 thousand.

(Continued)

Lease arrangements - Group is lessee

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Acquisitions of right-of-use assets				
Associates	<u>\$ 2,457</u>	<u>\$ 3,346</u>	<u>\$ 29,914</u>	<u>\$ 10,951</u>
		<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Lease liabilities				
Associates		\$ 637,234	\$ 764,327	\$ 807,338
Other related parties				
Yuan Bo Asset Management Corporation		987,543	1,072,258	1,100,316
Others		<u>5,345</u>	<u>30,821</u>	<u>32,059</u>
		<u>\$ 1,630,122</u>	<u>\$ 1,867,406</u>	<u>\$ 1,939,713</u>
		<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
		<b>2020</b>	<b>2020</b>	<b>2019</b>
Interest expense				
Associates	\$ 1,956	\$ 2,490	\$ 6,283	\$ 7,875
Other related parties	<u>3,237</u>	<u>3,669</u>	<u>9,989</u>	<u>11,233</u>
	<u>\$ 5,193</u>	<u>\$ 6,159</u>	<u>\$ 16,272</u>	<u>\$ 19,108</u>
Lease expense				
Associates	\$ 2,213	\$ 2,028	\$ 6,254	\$ 3,456
Other related parties	<u>3,440</u>	<u>982</u>	<u>10,076</u>	<u>1,867</u>
	<u>\$ 5,653</u>	<u>\$ 3,010</u>	<u>\$ 16,330</u>	<u>\$ 5,323</u>

The lease contract's resolution and way of payment between the Group and related party are equivalent to the general lease transaction.

Lease arrangement - Group is lessor

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Operating lease receivable			
Associates	\$ 93,584	\$ 114,385	\$ 106,582
Other related parties	<u>102,562</u>	<u>72,907</u>	<u>95,366</u>
	<u>\$ 196,146</u>	<u>\$ 187,292</u>	<u>\$ 201,948</u>
Future lease receivable			
Associates	\$ 1,367,986	\$ 1,611,712	\$ 1,636,309
Other related parties	<u>3,021,880</u>	<u>1,634,761</u>	<u>1,697,835</u>
	<u>\$ 4,389,866</u>	<u>\$ 3,246,473</u>	<u>\$ 3,334,144</u>

(Continued)

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Lease revenue				
Associates	\$ 80,688	\$ 80,817	\$ 242,061	\$ 242,426
Other related parties	<u>79,272</u>	<u>62,946</u>	<u>215,002</u>	<u>195,930</u>
	<u>\$ 159,960</u>	<u>\$ 143,763</u>	<u>\$ 457,063</u>	<u>\$ 438,356</u>

The Group leases the plants and spaces for operation and business to associates and other related parties as operating lease. The lease period is 3 to 20 years.

The lease contract's resolution and way of payment between the Group and related party are equivalent to the general lease transaction.

Compensation of key management personnel:

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Short-term benefits	\$ 64,538	\$ 117,086	\$ 224,114	\$ 325,949
Post-employment benefits	<u>347</u>	<u>425</u>	<u>881</u>	<u>1,239</u>
	<u>\$ 64,885</u>	<u>\$ 117,511</u>	<u>\$ 224,995</u>	<u>\$ 327,188</u>

Note: The terms of sales to and purchases from the related parties were based on agreements.

(Concluded)



**TABLE 4****FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES****CONSOLIDATED RELATED-PARTY TRANSACTIONS****AS OF SEPTEMBER 30, 2020 AND 2019****(In Thousands of New Taiwan Dollars)**

	September 30, 2020	December 31, 2019	September 30, 2019
Notes and accounts receivable			
Associates	\$ 456,615	\$ 427,211	\$ 534,171
Other related parties	<u>314,894</u>	<u>375,503</u>	<u>394,737</u>
	<u>\$ 771,509</u>	<u>\$ 802,714</u>	<u>\$ 928,908</u>
Notes and accounts payable - related parties (Note 1)			
Associates	\$ 120,169	\$ 113,722	\$ 141,588
Other related parties	<u>170,167</u>	<u>226,218</u>	<u>178,153</u>
	<u>\$ 290,336</u>	<u>\$ 339,940</u>	<u>\$ 319,741</u>
Progress billings (Note 2)			
Associates	\$ 1,699,068	\$ 1,610,277	\$ 1,597,668
Other related parties	<u>591,077</u>	<u>479,031</u>	<u>336,318</u>
	<u>\$ 2,290,145</u>	<u>\$ 2,089,308</u>	<u>\$ 1,933,986</u>
Guarantee deposits received			
Associates	\$ 72,673	\$ 53,760	\$ 63,032
Other related parties	<u>76,935</u>	<u>69,420</u>	<u>75,210</u>
	<u>\$ 149,608</u>	<u>\$ 123,180</u>	<u>\$ 138,242</u>
Deferred credit - gains on related parties transactions			
Associates			
Oriental Securities Corporation	\$ 110,316	\$ 110,594	\$ 110,871
Others	2,810	2,810	2,810
Other related parties	<u>9,122</u>	<u>9,122</u>	<u>9,122</u>
	<u>\$ 122,248</u>	<u>\$ 122,526</u>	<u>\$ 122,803</u>

Note 1: Including retentions payable of \$18,793 thousand, \$3,679 thousand and \$3,679 thousand as of September 30, 2020, December 31, 2019 and September 30, 2019, respectively, which was recognized as contract liabilities.

Note 2: The amount was recognized as contract assets/liabilities.

(Continued)

## Financing to related parties

Loans to related parties (recognized as other receivables):

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Associates			
Far Eastern Union Petrochemical (Yangzhou) Corporation	\$ 1,792,980	\$ 1,162,350	\$ 522,000
Da Ju Fiber Corporation	-	795,000	-
Others	29,100	369,980	-
Other related parties	<u>683,040</u>	<u>301,350</u>	<u>304,500</u>
	<u>\$ 2,505,120</u>	<u>\$ 2,628,680</u>	<u>\$ 826,500</u>

Interests income from loans to related parties:

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Associates	\$ 16,328	\$ 4,640	\$ 42,675	\$ 12,631
Other related parties	<u>6,113</u>	<u>2,957</u>	<u>13,858</u>	<u>6,875</u>
	<u>\$ 22,441</u>	<u>\$ 7,597</u>	<u>\$ 56,533</u>	<u>\$ 19,506</u>

Loans from related parties:

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Other related parties (recognized as short-term borrowings - loans from related parties)	\$ -	\$ -	\$ 728,996
Other related parties (recognized as long-term borrowings - bank loans)	<u>-</u>	<u>1,500,000</u>	<u>300,000</u>
	<u>\$ -</u>	<u>\$ 1,500,000</u>	<u>\$ 1,028,996</u>

Interests expense from loans from associates:

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Far Eastern International Bank	<u>\$ 255</u>	<u>\$ 16</u>	<u>\$ 563</u>	<u>\$ 1,476</u>

Endorsements and guarantees provided by the Group:

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Da Ju Fiber Corporation			
Amount endorsed	<u>\$ 268,000</u>	<u>\$ 268,000</u>	<u>\$ 248,000</u>
Amount utilized	<u>\$ 120,000</u>	<u>\$ 216,000</u>	<u>\$ 120,000</u>

(Continued)

Bank deposits, time deposits and other financial assets

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Far Eastern International Bank	<u>\$ 8,016,059</u>	<u>\$ 8,882,512</u>	<u>\$ 7,174,080</u>

The Group had bank deposits and time deposits (recognized as cash and cash equivalents, financial assets at amortized cost and other financial assets) in Far Eastern International Bank. In addition, the deposits included the proceeds of Far EastOne's sale of prepaid cards, sale of international calling cards and highway toll fees which were consigned to Far Eastern International Bank as trust assets (recognized as other financial assets). The interests income were \$10,400 thousand and \$30,097 thousand for the three months ended September 30, 2020 and 2019; \$44,183 thousand and \$79,640 thousand for the nine months ended September 30, 2020 and 2019, respectively.

Financial assets (liabilities) at FVTPL - current

	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Associates			
Far Eastern International Bank	<u>\$ 762</u>	<u>\$ (4,114)</u>	<u>\$ 9,585</u>

The Group signed forward exchange contracts and option contracts with Far Eastern International Bank. The gain (loss) of financial assets (liabilities) at FVTPL were \$(32,873) thousand and \$24,174 thousand for the three months ended September 30, 2020 and 2019; \$(30,452) thousand and \$16,078 thousand for the nine months ended September 30, 2020 and 2019, respectively.

Note:

1. The terms of sales to and purchases from other related parties were based on the agreements.
2. The Group had sold investment properties - land to Far Eastern Medical Foundation in 2015. As of September 30, 2019, the unreceived amount which recognized as other receivables and long-term receivables from related parties were \$450,000 thousand and \$450,000 thousand, respectively, which have been fully received as of December 31, 2019.
3. The Group purchased the materials and other inventories for an associate, Far Eastern Union Petrochemical (Yangzhou) Corporation. As of September 30, 2020, December 31, 2019 and September 30, 2019, the amount which recognized as other receivables were \$4,090 thousand \$28,862 thousand, and \$48,653 thousand, respectively.

(Concluded)

## FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Maximum Amounts Allowed for the Period	Amounts Allowed for Ending Period	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
1	Yuan Ding Investment Co., Ltd.	Far Eastern Resources Development Co., Ltd.	Receivables from related parties	Yes	\$ 1,500,000	\$ 1,500,000	\$ -	-	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 3,866,352	\$ 19,331,760	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Note E)
		Oriental Resources Development Co., Ltd.	Receivables from related parties	Yes	50,000	50,000	-	-	2	-	For revolving fund	-	Promissory note	-	3,866,352	19,331,760	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Note E)
		Yuan Tong Investment Co., Ltd.	Receivables from related parties	Yes	750,000	500,000	-	-	2	-	For revolving fund	-	Promissory note	-	3,866,352	19,331,760	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Note E)
		Ding Yuan International Investment Co., Ltd.	Receivables from related parties	Yes	400,000	300,000	-	-	2	-	For revolving fund	-	Promissory note	-	3,866,352	19,331,760	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Note E)
		Yu Ding Industry Co., Ltd.	Receivables from related parties	Yes	810,000	810,000	-	1.05	2	-	For revolving fund	-	Promissory note	-	3,866,352	19,331,760	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Note E)
		Da Ju Fiber Co., Ltd.	Receivables from related parties	Yes	1,060,000	1,060,000	-	1.05	2	-	For revolving fund	-	Promissory note	-	3,866,352	19,331,760	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Note E)
		Kai Yuan International Investment Co., Ltd.	Receivables from related parties	Yes	1,200,000	900,000	-	-	2	-	For revolving fund	-	Promissory note	-	3,866,352	19,331,760	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Note E)
		Oriental Green Materials Limited	Receivables from related parties	Yes	600,000	400,000	-	1.05	2	-	For revolving fund	-	Promissory note	-	3,866,352	19,331,760	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Note E)
		Oriental Petrochemical (Taiwan) Corporation	Receivables from related parties	Yes	1,500,000	1,000,000	-	-	2	-	For revolving fund	-	Promissory note	-	3,866,352	19,331,760	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Note E)
		Far Eastern Apparel Co., Ltd.	Receivables from related parties	Yes	350,000	0	-	1.05	2	-	For revolving fund	-	Promissory note	-	3,866,352	19,331,760	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Note E)
		An Ho Garment Co., Ltd.	Receivables from related parties	Yes	800,000	600,000	-	-	2	-	For revolving fund	-	Promissory note	-	3,866,352	19,331,760	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Note E)

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Maximum Amounts Allowed for the Period	Amounts Allowed for Ending Period	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
2	Yuan Tong Investment Co., Ltd.	Sino Belgium (Holding) Ltd.	Receivables from related parties	Yes	\$ 181,500	\$ 174,600	\$ 157,140	0.3322-2.09922	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 888,136	\$ 4,440,678	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note K)
		Oriental Resources Development Co., Ltd.	Receivables from related parties	Yes	170,000	170,000	-	-	2	-	For revolving fund	-	Promissory note	-	888,136	4,440,678	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note K)
3	Far Eastern Resources Development Co., Ltd.	Kai Yuan International Investment Co., Ltd.	Receivables from related parties	Yes	250,000	-	-	-	2	-	For revolving fund	-	Promissory note	-	2,700,136	13,500,680	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note K)
		An Ho Garment Co., Ltd.	Receivables from related parties	Yes	250,000	-	-	-	2	-	For revolving fund	-	Promissory note	-	2,700,136	13,500,680	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Notes K and J)
4	New Century InfoComm Tech Co., Ltd.	Yuanshi Digital Technology Co., Ltd.	Receivables from related parties	Yes	300,000	-	-	1.28-1.53	2	-	For revolving fund	-	-	-	9,534,975	11,929,968	Amounts allowed for ending period (Note B); maximum amounts allowed for the period (Note C)
		Far EasTone Telecommunications Co., Ltd.	Receivables from related parties	Yes	1,500,000	1,500,000	1,500,000	0.58-0.83	1	2,270,064	-	-	-	-	2,270,064	11,929,968	Amounts allowed for ending period (Note R); maximum amounts allowed for the period (Note C)
		Far EasTone Telecommunications Co., Ltd.	Receivables from related parties	Yes	9,500,000	8,500,000	6,500,000	0.58-0.83	2	-	For revolving fund	-	-	-	9,543,975	11,929,968	Amounts allowed for ending period (Note B); maximum amounts allowed for the period (Note C)
5	Yuan Ding Co., Ltd.	Ding Ding Hotel Co., Ltd.	Receivables from related parties	Yes	800,000	800,000	200,000	0.8664-0.8857	2	-	For revolving fund	-	Promissory note	-	1,601,525	4,003,812	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note K)
6	Far Eastern Investment (Holding) Ltd.	Far Eastern New Apparel (Vietnam) Ltd.	Receivables from affiliates	Yes	582,000	582,000	-	-	2	-	For revolving fund	-	Promissory note	-	12,851,647	38,554,942	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
		Far Eastern Polytex (Vietnam) Ltd.	Receivables from affiliates	Yes	1,481,500	-	-	0-2.67173	2	-	For revolving fund	-	Promissory note	-	12,851,647	38,554,942	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
7	Oriental Textile (Holding) Ltd.	Far Eastern Polytex (Vietnam) Ltd.	Receivables from affiliates	Yes	-	-	-	2.09922	2	-	For revolving fund	-	Promissory note	-	3,667,730	11,003,190	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
8	APG Polytech USA Holdings, Inc.	Phoenix Technologies International, LLC	Receivables from affiliates	Yes	145,500	145,500	-	-	2	-	For revolving fund	-	Promissory note	-	7,326,316	21,978,947	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Maximum Amounts Allowed for the Period	Amounts Allowed for Ending Period	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
9	Malaysia Garment Manufactures Pte. Ltd.	Arpeggio International Resources Corporation	Receivables from affiliates	Yes	\$ 72,750	\$ 72,750	\$ 29,100	0.33220-2.09922	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 101,137	\$ 101,137	Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note J)
10	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	2,134,500	2,134,500	1,323,475	3.49-3.94	2	-	For revolving fund	-	Promissory note	-	2,670,748	5,934,996	Amounts allowed for ending period (Note L); maximum amounts allowed for the period (Note O)
11	Far Eastern Apparel (Suzhou) Co., Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	1,195,320	1,195,320	804,164	2.60-3.69	2	-	For revolving fund	-	Promissory note	-	1,391,033	3,091,184	Amounts allowed for ending period (Note L); maximum amounts allowed for the period (Note O)
12	Far Eastern Industries (Suzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	1,323,390	1,323,390	1,253,105	2.60-3.10	2	-	For revolving fund	-	Promissory note	-	1,411,248	3,136,107	Amounts allowed for ending period (Note L); maximum amounts allowed for the period (Note O)
13	Oriental Industries (Suzhou) Ltd.	Far Eastern Innovation Apparel (Suzhou) Co., Ltd.	Other receivables - loans to related parties	Yes	213,450	-	-	-	2	-	For revolving fund	-	Promissory note	-	5,224,569	11,610,152	Amounts allowed for ending period (Note L); maximum amounts allowed for the period (Note O)
		Far Eastern New Century (China) Investment Co., Ltd.	Other receivables - loans to related parties	Yes	213,450	-	-	3.90980	2	-	For revolving fund	-	Promissory note	-	5,224,569	11,610,152	Amounts allowed for ending period (Note L); maximum amounts allowed for the period (Note O)
		Far Eastern Apparel (Suzhou) Co., Ltd.	Other receivables - loans to related parties	Yes	426,900	426,900	-	-	2	-	For revolving fund	-	Promissory note	-	5,224,569	11,610,152	Amounts allowed for ending period (Note L); maximum amounts allowed for the period (Note O)
		Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	426,900	426,900	-	-	2	-	For revolving fund	-	Promissory note	-	5,224,569	11,610,152	Amounts allowed for ending period (Note L); maximum amounts allowed for the period (Note O)
		Far Eastern Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	1,280,700	1,280,700	-	-	2	-	For revolving fund	-	Promissory note	-	5,224,569	11,610,152	Amounts allowed for ending period (Note L); maximum amounts allowed for the period (Note O)
		Far Eastern Industries (Wuxi) Ltd.	Other receivables - loans to related parties	Yes	853,800	853,800	-	-	2	-	For revolving fund	-	Promissory note	-	5,224,569	11,610,152	Amounts allowed for ending period (Note L); maximum amounts allowed for the period (Note O)
		Sino Belgium Beer (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	1,067,250	1,067,250	734,524	3.47-3.91	2	-	For revolving fund	-	Promissory note	-	5,224,569	11,610,152	Amounts allowed for ending period (Note L); maximum amounts allowed for the period (Note O)
		Oriental Petrochemical (YangZhou) Corporation	Other receivables - loans to related parties	Yes	683,040	683,040	683,040	3.47-3.91	2	-	For revolving fund	-	Promissory note	-	2,322,030	2,322,030	Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note J)
14	Far Eastern Industries (Wuxi) Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	838,800	838,800	76,842	2.60-4.31	2	-	For revolving fund	-	Promissory note	-	2,538,180	5,640,400	Amounts allowed for ending period (Note L); maximum amounts allowed for the period (Note O)

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Maximum Amounts Allowed for the Period	Amounts Allowed for Ending Period	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
15	Suzhou An Ho Apparel Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	\$ 38,421	\$ 38,421	\$ 38,421	2.60-3.10	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 48,061	\$ 106,802	Amounts allowed for ending period (Note L); maximum amounts allowed for the period (Note O)
16	Far Eastern Innovation Apparel (Suzhou) Co., Ltd.	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	426,900	426,900	426,900	2.60-3.10	2	-	For revolving fund	-	Promissory note	-	928,186	2,062,636	Amounts allowed for ending period (Note L); maximum amounts allowed for the period (Note O)
		Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	768,420	640,350	572,046	2.60-3.10	2	-	For revolving fund	-	Promissory note	-	928,186	2,062,636	Amounts allowed for ending period (Note L); maximum amounts allowed for the period (Note O)
17	Oriental Petrochemical (Shanghai) Corporation	Far Eastern New Century (China) Investment Co., Ltd.	Other receivables - loans to related parties	Yes	213,450	-	-	-	2	-	For revolving fund	-	Promissory note	-	279,051	837,152	Amounts allowed for ending period (Note F); maximum amounts allowed for the period (Note H)
18	Far Eastern Industries (Shanghai) Ltd.	Far Eastern Union Petrochemical (Yangzhou) Corporation	Other receivables - loans to related parties	Yes	1,280,700	1,280,700	1,280,700	3.60-3.87	2	-	For revolving fund	-	Promissory note	-	3,237,187	3,237,187	Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note J)
		Far Eastern New Century (China) Investment Co., Ltd.	Other receivables - loans to related parties	Yes	640,350	-	-	-	2	-	For revolving fund	-	Promissory note	-	4,046,484	7,283,671	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note L)
19	Wuhan Far Eastern New Material Ltd.	Far Eastern New Century (China) Investment Co., Ltd.	Other receivables - loans to related parties	Yes	128,070	-	-	-	2	-	For revolving fund	-	Promissory note	-	455,083	819,149	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note L)
20	Far Eastern New Century (China) Investment Co., Ltd.	Shanghai Yuan Zi Information Technology Co., Ltd.	Other receivables - loans to related parties	Yes	42,690	-	-	-	2	-	For revolving fund	-	Promissory note	-	11,469,971	16,057,960	Amounts allowed for ending period (Note P); maximum amounts allowed for the period (Note Q)
		Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	1,067,250	-	-	1.21	2	-	For revolving fund	-	Promissory note	-	11,469,971	16,057,960	Amounts allowed for ending period (Note P); maximum amounts allowed for the period (Note Q)
		Wuhan Far Eastern New Material Ltd.	Other receivables - loans to related parties	Yes	128,070	-	-	1.21	2	-	For revolving fund	-	Promissory note	-	11,469,971	16,057,960	Amounts allowed for ending period (Note P); maximum amounts allowed for the period (Note Q)
		Far Eastern Industries (Shanghai) Ltd.	Other receivables - loans to related parties	Yes	2,988,300	-	-	1.21	2	-	For revolving fund	-	Promissory note	-	11,469,971	16,057,960	Amounts allowed for ending period (Note P); maximum amounts allowed for the period (Note Q)
		Shanghai Far Eastern Petrochemical Logistic Corporation	Other receivables - loans to related parties	Yes	51,228	-	-	1.21	2	-	For revolving fund	-	Promissory note	-	11,469,971	16,057,960	Amounts allowed for ending period (Note P); maximum amounts allowed for the period (Note Q)
		Oriental Petrochemical (Shanghai) Corporation	Other receivables - loans to related parties	Yes	213,450	-	-	1.21	2	-	For revolving fund	-	Promissory note	-	1,835,195	1,835,195	Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note J)

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Maximum Amounts Allowed for the Period	Amounts Allowed for Ending Period	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
21	Shanghai Yuan Zi Information Technology Co., Ltd.	Far Eastern New Century (China) Investment Co., Ltd.	Other receivables - loans to related parties	Yes	\$ 42,690	\$ -	\$ -	-	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 55,976	\$ 83,964	Amounts allowed for ending period (Note M); maximum amounts allowed for the period (Note N)
22	Shanghai Far Eastern Petrochemical Logistic Corporation	Far Eastern New Century (China) Investment Co., Ltd.	Other receivables - loans to related parties	Yes	51,228	-	-	-	2	-	For revolving fund	-	Promissory note	-	66,763	120,174	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note L)
23	Far Eastern Industries (Yangzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	298,830	298,830	298,830	3.30-3.60	2	-	For revolving fund	-	Promissory note	-	1,207,769	2,683,932	Amounts allowed for ending period (Note L); maximum amounts allowed for the period (Note O)
		Far Eastern Union Petrochemical (Yangzhou) Corporation	Other receivables - loans to related parties	Yes	512,280	512,280	512,280	3.30-3.60	2	-	For revolving fund	-	Promissory note	-	536,786	536,786	Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note J)

Notes: A. Reasons for financing are as follows:

1. Business relationship.
2. For short-term financing.

- B. The limitation is 40% of the net value of the financier based on reviewed financial statements as of September 30, 2020.
- C. The limitation is 50% of the net value of the financier based on reviewed financial statements as of September 30, 2020.
- D. The limitation is 10% of the net value of the financier based on reviewed financial statements as of June 30, 2020.
- E. The limitation is 50% of the net value of the financier based on reviewed financial statements as of June 30, 2020.
- F. The limitation is 5% of the net value of the financier based on audited financial statements as of December 31, 2019.
- G. The limitation is 10% of the net value of the financier based on audited financial statements as of December 31, 2019.
- H. The limitation is 15% of the net value of the financier based on audited financial statements as of December 31, 2019.
- I. The limitation is 20% of the net value of the financier based on audited financial statements as of December 31, 2019.
- J. The limitation is 40% of the net value of the financier based on audited financial statements as of December 31, 2019.
- K. The limitation is 50% of the net value of the financier based on audited financial statements as of December 31, 2019.
- L. The limitation is 90% of the net value of the financier based on audited financial statements as of December 31, 2019.
- M. The limitation is 100% of the net value of the financier based on audited financial statements as of December 31, 2019.
- N. The limitation is 150% of the net value of the financier based on audited financial statements as of December 31, 2019.
- O. The limitation is 200% of the net value of the financier based on audited financial statements as of December 31, 2019.
- P. The limitation is 250% of the net value of the financier based on audited financial statements as of December 31, 2019.
- Q. The limitation is 350% of the net value of the financier based on audited financial statements as of December 31, 2019.
- R. The limitation is business transaction amount.

(Concluded)



## FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/ Guarantor	Endorsee/Guarantee		Limits on Each Counterparty's Endorsement/ Guarantee Amounts	Maximum Amounts Allowed for the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsements/ Guarantees to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit	Endorsements /Guarantees Given by Parent on Behalf of Subsidiaries (Note P)	Endorsements /Guarantees Given by Subsidiaries on Behalf of Parent (Note P)	Endorsements /Guarantees Given on Behalf of Companies in Mainland China (Note P)	Note
		Name	Relationship											
1	Yuan Ding Investment Co., Ltd.	Da Ju Fiber Co., Ltd.	(Note A)	\$ 19,331,760	\$ 268,000	\$ 268,000	\$ 120,000	\$ -	0.69	\$ 38,663,519	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note E); maximum amounts allowed for the period (Note F)
		APG Polytech, LLC	(Note B)	19,331,760	6,724,480	6,081,900 (Note P)	2,066,100	-	15.73	20,088,324	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note I); maximum amounts allowed for the period (Note J)
		APG Polytech USA Holdings, Inc.	(Note B)	19,331,760	2,692,250	2,153,400 (Note P)	101,850	-	5.57	20,088,324	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note I); maximum amounts allowed for the period (Note J)
		Far Eastern Ishizuka Green Pet Corporation	(Note B)	19,331,760	672,240	661,440	-	-	1.71	20,088,324	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note I); maximum amounts allowed for the period (Note J)
		Phoenix Technologies International, LLC	(Note B)	19,331,760	1,164,000	1,164,000	515,070	-	3.01	20,088,324	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note I); maximum amounts allowed for the period (Note J)
2	Far Eastern Resources Development Co., Ltd.	Far Eastern New Century Corporation	(Note C)	13,500,680	5,658,332	5,158,332	2,640,000	5,158,332	2.57	27,001,359	-	Yes	-	Limits on each counterparty's endorsement/guarantee amounts (Note G); maximum amounts allowed for the period (Note H)
3	Yuan Ding Co., Ltd.	Ding Ding Hotel Co., Ltd.	(Note D)	4,003,812	1,303,000	1,250,000	570,000	250,000	0.62	8,007,624	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note G); maximum amounts allowed for the period (Note H)
4	Far Eastern Investment (Holding) Ltd.	APG Polytech USA Holdings, Inc.	(Note D)	100,441,619	6,664,075	6,410,730	582,000	-	3.19	200,883,238	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note K); maximum amounts allowed for the period (Note L)
		APG Polytech, LLC	(Note D)	100,441,619	2,607,550	2,101,020	505,322	-	1.05	200,883,238	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note K); maximum amounts allowed for the period (Note L)
		Phoenix Technologies International, LLC	(Note D)	100,441,619	605,000	-	-	-	-	200,883,238	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note K); maximum amounts allowed for the period (Note L)

Notes: A. Shareholder of the investee provides endorsements/guarantees to the company in proportion to their shareholding percentages.

B. In between companies that were held over 90% of voting shares directly or indirectly by an entity.

C. The company that owns directly or indirectly hold over 50% ownership of the Corporation.

D. The Corporation owns directly or indirectly over 50% ownership of the investee company.

E. The amount of the collateral/guarantees is based on 50% of the net value of the guarantor from the latest reviewed financial statements.

F. The amount of the collateral/guarantees is based on the net value of the guarantor from the latest reviewed financial statements.

(Continued)

- G. The amount of the collateral/guarantees is based on 50% of the net value of the guarantor from the latest audited financial statements.
- H. The amount of the collateral/guarantees is based on the net value of the guarantor from the latest reviewed financial statements.
- I. The amount of the collateral/guarantees is based on the lower of 10% of the net value of the ultimate parent company from the reviewed financial statements as of September 30, 2020, and 50% of the net value of Yuan Ding Investment Co., Ltd. from the reviewed financial statements as of June 30, 2020.
- J. The amount of the collateral/guarantees is based on the lower of 10% of the net value of the ultimate parent company from the reviewed financial statements as of September 30, 2020, and the net value of Yuan Ding Investment Co., Ltd. from the reviewed financial statements as of June 30, 2020.
- K. The amount of the collateral/guarantees is based on 50% of the net value of the ultimate parent company from the latest reviewed financial statements.
- L. The amount of the collateral/guarantees is based on the net value of the ultimate parent company from the latest reviewed financial statements.
- M. The ratio of accumulated endorsements/guarantees to net equity in latest financial statements is calculated in accordance with Regulations Governing Loaning of Funds and Marketing of Endorsements/Guarantees by Public Companies.
- N. There will be a "Yes" if the situation meets any with endorsement/guarantee given by parent on behalf of subsidiaries, endorsement/guarantee given by subsidiaries on behalf of parent and endorsement/guarantee given on behalf of companies in mainland China.
- O. The tariff guarantee maximum amounts allowed for a subsidiary in mainland China for the period and the actual appropriation as of period end are as follows: Oriental Industries (Suzhou) Ltd.: RMB3,000 thousand (NT\$12,807 thousand), the actual remittance: RMB3,000 thousand (NT\$12,807 thousand). Far Eastern Apparel (Suzhou) Co., Ltd.: RMB2,000 thousand (NT\$8,538 thousand), the actual remittance: RMB2,000 thousand (NT\$8,538 thousand). Far Eastern Industries (Shanghai) Ltd.: RMB13,000 thousand (NT\$55,497 thousand), the actual remittance: RMB13,000 thousand (NT\$55,497 thousand).
- P. The amount for the endorsement/guarantee to APG USA Holdings, Inc. which provided by Yuan Ding Investment Co., Ltd. is \$64,000 thousand which provided by bank to APG Polytech, LLC. and APG USA Holdings, Inc.

(Concluded)

## FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

## MARKETABLE SECURITIES HELD

SEPTEMBER 30, 2020

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2020				Note
				Shares or Units (All Common Stock Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note H)	
Far Eastern New Century Corporation	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	750,511	\$ 18,469,600	22.33	\$ 31,146,220	19,900 thousand shares pledged or mortgaged as collateral for loans.  (Note F)
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	241,770	4,915,864	17.06	5,899,181	
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method	81,216	1,121,075	9.17	1,311,638	
	Everest Textile Corporation	(Note A)	Investments accounted for using the equity method	140	1,337	0.03	1,307	
	Oriental Securities Corporation	(Note A)	Investments accounted for using the equity method	141,961	1,967,184	19.65	-	
	Pacific Liu Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	135,000	1,948,079	16.83	-	
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	90,180	1,153,491	2.62	924,350	
	Yuan Ding Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	1,822,822	39,702,217	99.40	-	
	Far Eastern Resources Development Co., Ltd.	(Note A)	Investments accounted for using the equity method	775,836	106,250,749	100.00	-	
	Far Eastern Polytex (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	168	9,478,045	100.00	-	
	Far Eastern Polychem Industries Ltd.	(Note A)	Investments accounted for using the equity method	830,815	7,824,940	73.04	-	
	Yuan Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	739,953	8,456,312	100.00	-	
	Kai Yuan International Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	367,143	5,503,403	100.00	-	
	Far Eastern Investment (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	5,072	26,402,249	100.00	-	
	PET Far Eastern (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	397	4,984,800	91.95	-	
	Oriental Petrochemical (Taiwan) Corporation	(Note A)	Investments accounted for using the equity method	1,712,218	8,244,954	75.56	-	
	Far Eastern Construction Co., Ltd.	(Note A)	Investments accounted for using the equity method	245,829	9,839,360	65.11	-	
	Yuan Ding Co., Ltd.	(Note A)	Investments accounted for using the equity method	186,929	3,255,273	37.13	-	
	An Ho Garment Co., Ltd.	(Note A)	Investments accounted for using the equity method	75,704	2,069,150	100.00	-	
	Ding Yuan International Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	255,031	3,050,321	100.00	-	
FEDP (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	244	907,839	50.43	-		
Fu Kwok Knitting & Garment Co., Ltd.	(Note A)	Investments accounted for using the equity method	4,000	221,453	100.00	-		
Ding Ding Hotel Co., Ltd.	(Note A)	Investments accounted for using the equity method	769	9,076	0.74	-		
Far Eastern Textile Ltd.	(Note A)	Investments accounted for using the equity method	100	1,718	100.00	-		
FE Oriental Investment Holding (Singapore) Pte. Ltd.	(Note A)	Investments accounted for using the equity method	50	101,635	100.00	-		
Yuan Ding Investment Co., Ltd.	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	52,722	2,130,366	1.57	2,187,943	8,807 thousand shares pledged or mortgaged as collateral for loans.  31,600 thousand shares pledged or mortgaged as collateral for loans.
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method	70,818	1,153,623	8.00	1,143,706	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	139,785	3,270,800	9.87	3,410,754	
	Everest Textile Corporation	(Note A)	Investments accounted for using the equity method	128,618	963,849	25.23	1,202,582	
	Far Eastone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	1,066,658	21,368,148	32.73	65,066,114	
	Far Eastern Polychem Industries Ltd.	(Note A)	Investments accounted for using the equity method	306,644	2,888,286	26.96	-	
	Far Eastern Apparel (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	111	4,088,213	100.00	-	
	Da Ju Fiber Co., Ltd.	(Note A)	Investments accounted for using the equity method	64,662	2,301,359	41.86	-	
	Far Eastern Apparel Co., Ltd.	(Note A)	Investments accounted for using the equity method	24,772	52,293	100.00	-	
	Yuan Faun Co., Ltd.	(Note A)	Investments accounted for using the equity method	5,000	144,026	100.00	-	
	Yue Ming Corporation	(Note A)	Investments accounted for using the equity method	4,745	67,643	45.50	-	
	Yuan Ding Leasing Corporation	(Note A)	Investments accounted for using the equity method	36,706	397,597	46.20	-	
	Far Eastern Fibertech Co., Ltd.	(Note A)	Investments accounted for using the equity method	91,000	1,072,758	100.00	-	
	Oriental Resources Development Co., Ltd.	(Note A)	Investments accounted for using the equity method	2,484	62,589	100.00	-	
	Liquid Air Far East Co., Ltd.	(Note A)	Investments accounted for using the equity method	86,615	2,246,584	35.00	-	
	Freudenberg Far Eastern Spunweb Co., Ltd.	(Note A)	Investments accounted for using the equity method	33,003	526,446	29.80	-	
	Oriental Securities Corporation	(Note A)	Investments accounted for using the equity method	187,470	2,704,420	25.96	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2020				Note
				Shares or Units (All Common Stock Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note H)	
	Yuan Ding Co., Ltd.	(Note A)	Investments accounted for using the equity method	64,759	\$ 1,141,619	12.86	\$ -	10,000 thousand shares pledged or mortgaged as collateral for loans.
	Far Eastern International Leasing Corporation	(Note A)	Investments accounted for using the equity method	75,268	943,621	16.87	-	
	Oriental Textile (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	110	7,543,333	100.00	-	(Note F)
	Pacific Liu Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	119,653	1,640,388	14.92	-	
	Yu Yuan Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	98,198	1,000,421	18.96	-	
	Far Eastern General Contractor Inc.	(Note A)	Investments accounted for using the equity method	1,490	22,587	1.00	-	
	Oriental Petrochemical (Taiwan) Corporation	(Note A)	Investments accounted for using the equity method	117,746	587,436	5.20	-	
	Oriental Green Materials Limited	(Note A)	Investments accounted for using the equity method	55,311	576,966	100.00	-	
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	122,687	1,568,774	3.56	1,257,537	
	Chung Nan Textile Co., Ltd.	(Note L)	Financial asset at FVTOCI - non-current	2,985	89,456	5.27	89,456	
	Overseas Investment and Development Co., Ltd.	-	Financial asset at FVTOCI - non-current	1,000	6,230	1.11	6,230	
	Universal Venture Capital Investment Corporation	-	Financial asset at FVTOCI - non-current	1,400	9,646	1.16	9,646	
	China Investment and Development Co., Ltd.	(Note L)	Financial asset at FVTOCI - non-current	1,287	9,884	0.80	9,884	
	Taiwan Stock Exchange Corporation	-	Financial asset at FVTOCI - non-current	1,169	64,267	0.16	64,267	
	Oriental Securities Investment Consultant Co., Ltd.	(Note I)	Financial asset at FVTOCI - non-current	1	11	-	11	
	Dah Chung Bills Finance Corporation	-	Financial asset at FVTOCI - non-current	2,254	31,372	0.50	31,372	
	U-Ming Marine Transport Corporation	(Note B)	Financial asset at FVTOCI - non-current	8,869	265,627	1.05	265,627	
	Financial assets under asset management contracts (Note E)							
	Yuanta Taiwan Top 50 ETF	-	Financial assets at fair value through profit or loss - current	70	7,210	-	7,210	
	Yuanta Taiwan Dividend Plus ETF	-	Financial assets at fair value through profit or loss - current	275	7,150	-	7,150	
	Cathay FTSE China A50 ETF	-	Financial assets at fair value through profit or loss - current	128	3,016	-	3,016	
	Great Wall Enterprise Co., Ltd.	-	Financial assets at fair value through profit or loss - current	185	7,816	-	7,816	
	Longchen Paper & Packaging Co., Ltd.	-	Financial assets at fair value through profit or loss - current	250	4,187	-	4,187	
	Nantex Industry Co., Ltd.	-	Financial assets at fair value through profit or loss - current	190	9,481	-	9,481	
	Taiwan Semiconductor Manufacturing Co., Ltd.	-	Financial assets at fair value through profit or loss - current	30	12,990	-	12,990	
	Everlight Electronics Co., Ltd.	-	Financial assets at fair value through profit or loss - current	239	8,843	-	8,843	
	Merry Eletronics Co., Ltd.	-	Financial assets at fair value through profit or loss - current	80	11,840	-	11,840	
	Kindom Construction Corp.	-	Financial assets at fair value through profit or loss - current	500	19,550	-	19,550	
	Unimicron Technology Corp.	-	Financial assets at fair value through profit or loss - current	30	2,232	-	2,232	
	International Games System Co., Ltd.	-	Financial assets at fair value through profit or loss - current	14	10,794	-	10,794	
	AURAS Technology Co., Ltd.	-	Financial assets at fair value through profit or loss - current	40	9,580	-	9,580	
	Arcadyan Technology Corporation	-	Financial assets at fair value through profit or loss - current	143	12,169	-	12,169	
	Zhen Ding Tech.	-	Financial assets at fair value through profit or loss - current	40	5,040	-	5,040	
	Cyberlink Corp.	-	Financial assets at fair value through profit or loss - current	145	16,458	-	16,458	
	Farglory Land Development Co., Ltd.	-	Financial assets at fair value through profit or loss - current	680	30,906	-	30,906	
	Oriental Petrochemical (Taiwan) Corporation	(Note A)	Financial assets at amortized cost - non-current	0.03	3,000,000	-	-	
	2020 First Term Unsecured Privately Placed Corporate Bonds							
Far Eastern Investment (Holding) Ltd.	Filsyn Corporation	(Note A)	Investments accounted for using the equity method	45,066	-	21.85	-	
	FETG Investment Antilles N.V.	(Note A)	Investments accounted for using the equity method	6	32,340	100.00	-	
	PET Far Eastern (M) Sdn. Bhd.	(Note A)	Investments accounted for using the equity method	Common stock 5,000	250,493	50.00	-	
				Preferred stock 3,000				
	Com2B	(Note A)	Investments accounted for using the equity method	9,000	-	20.00	-	
	Far Eastern Apparel (Vietnam) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	983,550	100.00	-	
	Worldwide Polychem (HK) Ltd.	(Note A)	Investments accounted for using the equity method	2,700	155,316	100.00	-	
	Opas Fund Segregated Portfolio Company	(Note A)	Investments accounted for using the equity method	(Note G)	1,619	34.00	-	
	Far Eastern Polytex (Vietnam) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	7,405,133	100.00	-	
	Far Eastern New Apparel (Vietnam) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	290,178	100.00	-	
	Magna View Sdn. Bhd.	(Note A)	Investments accounted for using the equity method	3,000	248,654	100.00	-	
	Malaysia Garment Manufactures Pte. Ltd.	(Note A)	Investments accounted for using the equity method	30	455,814	37.92	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2020				Note
				Shares or Units (All Common Stock Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note H)	
	Drive Catalyst SPC	(Note A)	Investments accounted for using the equity method	(Note G)	\$ 504	34.00	\$ -	
	APG Polytech USA Holdings, Inc.	(Note A)	Investments accounted for using the equity method	5	14,406,823	100.00	-	
	Drive Catalyst SPC-SP Tranche One	(Note A)	Investments accounted for using the equity method	4	115,372	25.00	-	
	Drive Catalyst SPC-SP Tranche Three	(Note A)	Investments accounted for using the equity method	4	114,369	25.00	-	
	Far Eastern International Garments	(Note A)	Other liabilities - other	59	(11,987)	41.00	-	
	Cemtex Apparel Inc.	(Note A)	Other liabilities - other	90	(11,123)	50.00	-	
	Opas Fund Segregated Portfolio Tranche B	(Note K)	Financial assets at fair value through profit or loss - current	5	166,987	-	166,987	
	Opas Fund Segregated Portfolio Tranche C	(Note K)	Financial assets at fair value through profit or loss - current	6	329,431	-	329,431	
APG Polytech USA Holdings, Inc.	Corpus Christi Polymers LLC	(Note N)	Investments accounted for using the equity method	(Note G)	12,164,609	33.33	-	
	APG Polytech, LLC	(Note A)	Investments accounted for using the equity method	(Note G)	2,672,324	100.00	-	
	Phoenix Technologies International, LLC	(Note A)	Investments accounted for using the equity method	(Note G)	284,768	100.00	-	
Magna View Sdn. Bhd.	PET Far Eastern (M) Sdn. Bhd.	(Note A)	Investments accounted for using the equity method	Common stock 5,000 Preferred stock 3,000	250,493	50.00	-	
Ding Yuan International Investment Co., Ltd.	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	12,279	446,020	0.37	509,567	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	5,903	127,589	0.42	144,033	
	Everest Textile Corporation	(Note A)	Investments accounted for using the equity method	1,183	7,752	0.23	11,059	
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method	27,365	613,941	3.09	441,953	
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	920	40,482	0.03	56,099	
	Pacific Liu Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	18,000	241,347	2.24	-	(Note F)
	Yu Ding Industry Co., Ltd.	(Note A)	Investments accounted for using the equity method	15,738	427,751	13.20	-	
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	91,166	1,165,111	2.64	934,447	5,000 thousand shares pledged or mortgaged as collateral for loans.
	U-Ming Marine Transport Corporation	(Note C)	Financial asset at FVTOCI - non-current	1,020	30,549	0.12	30,549	
Kai Yuan International Investment Co., Ltd.	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	25,312	973,041	0.75	1,050,469	
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	34,299	1,088,522	1.05	2,092,241	12,950 thousand shares pledged or mortgaged as collateral for loans.
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method	32,474	608,630	3.67	524,458	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	20,672	583,282	1.46	504,401	
	Kowloon Cement Corporation	(Note A)	Investments accounted for using the equity method	1,127	464,945	49.00	-	
	Far Eastern International Leasing Corporation	(Note A)	Investments accounted for using the equity method	74,970	944,587	16.80	-	
	Pacific Liu Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	18,000	241,549	2.24	-	(Note F)
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	110,679	1,415,055	3.21	1,134,458	
	U-Ming Marine Transport Corporation	(Note C)	Financial asset at FVTOCI - non-current	1,861	55,737	0.22	55,737	
Far Eastern Polychem Industries Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	7,728,322	87.64	-	
	PET Far Eastern (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	35	436,975	8.05	-	
	FEDP (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	240	892,357	49.57	-	
	Far Eastern Industries (Yangzhou) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	1,347,638	100.00	-	
	Far Eastern Ishizuka Green Pet Corporation	(Note A)	Investments accounted for using the equity method	3,578	1,095,237	90.00	-	
	Nippon Parison Co., Ltd.	-	Financial asset at FVTOCI - non-current	4	137,135	10.00	137,135	
Far Eastern Construction Co., Ltd.	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	17,726	587,286	0.53	735,634	
	Far Eastern General Contractor Inc.	(Note A)	Investments accounted for using the equity method	147,413	2,082,526	98.95	-	
	U-Ming Marine Transport Corporation	(Note C)	Financial asset at FVTOCI - current	1,590	47,614	0.19	47,614	
Far Eastern Apparel (Holding) Ltd.	Far Eastern Apparel (Suzhou) Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	601,781	38.46	-	
	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	3,129,301	100.00	-	
	Far Eastern Innovation Apparel (Suzhou) Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	1,045,521	100.00	-	
	Opas Fund Segregated Portfolio Tranche C	(Note K)	Financial assets at fair value through profit or loss - current	5	294,291	-	294,291	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2020				Note
				Shares or Units (All Common Stock Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note H)	
Far Eastern Apparel Co., Ltd.	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	469	\$ 15,678	0.01	\$ 19,464	
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	90	5,970	-	5,490	
	Yu Ding Industry Co., Ltd.	(Note A)	Investments accounted for using the equity method	12	152	0.01	-	
Far Eastern General Contractor Inc.	Far Eastern Technical Consultants Co., Ltd.	(Note A)	Investments accounted for using the equity method	450	6,896	9.00	-	
	U-Ming Marine Transport Corporation	(Note C)	Financial asset at FVTOCI - current	746	22,358	0.09	22,358	
	Kaohsiung Rapid Transit Corporation	(Note K)	Financial asset at FVTOCI - non-current	9,687	55,604	3.48	55,604	
	Ya-Li Precast Prestressed Concrete Industries Corporation	(Note I)	Financial asset at FVTOCI - non-current	3,106	12,516	16.03	12,516	
	Jih Sun Money Market	-	Financial assets at fair value through profit or loss - current	1,484	22,163	-	22,163	
	CTBC Hwa-win Money Market Fund.	-	Financial assets at fair value through profit or loss - current	6,493	72,073	-	72,073	
	Union Money Market Fund	-	Financial assets at fair value through profit or loss - current	6,922	92,058	-	92,058	
	Shin Kong Chi-Shin Money-Market Fund	-	Financial assets at fair value through profit or loss - current	7,377	115,038	-	115,038	
	TCB Taiwan Money Market Fund	-	Financial assets at fair value through profit or loss - current	11,535	118,005	-	118,005	
Malaysia Garment Manufactures Pte. Ltd.	Filsyn Corporation	(Note A)	Investments accounted for using the equity method	20,513	-	9.95	-	
	Arpeggio International Resources Corporation	(Note A)	Investments accounted for using the equity method	(Note G)	-	40.00	-	
	PT Malaysia Garment Bintan	(Note A)	Other liabilities - other	(Note G)	(37)	99.00	-	
An Ho Garment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	40,818	995,690	1.25	2,489,873	7,500 thousand shares pledged or mortgaged as collateral for loans.
	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	6,094	248,344	0.18	252,887	
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method	11,204	239,397	1.26	180,945	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	370	11,639	0.03	9,023	
	Oriental Securities Corporation	(Note A)	Investments accounted for using the equity method	8,474	112,957	1.17	-	
	Yu Ding Industry Co., Ltd.	(Note A)	Investments accounted for using the equity method	18,682	409,354	15.66	-	
	Pacific Liu Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	9,681	135,141	1.21	-	
	Yuan Ding Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	5,502	163,475	0.30	-	
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	22,702	290,368	0.66	232,692	
Yuan Faun Co., Ltd.	Yuan Cheng Human Resources Consultant Corporation	(Note A)	Investments accounted for using the equity method	745	12,514	55.19	-	
	Yi Tong Fiber Co., Ltd.	-	Financial asset at FVTOCI - non-current	3,154	55,098	3.56	55,098	
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	4,811	61,559	0.14	49,308	
Fu Kwok Knitting & Garment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	520	17,735	0.02	31,720	
Yuan Tong Investment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	100,237	2,616,817	3.08	6,114,459	26,715 thousand shares pledged or mortgaged as collateral for loans.
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	54,528	1,631,184	3.85	1,330,472	
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method	49,705	1,586,574	5.61	802,742	
	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	32,465	1,302,743	0.97	1,347,314	
	Pacific Liu Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	18,000	240,351	2.24	-	
	Far Eastern Electronic Toll Collection Co., Ltd.	(Note A)	Investments accounted for using the equity method	35,934	491,327	11.98	-	
	Liquid Air Far East Co., Ltd.	(Note A)	Investments accounted for using the equity method	1	32	-	-	
	Sino Belgium (Holding) Ltd.	(Note A)	Other liabilities - other	36	(722,298)	90.88	-	
	Freudenberg Far Eastern Spunweb Co., Ltd.	(Note A)	Investments accounted for using the equity method	3	49	-	-	
	Malaysia Garment Manufactures Pte. Ltd.	(Note A)	Investments accounted for using the equity method	10	156,265	13.00	-	
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	110,457	1,411,816	3.20	1,132,188	
	Ding Shen Investment Co., Ltd.	(Note M)	Financial asset at FVTOCI - non-current	39,600	325,908	18.00	325,908	
	Bockhold N.V. - stock	-	Financial asset at FVTOCI - non-current	1	186,391	12.51	186,391	
	Financial assets under asset management contracts (Note E)							
Yuanta Taiwan Top 50 ETF	-	Financial assets at fair value through profit or loss - current	240	24,720	-	24,720		
Yuanta Daily CSI300 Bull 2X ETF	-	Financial assets at fair value through profit or loss - current	240	5,129	-	5,129		
Yuanta FTSE4Good TIP Taiwan ESG ETF	-	Financial assets at fair value through profit or loss - current	479	12,224	-	12,224		
Merry Eletronics Co., Ltd.	-	Financial assets at fair value through profit or loss - current	90	13,320	-	13,320		

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2020				Note
				Shares or Units (All Common Stock Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note H)	
	AURAS Technology Co., Ltd.	-	Financial assets at fair value through profit or loss - current	20	\$ 4,790	-	\$ 4,790	
	Topkey Corporation	-	Financial assets at fair value through profit or loss - current	38	5,434	-	5,434	
	Cyberlink Corp.	-	Financial assets at fair value through profit or loss - current	251	28,488	-	28,488	
Far Eastern Apparel (Suzhou) Co., Ltd.	Suzhou An Ho Apparel Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	54,085	100.00	-	
PET Far Eastern (Holding) Ltd.	Oriental Petrochemical (Shanghai) Corporation	(Note A)	Investments accounted for using the equity method	(Note G)	2,580,647	54.72	-	
	Far Eastern Union Petrochemical (Yangzhou) Corporation	(Note A)	Investments accounted for using the equity method	(Note G)	2,136,307	50.00	-	(Note R)
	Tong Da Air Industry (Yangzhou) Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	915,353	50.00	-	(Note R)
Oriental Textile (Holding) Ltd.	Far Eastern Industries (Wuxi) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	2,724,342	100.00	-	
	Oriental Industries (Suzhou) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	5,764,697	100.00	-	
	Opas Fund Segregated Portfolio Tranche A	(Note K)	Financial assets at fair value through profit or loss - current	8	287,273	-	287,273	
	Opas Fund Segregated Portfolio Tranche C	(Note K)	Financial assets at fair value through profit or loss - current	4	192,121	-	192,121	
FEDP (Holding) Ltd.	Far Eastern Industries (Suzhou) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	1,585,665	100.00	-	
FE Oriental Investment Holding (Singapore) Pte. Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	(Note A)	Investments accounted for using the equity method	49	98,725	100.00	-	
	Oriental Investment Holding (Netherlands) B.V.	(Note A)	Investments accounted for using the equity method	-	-	100.00	-	(Note P)
Oriental Investment Holding (Netherlands) B.V.	Oriental Martens (Netherlands) B.V.	(Note A)	Investments accounted for using the equity method	-	-	100.00	-	(Note Q)
Far Eastern Polytex (Holding) Ltd.	Wuhan Far Eastern New Material Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	899,951	100.00	-	
	Far Eastern Apparel (Suzhou) Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	962,913	61.54	-	
	Far Eastern New Century (China) Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	3,863,520	100.00	-	
	Far Eastern Yihua Petrochemical (Yangzhou) Corporation	(Note A)	Investments accounted for using the equity method	(Note G)	3,749,411	60.00	-	
Far Eastern New Century (China) Investment Co., Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	1,089,937	12.36	-	
	Shanghai Yuan Zi Information Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	66,882	100.00	-	
	Oriental Petrochemical (Shanghai) Corporation	(Note A)	Investments accounted for using the equity method	(Note G)	279,783	6.63	-	
	Yuan Ding Enterprise (Shanghai) Limited	(Note A)	Investments accounted for using the equity method	(Note G)	2,735,848	40.00	-	
Sino Belgium (Holding) Ltd.	Sino Belgium Beer (Suzhou) Ltd.	(Note A)	Other liabilities - other	(Note G)	(654,633)	100.00	-	
	Martens Beers (Shanghai) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	14,545	100.00	-	
Oriental Petrochemical (Shanghai) Corporation	Shanghai Far Eastern Petrochemical Logistic Corporation	(Note A)	Investments accounted for using the equity method	(Note G)	141,819	100.00	-	
Far Eastern Industries (Yangzhou) Ltd.	Harvest Money Market A	-	Financial assets at fair value through profit or loss - current	981	4,189	-	4,189	
Far Eastern Yihua Petrochemical (Yangzhou) Corporation	Harvest Money Market A	-	Financial assets at fair value through profit or loss - current	621,655	2,653,845	-	2,653,845	
Yuan Ding Co., Ltd.	YDT Technology International Co., Ltd.	(Note A)	Investments accounted for using the equity method	13,992	256,219	100.00	-	
	Ding Integrated Marketing Service Co., Ltd.	(Note A)	Investments accounted for using the equity method	21,787	179,786	60.00	-	
	Far Eastern Technical Consultants Co., Ltd.	(Note A)	Investments accounted for using the equity method	4,550	68,519	91.00	-	
	YDC (Virgin Islands) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	9,870	17.70	-	
	Yuanshi Digital Technology Co., Ltd.	(Note A)	Other liabilities - other	1,499	(212)	1.35	-	
	FET Consulting Engineers Co., Ltd.	(Note A)	Investments accounted for using the equity method	37,000	50,898	100.00	-	
	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	5,329	206,585	0.16	221,138	
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	4,164	105,289	0.13	253,974	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2020				Note
				Shares or Units (All Common Stock Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note H)	
	Yu Yuan Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	129,637	\$ 2,107,707	25.02	\$ -	119,000 thousand shares pledged or mortgaged as collateral for loans.
	Yue Ming Corporation	(Note A)	Investments accounted for using the equity method	104	681	1.00	-	
	Yu Ding Industry Co., Ltd.	(Note A)	Investments accounted for using the equity method	3,091	67,329	2.59	-	10,236 thousand shares pledged or mortgaged as collateral for loans.
	FEDS Asia Pacific Development Co., Ltd.	(Note A)	Investments accounted for using the equity method	10,650	136,530	5.00	-	
	Far Eastern Electronic Toll Collection Co., Ltd.	(Note A)	Investments accounted for using the equity method	44,796	607,018	14.93	-	87,966
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	8,582	109,848	0.25	-	
	Yuan Hsin Digital Payment Co., Ltd.	(Note A)	Investments accounted for using the equity method	15,535	84,645	20.00	-	
	Ding Ding Hotel Co., Ltd.	(Note A)	Investments accounted for using the equity method	102,509	265,048	98.52	-	
	Far Eastern New Century Corporation	(Note D)	Financial assets at fair value through profit or loss - current	779	19,718	-	19,718	
Ding Integrated Marketing Service Co., Ltd.	Yuanshi Digital Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	5	10	-	-	
	Yuan Hsin Digital Payment Co., Ltd.	(Note A)	Investments accounted for using the equity method	11,659	63,522	15.01	-	
	DDIM (Virgin Islands) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	23,508	46.13	-	
	Pacific SOGO Department Stores Co., Ltd.	(Note J)	Financial asset at FVTOCI - non-current	1	54	-	54	
	DFE DWS Taiwan Money Market	(Note K)	Financial assets at fair value through profit or loss - current	3,577	42,154	-	42,154	
Far Eastern Technical Consultants Co., Ltd.	Cosmos Foreign Exchange Intl. Co., Ltd.	-	Financial asset at FVTOCI - non-current	480	10,118	4.00	10,118	
FET Consulting Engineers Co., Ltd.	DDIM (Virgin Islands) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	27,452	53.87	-	
YDC (Virgin Islands) Ltd.	Yuan Ding Integrated Information Service (Shanghai) Inc.	(Note A)	Investments accounted for using the equity method	(Note G)	234	0.46	-	
	Speedy (Shanghai) digital Tech. Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	54,301	100.00	-	
DDIM (Virgin Islands) Ltd.	Yuan Ding Integrated Information Service (Shanghai) Inc.	(Note A)	Investments accounted for using the equity method	(Note G)	50,700	99.54	-	
YDT Technology International Co., Ltd.	Everest Textile Corporation	(Note A)	Investments accounted for using the equity method	130	974	0.03	1,218	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	2,764	97,022	0.20	67,439	
	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	61	2,334	-	2,512	
	YDC (Virgin Islands) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	45,894	82.30	-	
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	3,018	38,866	0.09	30,934	
	Oriental Securities Investment Consultant Co., Ltd.	(Note J)	Financial asset at FVTOCI - non-current	1	11	-	11	
Far Eastern Electronic Toll Collection Co., Ltd.	FETC International Co., Ltd.	(Note A)	Investments accounted for using the equity method	20,000	104,060	100.00	-	5,000 thousand shares pledged or mortgaged as collateral for loans.
	Millerful No.1 REIT	-	Financial asset at FVTOCI - non-current	30,000	311,400	-	311,400	
	Subordinated perpetual corporate bonds of Cathy Life Insurance Co., Ltd.	-	Financial assets at amortized cost - non-current	5,000	500,000	-	-	
FETC International Co., Ltd.	FETC International (Thailand) Co., Ltd.		Investments accounted for using the equity method	825	6,912	100.00	-	
Far EasTone Telecommunications Co., Ltd.	New Century InfoComm Tech Co., Ltd.	(Note A)	Investments accounted for using the equity method	2,100,000	26,373,310	100.00	-	
	ARCOA Communication Co., Ltd.	(Note A)	Investments accounted for using the equity method	82,762	694,019	61.63	-	
	KGEx.com Co., Ltd.	(Note A)	Investments accounted for using the equity method	68,897	862,071	99.99	-	
	Yuanshi Digital Technology Co., Ltd.	(Note A)	Other liabilities - other	107,004	(26,308)	96.18	-	
	Yuan Cing Co., Ltd.	(Note A)	Investments accounted for using the equity method	2,000	36,995	100.00	-	
	Far Eastern Info Service (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	1	4,691	100.00	-	
	Yuan Bao Fintech Co., Ltd.	(Note A)	Investments accounted for using the equity method	6,000	53,468	100.00	-	
	FarEasTone Property Insurance Agent Co., Ltd.	(Note A)	Investments accounted for using the equity method	500	45,263	100.00	-	
	Far Eastern Electronic Toll Collection Co., Ltd.	(Note A)	Investments accounted for using the equity method	118,251	1,193,926	39.42	-	
	Ding Integrated Marketing Service Co., Ltd.	(Note A)	Investments accounted for using the equity method	5,447	44,822	15.00	-	
	Yuan Hsin Digital Payment Co., Ltd.	(Note A)	Investments accounted for using the equity method	23,302	126,718	30.00	-	
	App Works Fund II Co., Ltd.	(Note L)	Financial asset at FVTOCI - non-current	7,500	68,008	11.11	68,008	
	CDIB Capital Innovation Accelerator Co., Ltd.	(Note L)	Financial asset at FVTOCI - non-current	9,000	92,630	10.71	92,630	
	LINE Bank Taiwan Limited	-	Financial asset at FVTOCI - non-current	50,000	463,729	5.00	463,729	

(Continued)



Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2020				Note
				Shares or Units (All Common Stock Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note H)	
ARCOA Communication Co., Ltd.	DataExpress Infotech Co., Ltd.	(Note A)	Investments accounted for using the equity method	13,896	\$ 209,758	70.00	\$ -	
	THI consultants	(Note L)	Financial asset at FVTOCI - non-current	1,214	12,190	18.32	12,190	
	Web Point Co., Ltd.	-	Financial asset at FVTOCI - non-current	161	1,618	0.63	1,618	
New Century InfoComm Tech Co., Ltd.	New Diligent Co., Ltd.	(Note A)	Investments accounted for using the equity method	54,000	82,582	100.00	-	
	Information Security Service Digital United Inc.	(Note A)	Investments accounted for using the equity method	10,249	93,716	100.00	-	
	Digital United (Cayman) Ltd.	(Note A)	Investments accounted for using the equity method	10,320	169,883	100.00	-	
	Yuanshi Digital Technology Co., Ltd.	(Note A)	Other liabilities - other	750	(184)	0.67	-	
	Ding Integrated Marketing Service Co., Ltd.	(Note A)	Investments accounted for using the equity method	1,816	14,941	5.00	-	
	Prime EcoPower Co., Ltd.	(Note A)	Investments accounted for using the equity method	16,000	130,351	100.00	-	
	Drive Catalyst SPC-SP Tranche One	(Note A)	Investments accounted for using the equity method	4	115,372	25.00	-	
	Drive Catalyst SPC-SP Tranche Three	(Note A)	Investments accounted for using the equity method	4	128,192	25.00	-	
	Nextlink Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	3,430	418,981	70.00	-	
	Kaohsiung Rapid Transit Corporation	(Note K)	Financial asset at FVTOCI - non-current	8,858	50,846	3.18	50,846	
	Bank Pro E-service Technology Co., Ltd.	-	Financial asset at FVTOCI - non-current	450	4,500	3.33	4,500	
Changing.ai Inc.	-	Financial asset at FVTOCI - non-current	500	15,246	2.50	15,246		
Opas Fund Segregated Portfolio Tranche A	Opas Fund Segregated Portfolio Tranche B	(Note K)	Financial assets at fair value through profit or loss - current	13	476,440	-	476,440	
		(Note K)	Financial assets at fair value through profit or loss - current	5	175,056	-	175,056	
New Diligent Co., Ltd.	Sino Lead Enterprise Limited	(Note A)	Investments accounted for using the equity method	30	307	100.00	-	
	Far East New Diligent Company Ltd.	(Note A)	Investments accounted for using the equity method	-	20,362	100.00	-	
	New Diligent Hong Kong Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	2,516	100.00	-	
DataExpress Infotech Co., Ltd.	Home Master Technology Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	37,856	100.00	-	(Note O)
Nextlink Technology Co., Ltd.	Microfusion Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	2,600	23,231	100.00	-	
	Microfusion Technology (HK) Co., Ltd.	(Note A)	Investments accounted for using the equity method	-	-	-	-	
Nextlink (HK) Technology Co., Ltd.	Nextlink (HK) Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	-	9,313	100.00	-	
	Digital United (Cayman) Ltd.	(Note A)	Other liabilities - other	(Note G)	(1,842)	100.00	-	
Digital United (Cayman) Ltd.	Digital United Information Technology (Shanghai) Ltd.	(Note A)	Other liabilities - other	(Note G)	(1,842)	100.00	-	
	TBCASoft, Inc.	-	Financial asset at FVTOCI - non-current	980	130,627	6.77	130,627	
Nextlink (HK) Technology Co., Ltd.	Nextlink (Shanghai) Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	913	70.00	-	

Notes: A. Equity-method investee.

B. Investor and investee have the same chairman.

C. The vice chairman of investee is the chairman of FENC.

D. Parent company.

E. Financial assets under asset management contracts can be sold in the open market investee, Oriental Securities Investment Consultant Co., Ltd.

F. The investor opened a trust account in Shanghai Bank in Taipei on September 26, 2002 to acquire the ownership of Pacific Liu Tung Investment Co., Ltd.

G. Company limited.

H. The fair value of unlisted equity investments held by the Group was not disclosed due to it cannot be reliably measured.

I. The subsidiary of the invested company accounted for using the equity method.

J. The subsidiary of FENC's associate.

K. Related party in substance.

(Continued)

- L. The investor is the corporate director of the investee.
- M. The investor is the corporate supervisor of the investee.
- N. Joint operation entity.
- O. Microfusion Technology (HK) Co., Ltd. was established and registered on September 3, 2020, but as of September 30, 2020, the relevant investment funds have not been remitted.
- P. Oriental Investment Holding (Netherlands) was established and registered on January 23, 2020, but as of September 30, 2020, the relevant investment funds have not been remitted.
- Q. Oriental Martens (Netherlands) B.V. was established and registered on February 12, 2020, but as of September 30, 2020, the relevant investment funds have not been remitted.
- R. Because of the change of operating dynamic, the consolidation will achieve the cost-saving benefits and tax incentives by reducing operational duplication in environment, energy, and quality perspectives. The associates-Far Eastern Union Petrochemical (Yangzhou) Corporation, Tong Da Air Industry (Yangzhou) Co., Ltd. and the subsidiary of Oriental Union Chemical Corporation, Oriental Petrochemical (YangZhou) Corporation, as for the merger, it is planned to enhance the overall competency for the three companies. Far Eastern Union Petrochemical (Yangzhou) Corporation will be the surviving company, Tong Da Air Industry (Yangzhou) Co., Ltd. and Oriental Petrochemical (YangZhou) Corporation will be the dissolved company. The tentative record date of the merger will be December 31, 2020.

(Concluded)

**FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES**

**MARKETABLE SECURITIES ACQUIRED AND DISPOSED AT COSTS OR PRICES OF AT LEAST \$300 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Investment Income under the Equity Method	Ending Balance	
					Shares (Thousands)/ Thousand Units	Amount	Shares (Thousands)/ Thousand Units	Amount	Shares (Thousands)/ Thousand Units	Price	Book Value	Disposal Gain		Shares (Thousands)/ Thousand Units	Amount
Far Eastern New Century Corporation	Far Eastern Investment (Holding) Ltd.	Investments accounted for using the equity method	Issuance of common stock for cash	(Note A)	4,894	\$ 26,235,260	178	\$ 961,014	-	\$ -	\$ -	\$ -	\$ (794,025)	5,072	\$ 26,402,249
Yuan Ding Investment Co., Ltd.	Asia Cement Corporation	Investments accounted for using the equity method	-	(Note B)	32,458	1,270,042	20,264	934,254	-	-	-	-	(73,930)	52,722	2,130,366
	Far Eastern Department Stores Co., Ltd.	Investments accounted for using the equity method	-	(Note B)	37,652	866,925	102,133	2,476,030	-	-	-	-	(72,155)	139,785	3,270,800
	Oriental Petrochemical (Taiwan) Corporation 2020 First Term Unsecured Privately Placed Corporate Bonds	Financial assets at amortized cost - non-current	Oriental Petrochemical (Taiwan) Corporation	(Note C)	-	-	0.03	3,000,000	-	-	-	-	-	0.03	3,000,000
Far Eastern General Contractor Inc.	CTBC Hwa-win Money Market Fund.	Financial assets at fair value through profit or loss - current	-	-	12,659	140,031	58,103	644,000	64,269	712,179	711,978	201	20	6,493	72,073
	Union Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	25,764	342,000	18,842	250,098	250,000	98	58	6,922	92,058
	Hua Nan Phoenix Money Market Fund.	Financial assets at fair value through profit or loss - current	-	-	-	-	21,894	358,000	21,894	358,067	358,000	67	-	-	-
Far EasTone Telecommunications Co., Ltd.	LINE Bank Taiwan Limited	Financial asset at FVTOCI - non-current	LINE Bank Taiwan Limited	-	-	100,000 (Note D)	50,000	400,000	-	-	-	-	(36,271) (Note E)	50,000	463,729
	Yuanshi Digital Technology Co., Ltd.	Other liabilities - other	Issuance of common stock for cash	(Note A)	90,014	(582,357)	80,000	800,000	-	-	-	-	(243,951)	107,004 (Note F)	(26,308)

Notes: A. Subsidiaries.

B. Associates.

C. Same ultimate parent company.

D. The amount is prepaid investment, which were classified as other non-current liabilities.

E. Unrealized gain or loss on financial asset at FVTOCI.

F. 63,010 thousand shares were deducted from the ending balance of the number of shares held, which were eliminated due to Yuanshi Digital Technology Co., Ltd.'s capital reduction to offset its accumulated deficit.

## FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020  
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transactions		Notes Payable or Receivable		Accounts Payable or Receivable		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	Ending Balance	% of Total	
Far Eastern New Century Corporation	Worldwide Polychem (HK) Ltd.	(Note A)	Sale	\$ (1,227,042)	(4)	Based on contract	-	-	\$ -	-	\$ 738,084	14	
	Far Eastern Industries (Shanghai) Ltd.	(Note A)	Sale	(1,907,708)	(6)	Based on contract	-	-	-	-	339,473	7	
	Far Eastern Polytex (Vietnam) Ltd.	(Note A)	Sale	(245,554)	(1)	Based on contract	-	-	-	-	116,280	2	
	Oriental Petrochemical (Taiwan) Corporation	(Note A)	Purchase	7,745,537	30	Based on contract	-	-	-	-	(884,850)	(41)	
	Oriental Green Materials Limited	(Note A)	Purchase	797,937	3	Based on contract	-	-	-	-	(82,690)	(4)	
	Far Eastern Apparel (Vietnam) Ltd.	(Note A)	Sale	(151,484)	(1)	Based on contract	-	-	-	-	26,491	1	
	Freudenberg Far Eastern Spunweb Co., Ltd.	(Note D)	Sale	(280,184)	(1)	Based on contract	-	-	-	-	69,086	1	
	Everest Textile Corporation	(Note D)	Sale	(114,851)	(0.4)	Based on contract	-	-	-	-	17,426	-	
	Oriental Union Chemical Corporation	(Note D)	Purchase	682,346	3	Based on contract	-	-	-	-	(99,251)	(5)	
Oriental Petrochemical (Taiwan) Corporation	Far Eastern New Century Corporation	(Note B)	Sale	(7,745,537)	(44)	Based on contract	-	-	-	-	884,850	30	
	Far Eastern Polytex (Vietnam) Ltd.	(Note A)	Sale	(3,552,412)	(20)	Based on contract	-	-	-	-	884,953	30	
	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Sale	(396,985)	(2)	Based on contract	-	-	-	-	159,790	5	
Far Eastern Polytex (Vietnam) Ltd.	Worldwide Polychem (HK) Ltd.	(Note C)	Sale	(1,009,309)	(10)	Based on contract	-	-	-	-	462,714	27	
	Far Eastern Apparel (Vietnam) Ltd.	(Note C)	Sale	(243,333)	(2)	Based on contract	-	-	-	-	54,273	3	
	Far Eastern New Apparel (Vietnam) Ltd.	(Note C)	Sale	(194,610)	(2)	Based on contract	-	-	-	-	21,639	1	
	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Sale	(196,338)	(2)	Based on contract	-	-	-	-	38,115	2	
	Pet Far Eastern (M) Sdn. Bhd.	(Note C)	Sale	(265,091)	(3)	Based on contract	-	-	-	-	87,223	5	
	Far Eastern New Century Corporation	(Note B)	Purchase	245,554	3	Based on contract	-	-	-	-	(116,280)	(8)	
	Oriental Petrochemical (Taiwan) Corporation	(Note C)	Purchase	3,552,412	42	Based on contract	-	-	-	-	(884,953)	(63)	
Far Eastern Dyeing & Finishing (Suzhou) Ltd.	FE New Century industrial (Singapore) PTE. LTD	(Note C)	Sale	(291,741)	(10)	Based on contract	-	-	-	-	292,339	39	
	Far Eastern Apparel (Holding) Ltd.	(Note C)	Sale	(1,609,174)	(54)	Based on contract	-	-	-	-	256,914	34	
	Far Eastern Apparel (Suzhou) Co., Ltd.	(Note C)	Sale	(241,875)	(8)	Based on contract	-	-	-	-	42,625	6	
	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Purchase	294,110	11	Based on contract	-	-	-	-	(96,038)	(13)	
Oriental Industries (Suzhou) Ltd.	Oriental Textile (Holding) Ltd.	(Note C)	Sale	(1,526,648)	(34)	Based on contract	-	-	-	-	272,570	25	
	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Purchase	230,310	6	Based on contract	-	-	-	-	(75,985)	(18)	
Oriental Petrochemical (Shanghai) Corporation	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Sale	(3,445,522)	(42)	Based on contract	-	-	249,440	22	121,725	100	
Far Eastern Industries (Shanghai) Ltd.	Wuhan Far Eastern New Material Ltd.	(Note C)	Sale	(287,145)	(2)	Based on contract	-	-	-	-	214,148	11	
	FE New Century industrial (Singapore) PTE. LTD	(Note C)	Sale	(189,550)	(1)	Based on contract	-	-	-	-	189,974	9	
	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note C)	Sale	(294,110)	(2)	Based on contract	-	-	-	-	96,038	5	
	Far Eastern Polychem Industries Ltd.	(Note C)	Sale	(196,282)	(1)	Based on contract	-	-	-	-	-	-	
	Oriental Industries (Suzhou) Ltd.	(Note C)	Sale	(230,310)	(2)	Based on contract	-	-	-	-	75,985	4	
	Pet Far Eastern (M) Sdn. Bhd.	(Note C)	Sale	(166,369)	(1)	Based on contract	-	-	-	-	4,210	-	
	Far Eastern Polytex(Vietnam) Ltd.	(Note C)	Purchase	196,338	2	Based on contract	-	-	-	-	(38,115)	(2)	
	Far Eastern Fibertech Co., Ltd.	(Note C)	Purchase	151,788	1	Based on contract	-	-	-	-	(38,056)	(2)	
	Far Eastern New Century Corporation	(Note B)	Purchase	1,907,708	16	Based on contract	-	-	-	-	(339,473)	(20)	
	Oriental Petrochemical (Shanghai) Corporation	(Note C)	Purchase	3,445,522	28	Based on contract	-	-	(121,725)	(14)	(249,440)	(15)	
	Oriental Petrochemical (Taiwan) Corporation	(Note C)	Purchase	396,985	3	Based on contract	-	-	-	-	(159,790)	(10)	
Wuhan Far Eastern New Material Ltd.	(Note C)	Purchase	151,492	1	Based on contract	-	-	-	-	(104,969)	(6)		

(Continued)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transactions		Notes Payable or Receivable		Accounts Payable or Receivable		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	Ending Balance	% of Total	
Far Eastern Apparel (Vietnam) Ltd.	FE New Century industrial (Singapore) PTE. LTD	(Note C)	Sale	\$ (165,012)	(9)	Based on contract	-	-	\$ -	-	\$ 119,717	59	
	Far Eastern Apparel (Holding) Ltd.	(Note C)	Sale	(1,371,672)	(78)	Based on contract	-	-	-	-	49,848	25	
	Far Eastern Apparel (Holding) Ltd.	(Note C)	Purchase	103,589	6	Based on contract	-	-	-	-	(9,492)	(5)	
	Far Eastern Polytex(Vietnam) Ltd.	(Note C)	Purchase	243,333	15	Based on contract	-	-	-	-	(54,273)	(29)	
	Far Eastern New Century Corporation	(Note B)	Purchase	151,484	9	Based on contract	-	-	-	-	(26,491)	(14)	
Wuhan Far Eastern New Material Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Sale	(151,492)	(25)	Based on contract	-	-	-	-	104,969	48	
	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Purchase	287,145	50	Based on contract	-	-	-	-	(214,148)	(82)	
Far Eastern General Contractor Inc.	Far Eastern Construction Co., Ltd.	(Note C)	Construction revenue	(240,654)	(2)	Based on contract	-	-	-	-	9,126	2	
	Far Eastern Resources Development Co., Ltd.	(Note C)	Construction revenue	(252,744)	(5)	Based on contract	-	-	-	-	29,215	5	
	Chubei New Century Shopping Mall Co., Ltd.	(Note E)	Construction revenue	(141,490)	(3)	Based on contract	-	-	-	-	-	-	
	Ya Tung Ready-mixed Concrete Corporation	(Note E)	Purchase	312,922	7	Based on contract	-	-	(49,816)	(11)	-	-	
Far Eastern Fibertech Co., Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Sale	(151,788)	(14)	Based on contract	-	-	-	-	38,056	19	
	Everest Textile Corporation	(Note D)	Sale	(118,660)	(11)	Based on contract	-	-	-	-	31,506	16	
Oriental Green Materials Limited	Far Eastern New Century Corporation	(Note B)	Sale	(797,937)	(95)	Based on contract	-	-	-	-	82,690	99	
Far Eastern New Apparel (Vietnam) Ltd.	Far Eastern Apparel (Holding) Ltd.	(Note C)	Sale	(572,201)	(48)	Based on contract	-	-	-	-	6,350	4	
	Far Eastern Polytex(Vietnam) Ltd.	(Note C)	Purchase	194,610	16	Based on contract	-	-	-	-	(21,639)	(69)	
Far Eastern Apparel (Holding) Ltd.	Far Eastern Apparel (Vietnam) Ltd.	(Note C)	Sale	(103,589)	(3)	Based on contract	-	-	-	-	9,492	15	
	Far Eastern Apparel (Vietnam) Ltd.	(Note C)	Purchase	1,371,672	37	Based on contract	-	-	-	-	(49,848)	(15)	
	Far Eastern New Apparel (Vietnam) Ltd.	(Note C)	Purchase	572,201	15	Based on contract	-	-	-	-	(6,350)	(2)	
	Far Eastern Apparel (Suzhou) Co., Ltd.	(Note C)	Purchase	197,948	5	Based on contract	-	-	-	-	(9,060)	(2)	
	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note C)	Purchase	1,609,174	43	Based on contract	-	-	-	-	(256,914)	(81)	
Far Eastern Apparel (Suzhou) Co., Ltd.	Far Eastern Apparel (Holding) Ltd.	(Note C)	Sale	(197,948)	(13)	Based on contract	-	-	-	-	9,060	4	
	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note C)	Purchase	241,875	17	Based on contract	-	-	-	-	(42,625)	(18)	
Far Eastern Construction Co., Ltd.	Far Eastern General Contractor Inc.	(Note C)	Purchase	240,654	100	Based on contract	-	-	-	-	(9,126)	(3)	
Far Eastern Polychem Industries Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Purchase	196,282	66	Based on contract	-	-	-	-	-	-	
Pet Far Eastern (M) Sdn. Bhd.	Far Eastern Polytex(Vietnam) Ltd.	(Note C)	Purchase	265,091	39	Based on contract	-	-	-	-	(87,223)	(49)	
	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Purchase	166,369	25	Based on contract	-	-	-	-	(4,210)	(2)	
Worldwide Polychem (HK) Ltd.	Far Eastern Polytex(Vietnam) Ltd.	(Note C)	Purchase	1,009,309	45	Based on contract	-	-	-	-	(462,714)	(39)	
	Far Eastern New Century Corporation	(Note B)	Purchase	1,227,042	55	Based on contract	-	-	-	-	(738,084)	(61)	
FE New Century industrial (Singapore) PTE. LTD	Far Eastern Apparel (Vietnam) Ltd.	(Note C)	Purchase	165,012	20	Based on contract	-	-	-	-	(119,717)	(17)	
	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note C)	Purchase	291,741	36	Based on contract	-	-	-	-	(292,339)	(42)	
	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Purchase	189,550	23	Based on contract	-	-	-	-	(189,974)	(27)	
Oriental Textile (Holding) Ltd.	Oriental Industries (Suzhou) Ltd.	(Note C)	Purchase	1,526,648	96	Based on contract	-	-	-	-	(272,570)	(100)	
Far EasTone Telecommunications Co., Ltd.	ARCOA Communication Co., Ltd.	(Note C)	Cost of telecommunications services and marketing expense	4,950,457	15	Based on contract	-	-	-	-	(1,407,969)	(8)	
	ARCOA Communication Co., Ltd.	(Note C)	Operating revenue	(375,595)	(1)	Based on contract	-	-	-	-	74,934	1	
	New Century InfoComm Tech Co., Ltd.	(Note C)	Operating revenue	(133,489)	-	Based on contract	-	-	-	-	1,683	-	
	New Century InfoComm Tech Co., Ltd.	(Note C)	Cost of telecommunication services	1,569,059	6	Based on contract	-	-	-	-	(500,462)	(3)	(Note F)
	Yuanshi Digital Technology Co., Ltd.	(Note C)	Operating revenue	(117,426)	-	Based on contract	-	-	-	-	28,807	1	
FarEasTone Property Insurance Agent Co., Ltd.	(Note C)	Operating revenue	(200,111)	-	Based on contract	-	-	-	-	81,376	1		

(Continued)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transactions		Notes Payable or Receivable		Accounts Payable or Receivable		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	Ending Balance	% of Total	
New Century InfoComm Tech Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note C)	Operating revenue	\$ (1,569,059)	(21)	Based on contract	-	-	\$ -	-	\$ 500,462	39	(Note G)
	Far EasTone Telecommunications Co., Ltd.	(Note C)	Cost of telecommunication services	133,489	3	Based on contract	-	-	-	-	(1,683)	-	
	KGEx.com Co., Ltd.	(Note C)	Cost of telecommunication services and rent	105,468	2	Based on contract	-	-	-	-	(20,743)	(2)	
ARCOA Communication Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note C)	Operating revenue	(4,950,457)	(66)	Based on contract	-	-	-	-	1,407,969	75	
	Far EasTone Telecommunications Co., Ltd.	(Note C)	Operating cost	375,595	5	Based on contract	-	-	-	-	(74,934)	(5)	
	Home Master Technology Ltd.	(Note C)	Operating revenue	(600,256)	(8)	Based on contract	-	-	-	-	250,512	13	
KGEx.com Co., Ltd.	New Century InfoComm Tech Co., Ltd.	(Note C)	Revenue of telecommunication services	(105,468)	(25)	Based on contract	-	-	-	-	20,743	39	
Yuanshi Digital Technology Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note C)	Operating cost	117,426	9	Based on contract	-	-	-	-	(28,807)	(16)	
Home Master Technology Ltd.	ARCOA Communication Co., Ltd.	(Note C)	Operating cost	600,256	61	Based on contract	-	-	-	-	(250,512)	(80)	
FarEasTone Property Insurance Agent Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note C)	Operating cost	200,111	88	Based on contract	-	-	-	-	(81,376)	(100)	
Microfusion Technology Co., Ltd.	Nextlink (HK) Technology Co., Ltd.	(Note C)	Operating revenue	(106,208)	(24)	Based on contract	-	-	-	-	29,871	19	
Nextlink (HK) Technology Co., Ltd.	Microfusion Technology Co., Ltd.	(Note C)	Operating cost	106,208	16	Based on contract	-	-	-	-	(29,871)	(11)	

Notes: A. Subsidiary.

B. Parent company.

C. Between subsidiaries.

D. The consolidated company's investee which accounted for using the equity method.

E. The subsidiary of the consolidated company's investee which accounted for using the equity method.

F. All interconnect revenue, costs and collection of international direct dial revenue between Far EasTone and NCIC were settled at net amounts and were included in accounts payable - related parties.

G. Including international service revenue collected by Far EasTone for NCIC.

(Concluded)

**FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES**

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF PAID-IN CAPITAL  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
					Amount	Actions		
Far Eastern New Century Corporation	Worldwide Polychem (HK) Ltd.	(Note B)	\$ 738,084	2.33	\$ -	-	\$ 9,583	\$ -
	Far Eastern Industries (Shanghai) Ltd.	(Note B)	339,473	5.06	-	-	92,415	-
	Far Eastern Polytex (Vietnam) Ltd.	(Note B)	116,280	4.53	-	-	2,394	-
Oriental Petrochemical (Taiwan) Corporation	Far Eastern New Century Corporation	(Note C)	884,850	11.63	-	-	884,850	-
	Far Eastern Polytex (Vietnam) Ltd.	(Note D)	884,953	5.47	-	-	442,482	-
	Far Eastern Industries (Shanghai) Ltd.	(Note D)	159,790	5.96	-	-	11,357	-
Far Eastern Polytex (Vietnam) Ltd.	Worldwide Polychem (HK) Ltd.	(Note D)	462,714	3.15	-	-	58,632	-
Far Eastern Dyeing & Finishing (Suzhou) Ltd.	FE New Century industrial (Singapore) PTE. LTD	(Note D)	292,339	2.66	-	-	99,847	-
	Far Eastern Apparel (Holding) Ltd.	(Note D)	256,914	6.52	-	-	84,171	-
Oriental Industries (Suzhou) Ltd.	Oriental Textile (Holding) Ltd.	(Note D)	272,570	8.64	-	-	-	-
Oriental Petrochemical (Shanghai) Corporation	Far Eastern Industries (Shanghai) Ltd.	(Note D)	371,165	15.69	-	-	121,726	-
Far Eastern Industries (Shanghai) Ltd.	Wuhan Far Eastern New Material Ltd.	(Note D)	214,148	1.53	-	-	-	-
	FE New Century industrial (Singapore) PTE. LTD	(Note D)	189,974	2.66	-	-	-	-
Far Eastern Apparel (Vietnam) Ltd.	FE New Century industrial (Singapore) PTE. LTD	(Note D)	119,717	3.68	-	-	6,026	-
Wuhan Far Eastern New Material Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note D)	104,969	2.98	-	-	-	-
Ding Integrated Marketing Service Co., Ltd.	Far Eastern International Bank 公司	(Note E)	155,772	(Note G)	-	-	9,862	-
	Pacific SOGO Department Stores Co., Ltd.	(Note F)	133,292	(Note G)	-	-	10,874	-
New Century InfoComm Tech Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note D)	8,595,992	(Note H)	-	-	279,371	-
ARCOA Communication Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note D)	1,407,969	5.55	-	-	742,530	-
	Home Master Technology Ltd.	(Note D)	250,512	3.12	-	-	70,205	-

Notes: A. This table does not include the receivables from financier. For more details, refer to Table 5. This table also does not include the other receivables from non-operating projects. For more details, refer to Table 4 and Table 11.

B. Subsidiary.

C. Parent company.

(Continued)

- D. Same ultimate parent company.
- E. The consolidated company's investee which was accounted for using the equity method.
- F. The subsidiary of the consolidated company's investee which was accounted for using the equity method.
- G. The turnover rate was unavailable due to the receivables were points collections and payments on behalf of others.
- H. The turnover rate was unavailable due to the receivables from related parties were mainly from the advance payments made for NCIC's daily operating expenditures, and the operating management service revenue from NCIC, the collection of telecommunications bills by Far EasTone for NCIC and other receivables from related parties which was the financing provided by NCIC to Far EasTone.

(Concluded)



## FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

SIGNIFICANT TRANSACTIONS BETWEEN FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020

(In Thousands of New Taiwan Dollars)

No. (Note A)	Company Name	Related Party	Flow of Transaction (Note B)	Transaction Details			
				Financial Statement Account	Amount	Term	% of Consolidated Revenue or Assets (Note C)
0	Far Eastern New Century Corporation	Worldwide Polychem (HK) Ltd.	1	Sales	\$ 1,227,042	Based on contract	1
		Worldwide Polychem (HK) Ltd.	1	Accounts receivable	738,084	Based on contract	-
		Far Eastern Industries (Shanghai) Ltd.	1	Sales	1,907,708	Based on contract	1
		Far Eastern Industries (Shanghai) Ltd.	1	Accounts receivable	339,473	Based on contract	-
		Far Eastern Polytex (Vietnam) Ltd.	1	Sales	245,554	Based on contract	-
		Far Eastern Polytex (Vietnam) Ltd.	1	Accounts receivable	116,280	Based on contract	-
		Far Eastern Apparel (Vietnam) Ltd.	1	Sales	151,484	Based on contract	-
1	Oriental Petrochemical (Taiwan) Corporation	Far Eastern New Century Corporation	2	Sales	7,745,537	Based on contract	5
		Far Eastern New Century Corporation	2	Accounts receivable	884,850	Based on contract	-
		Far Eastern Polytex (Vietnam) Ltd.	3	Sales	3,552,412	Based on contract	2
		Far Eastern Polytex (Vietnam) Ltd.	3	Accounts receivable	884,953	Based on contract	-
		Far Eastern Industries (Shanghai) Ltd.	3	Sales	396,985	Based on contract	-
		Far Eastern Industries (Shanghai) Ltd.	3	Accounts receivable	159,790	Based on contract	-
2	Far Eastern Polytex (Vietnam) Ltd.	Worldwide Polychem (HK) Ltd.	3	Sales	1,009,309	Based on contract	1
		Worldwide Polychem (HK) Ltd.	3	Accounts receivable	462,714	Based on contract	-
		Far Eastern Apparel (Vietnam) Ltd.	3	Sales	243,333	Based on contract	-
		Far Eastern New Apparel (Vietnam) Ltd.	3	Sales	194,610	Based on contract	-
		Far Eastern Industries (Shanghai) Ltd.	3	Sales	196,338	Based on contract	-
		Pet Far Eastern (M) Sdn. Bhd.	3	Sales	265,091	Based on contract	-
3	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	FE New Century industrial (Singapore) PTE. LTD	3	Sales	291,741	Based on contract	-
		FE New Century industrial (Singapore) PTE. LTD	3	Accounts receivable	292,339	Based on contract	-
		Far Eastern Apparel (Holding) Ltd.	3	Sales	1,609,174	Based on contract	1
		Far Eastern Apparel (Holding) Ltd.	3	Accounts receivable	256,914	Based on contract	-
		Far Eastern Apparel (Suzhou) Co., Ltd.	3	Sales	241,875	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Interest receivables	3,904	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Interest revenue	34,848	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Other receivables	1,323,475	Based on contract	-
4	Oriental Petrochemical (Shanghai) Corporation	Far Eastern Industries (Shanghai) Ltd.	3	Sales	3,445,522	Based on contract	2
		Far Eastern Industries (Shanghai) Ltd.	3	Accounts receivable	121,725	Based on contract	-
		Far Eastern Industries (Shanghai) Ltd.	3	Notes receivables	249,440	Based on contract	-

(Continued)

No. (Note A)	Company Name	Related Party	Flow of Transaction (Note B)	Transaction Details			
				Financial Statement Account	Amount	Term	% of Consolidated Revenue or Assets (Note C)
5	Far Eastern Industries (Shanghai) Ltd.	Wuhan Far Eastern New Material Ltd.	3	Sales	\$ 287,145	Based on contract	-
		Wuhan Far Eastern New Material Ltd.	3	Accounts receivable	214,148	Based on contract	-
		FE New Century industrial (Singapore) PTE. LTD	3	Sales	189,550	Based on contract	-
		FE New Century industrial (Singapore) PTE. LTD	3	Accounts receivable	189,974	Based on contract	-
		Far Eastern Dyeing & Finishing (Suzhou) Ltd.	3	Sales	294,110	Based on contract	-
		Far Eastern Polychem Industries Ltd.	3	Sales	196,282	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Sales	230,310	Based on contract	-
		Pet Far Eastern (M) Sdn. Bhd.	3	Sales	166,369	Based on contract	-
6	Far Eastern Apparel (Vietnam) Ltd.	FE New Century industrial (Singapore) PTE. LTD	3	Sales	165,012	Based on contract	-
		FE New Century industrial (Singapore) PTE. LTD	3	Accounts receivable	119,717	Based on contract	-
		Far Eastern Apparel (Holding) Ltd.	3	Sales	1,371,672	Based on contract	1
7	Wuhan Far Eastern New Material Ltd.	Far Eastern Industries (Shanghai) Ltd.	3	Sales	151,492	Based on contract	-
		Far Eastern Industries (Shanghai) Ltd.	3	Accounts receivable	104,969	Based on contract	-
8	Far Eastern General Contractor Inc.	Far Eastern Construction Co., Ltd.	3	Construction revenue	240,654	Based on contract	-
		Far Eastern Resources Development Co., Ltd.	3	Construction revenue	252,744	Based on contract	-
9	Far Eastern Fibertech Co., Ltd.	Far Eastern Industries (Shanghai) Ltd.	3	Sales	151,788	Based on contract	-
10	Oriental Green Materials Limited	Far Eastern New Century Corporation	2	Sales	797,937	Based on contract	1
11	Far Eastern New Apparel (Vietnam) Ltd.	Far Eastern Apparel (Holding) Ltd.	3	Sales	572,201	Based on contract	-
12	Far Eastern Apparel (Holding) Ltd.	Far Eastern Apparel (Vietnam) Ltd.	3	Sales	103,589	Based on contract	-
13	Far Eastern Apparel (Suzhou) Co., Ltd.	Far Eastern Apparel (Holding) Ltd.	3	Sales	197,948	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Interest receivables	1,745	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Interest revenue	13,741	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Other receivables	804,164	Based on contract	-
14	FETC International Co., Ltd.	Far Eastern Electronic Toll Collection Co., Ltd.	3	Interest revenue	250	Based on contract	-
		Far Eastone Telecommunications Co., Ltd.	3	Interest revenue	6	Based on contract	-
15	Yuan Tong Investment Co., Ltd	Sino Belgium (Holding) Ltd.	3	Interest revenue	343	Based on contract	-
		Sino Belgium (Holding) Ltd.	3	Other receivables	157,140	Based on contract	-
16	Yuan Ding Investment Co., Ltd.	Oriental Petrochemical (Taiwan) Corporation	3	Interest receivables	14,417	Based on contract	-
		Far Eastern Apparel Co., Ltd.	3	Interest revenue	311	Based on contract	-
		Oriental Petrochemical (Taiwan) Corporation	3	Interest revenue	14,417	Based on contract	-
		Oriental Green Materials Limited	3	Interest revenue	57	Based on contract	-

(Continued)

No. (Note A)	Company Name	Related Party	Flow of Transaction (Note B)	Transaction Details			
				Financial Statement Account	Amount	Term	% of Consolidated Revenue or Assets (Note C)
17	Far Eastern Industries (Yangzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	3	Interest receivables	\$ 8,053	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Interest revenue	7,581	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Other receivables	298,830	Based on contract	-
18	Far Eastern Investment (Holding) Ltd.	Far Eastern Polytex(Vietnam) Ltd.	3	Interest revenue	11,042	Based on contract	-
		Far Eastern Polychem Industries Ltd.	3	Other receivables	452,852	Based on contract	-
19	Far Eastern Industries (Suzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	3	Interest receivables	2,675	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Interest revenue	26,364	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Other receivables	1,253,105	Based on contract	-
20	Far Eastern Innovation Apparel (Suzhou) Co., Ltd.	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	3	Interest receivables	2,448	Based on contract	-
		Far Eastern Dyeing & Finishing (Suzhou) Ltd.	3	Interest revenue	7,854	Based on contract	-
		Far Eastern Dyeing & Finishing (Suzhou) Ltd.	3	Other receivables	426,900	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Interest receivables	5,710	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Interest revenue	10,965	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Other receivables	572,046	Based on contract	-
21	Oriental Textile (Holding) Ltd.	Far Eastern Polytex(Vietnam) Ltd.	3	Interest revenue	1,874	Based on contract	-
22	Far Eastern Industries (Wuxi) Ltd.	Oriental Industries (Suzhou) Ltd.	3	Interest receivables	150	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Interest revenue	150	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Other receivables	76,842	Based on contract	-
23	Oriental Industries (Suzhou) Ltd.	Sino Belgium Beer (Suzhou) Ltd.	3	Interest receivables	2,127	Based on contract	-
		Sino Belgium Beer (Suzhou) Ltd.	3	Interest revenue	20,347	Based on contract	-
		Sino Belgium Beer (Suzhou) Ltd.	3	Other receivables	734,524	Based on contract	-
24	Far Eastern New Century (China) Investment Co., Ltd.	Oriental Petrochemical (Shanghai) Corporation	3	Interest receivables	20	Based on contract	-
		Oriental Petrochemical (Shanghai) Corporation	3	Interest revenue	590	Based on contract	-
25	Suzhou An Ho Apparel Ltd.	Oriental Industries (Suzhou) Ltd.	3	Interest receivables	834	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Interest revenue	773	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Other receivables	38,421	Based on contract	-
26	Yuan Ding Co., Ltd.	Ding Ding Hotel Co., Ltd.	3	Interest receivables	146	Based on contract	-
		Ding Ding Hotel Co., Ltd.	3	Interest revenue	398	Based on contract	-
		Ding Ding Hotel Co., Ltd.	3	Other receivables	200,000	Based on contract	-
27	PET Far Eastern (Holding) Ltd.	Oriental Petrochemical (Shanghai) Corporation	3	Other receivables	279,821	Based on contract	-
28	Far EasTone Telecommunications Co., Ltd.	New Century InfoComm Tech Co., Ltd.	3	Operating revenue	133,489	Based on contract	-
		ARCOA Communication Co., Ltd.	3	Operating revenue	375,595	Based on contract	-
		Yuanshi Digital Technology Co., Ltd.	3	Operating revenue	117,426	Based on contract	-
		FarEasTone Property Insurance Agent Co., Ltd.	3	Operating revenue	200,111	Based on contract	-

(Continued)

No. (Note A)	Company Name	Related Party	Flow of Transaction (Note B)	Transaction Details			
				Financial Statement Account	Amount	Term	% of Consolidated Revenue or Assets (Note C)
29	ARCOA Communication Co., Ltd.	Home Master Technology Ltd.	3	Accounts receivable	\$ 250,512	Based on contract	-
		Home Master Technology Ltd.	3	Sales	600,256	Based on contract	-
		Far EasTone Telecommunications Co., Ltd.	3	Accounts receivable	1,407,969	Based on contract	3
		Far EasTone Telecommunications Co., Ltd.	3	Operating revenue	4,963,923	Based on contract	-
30	Microfusion Technology Co., Ltd.	Nextlink (HK) Technology Co., Ltd.	3	Operating revenue	106,208	Based on contract	-
31	New Century InfoComm Tech Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	3	Accounts receivable	8,595,992	Based on contract	1
		Far EasTone Telecommunications Co., Ltd.	3	Operating revenue	1,569,059	Based on contract	1

Note A: The intercompany transactions between each companies are identified and numbered as follow:

1. Parent company: 0.
2. Subsidiaries are started from 1 consecutively.

Note B: The types of transactions between related - parties are as follow:

1. From FENC to subsidiary.
2. From subsidiary to FENC.
3. Between subsidiaries.

Note C: The percentage to total asset or sales is the ratio of ending balance to consolidated asset or cumulative income amount to consolidated revenue.

(Concluded)

## FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

NAMES, LOCATIONS, AND OTHER INFORMATION OF INVESTEEES ON WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of September 30, 2020			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				September 30, 2020	December 31, 2019	Shares (Note F)	% of Ownership	Carrying Amount			
Far Eastern New Century Corporation	Asia Cement Corporation	Taiwan	Cement production	\$ 2,652,282	\$ 2,652,282	750,511	22.33	\$ 18,469,600	\$ 10,322,173	\$ 2,067,919	Investment gain or loss recognized under the treasury shares method (Note A)
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	1,254,158	1,254,158	241,770	17.06	4,915,864	1,209,351	206,315	(Note A)
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	1,176,211	1,176,211	81,216	9.17	1,121,075	(590,015)	(54,104)	(Note A)
	Everest Textile Corporation	Taiwan	Chemical fiber production	1,689	1,689	140	0.03	1,337	(362,558)	(109)	(Note A)
	Oriental Securities Corporation	Taiwan	Brokering	159,823	159,823	141,961	19.65	1,967,184	(128,885)	(25,326)	(Note A)
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	810,000	810,000	135,000	16.83	1,948,079	418,861	70,494	(Notes A and E)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	805,598	805,598	90,180	2.62	1,153,491	2,331,074	74,820	Including the difference adjustment between acquisition cost and net value \$13,746 (Note A)
	Yuan Ding Investment Co., Ltd.	Taiwan	Investment	100,052	100,052	1,822,822	99.40	39,702,217	3,060,044	3,042,342	Including the adjustments of the difference between individual and consolidated investment properties, and the transactions between subsidiaries \$658 (Notes B and H))
	Far Eastern Resources Development Co., Ltd.	Taiwan	Real estate construction and sales	14,931,733	14,931,733	775,836	100.00	106,250,749	1,490,748	1,499,815	Including the adjustments of the transactions between subsidiaries \$9,067 (Note B)
	Far Eastern Polytex (Holding) Ltd.	Bermuda	Investment	10,382,911	10,382,911	168	100.00	9,478,045	(7,623)	(7,623)	(Note B)
	Far Eastern Polychem Industries Ltd.	Bermuda	Investment and sale of chemical fiber production	7,318,312	7,318,312	830,815	73.04	7,824,940	473,056	345,520	(Note B)
	Yuan Tong Investment Co., Ltd.	Taiwan	Investment	5,850,000	5,850,000	739,953	100.00	8,456,312	423,907	431,336	Including the adjustments of the transactions between subsidiaries \$7,429 (Note B)
	Kai Yuan International Investment Co., Ltd.	Taiwan	Investment	999,993	999,993	367,143	100.00	5,503,403	251,841	251,841	(Note B)
	Far Eastern Investment (Holding) Ltd.	Bermuda	Investment and sale of petrochemicals	24,348,011	23,386,997	5,072	100.00	26,402,249	23,575	23,575	(Note B)
	PET Far Eastern (Holding) Ltd.	Bermuda	Investment	6,626,110	6,626,110	397	91.95	4,984,800	(689,436)	(626,641)	Including adjustment on amortization of discount \$7,295 (Note B)
	Oriental Petrochemical (Taiwan) Corporation	Taiwan	Petrochemical materials production	16,209,038	16,209,038	1,712,218	75.56	8,244,954	(2,045,532)	(1,565,657)	Including the adjustments of the difference between individual and consolidated investment properties, and the transactions between subsidiaries \$(20,053) (Note B and H)
	Far Eastern Construction Co., Ltd.	Taiwan	Real estate construction and sales	143,450	143,450	245,829	65.11	9,839,360	1,533,642	983,666	Including the adjustments of the transactions between subsidiaries \$(14,888) (Note B)
	Yuan Ding Co., Ltd.	Taiwan	Real estate leasing and hotel	857,511	857,511	186,929	37.13	3,255,273	(22,431)	(1,982)	(Notes B and I)
	An Ho Garment Co., Ltd.	Taiwan	Garment production and Investment	1,023	1,023	75,704	100.00	2,069,150	132,760	132,837	Including the adjustments of the transactions between subsidiaries \$77 (Note B)
	Ding Yuan International Investment Co., Ltd.	Taiwan	Investment	2,000,062	2,000,062	255,031	100.00	3,050,321	107,033	107,093	Including the adjustments of the transactions between subsidiaries \$60 (Note B)
FEDP (Holding) Ltd.	Bermuda	Investment	676,315	676,315	244	50.43	907,839	13,096	6,604	(Note B)	
Fu Kwok Knitting & Garment Co., Ltd.	Taiwan	Garment production	9,205	9,205	4,000	100.00	221,453	23,133	23,133	(Note B)	
Ding Ding Hotel Co., Ltd.	Taiwan	Hotel	401,042	401,042	769	0.74	9,076	(541,822)	(4,009)	(Note B)	
Far Eastern Textile Ltd.	Taiwan	Textile production	1,000	1,000	100	100.00	1,718	62	62	(Note B)	
FE Oriental Investment Holding (Singapore) Pte. Ltd.	Singapore	Investment	147,400	-	50	100.00	101,635	(44,946)	(44,946)	(Note B)	
Yuan Ding Investment Co., Ltd.	Asia Cement Corporation	Taiwan	Cement production	2,051,009	1,116,755	52,722	1.57	2,130,366	10,322,173	-	(Note A)
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	1,085,488	1,085,488	70,818	8.00	1,153,623	(590,015)	-	(Note A)
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	3,288,166	812,136	139,785	9.87	3,270,800	1,209,351	-	(Note A)
	Everest Textile Corporation	Taiwan	Chemical fiber production	470,103	470,103	128,618	25.23	963,849	(362,558)	-	(Note A)
	Far Eastone Telecommunications Co., Ltd.	Taiwan	Telecommunications	2,723,598	2,723,598	1,066,658	32.73	21,368,148	6,469,093	-	(Note B)
	Far Eastern Polychem Industries Ltd.	Bermuda	Investment and sale of chemical fiber production	1,392,692	1,392,692	306,644	26.96	2,888,286	473,056	-	(Note B)
	Far Eastern Apparel (Holding) Ltd.	Bermuda	Investment and sale of chemical fiber production	2,179,442	2,179,442	111	100.00	4,088,213	251,476	-	(Note B)

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of September 30, 2020			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes	
				September 30, 2020	December 31, 2019	Shares (Note F)	% of Ownership	Carrying Amount				
Far Eastern Investment (Holding) Ltd.	Da Ju Fiber Co., Ltd.	Taiwan	Sale of polychemical products	\$ 263,790	\$ 263,790	64,662	41.86	\$ 2,301,359	\$ 100,883	\$ -	(Note A)	
	Far Eastern Apparel Co., Ltd.	Taiwan	Sale of textiles, garments, and clothing	387,984	387,984	24,772	100.00	52,293	(62,720)	-	(Note B)	
	Yuan Faun Co., Ltd.	Taiwan	Production management consulting	51,671	51,671	5,000	100.00	144,026	5,373	-	(Note B)	
	Yue Ming Corporation	Taiwan	Trading	97,852	97,852	4,745	45.50	67,643	3,658	-	(Note A)	
	Yuan Ding Leasing Corporation	Taiwan	Real estate construction and sales	319,380	319,380	36,706	46.20	397,597	18,505	-	(Note A)	
	Far Eastern Fibertech Co., Ltd.	Taiwan	Nylon production	585,000	585,000	91,000	100.00	1,072,758	(1,620)	-	(Note B)	
	Oriental Resources Development Co., Ltd.	Taiwan	Medical materials manufacturing	13,475	13,475	2,484	100.00	62,589	30,709	-	(Note B)	
	Liquid Air Far East Co., Ltd.	Taiwan	Industrial gas production and sales	504,806	504,806	86,615	35.00	2,246,584	1,486,940	-	(Note A)	
	Freudenberg Far Eastern Spunweb Co., Ltd.	Taiwan	Production of nonwoven industrial fabrics	144,786	144,786	33,003	29.80	526,446	267,936	-	(Note A)	
	Oriental Securities Corporation	Taiwan	Brokering	255,424	255,424	187,470	25.96	2,704,420	(128,885)	-	(Note A)	
	Yuan Ding Co., Ltd.	Taiwan	Real estate leasing and hotel	188,846	188,846	64,759	12.86	1,141,619	(22,431)	-	(Note B)	
	Far Eastern International Leasing Corporation	Taiwan	Leasing	1,012,057	1,012,057	75,268	16.87	943,621	138,452	-	(Note A)	
	Oriental Textile (Holding) Ltd.	Bermuda	Investment and sale of chemical fiber production	7,142,602	7,142,602	110	100.00	7,543,333	(159,405)	-	(Note B)	
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	796,491	796,491	119,653	14.92	1,640,388	418,861	-	(Notes A and E)	
	Yu Yuan Investment Co., Ltd.	Taiwan	Investment	673,704	673,704	98,198	18.96	1,000,421	562,121	-	(Note A)	
	Far Eastern General Contractor Inc.	Taiwan	Real estate construction	14,682	14,682	1,490	1.00	22,587	103,232	-	(Note B)	
	Oriental Petrochemical (Taiwan) Corporation	Taiwan	Petrochemical materials production	779,399	779,399	117,746	5.20	587,436	(2,045,532)	-	(Note B)	
	Oriental Green Materials Limited	Taiwan	Waste recycling and processing	647,083	647,083	55,311	100.00	576,966	21,880	-	(Note B)	
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	1,095,981	1,095,981	122,687	3.56	1,568,774	2,331,074	-	(Note A)	
	Far Eastern Investment (Holding) Ltd.	Filsyn Corporation	Philippines	Polychemical products	PESO 225,324	PESO 225,324	45,066	21.85	-	-	-	(Note A)
		FETG Investment Antilles N.V.	Nederlandse Antillen	Investment	US\$ 6	US\$ 6	6	100.00	32,340	(1,117)	-	(Note B)
		PET Far Eastern (M) Sdn. Bhd.	Malaysia	Bottle production	MYR 8,000	MYR 8,000	(Note C)	50.00	250,493	16,606	-	(Note B)
		Com2B	Cayman Islands	E-business	US\$ 3,375	US\$ 3,375	9,000	20.00	-	-	-	(Note A)
		Far Eastern Apparel (Vietnam) Ltd.	Vietnam	Clothing production	US\$ 9,000	US\$ 9,000	(Note D)	100.00	983,550	(23,878)	-	(Note B)
		Worldwide Polychem (HK) Ltd.	Hong Kong	Foreign trade	US\$ 3,500	US\$ 3,500	2,700	100.00	155,316	91,651	-	(Note B)
		Opas Fund Segregated Portfolio Company	Cayman Islands	Investment	US\$ 51	US\$ 51	(Note D)	34.00	1,619	33	-	(Note A)
		Far Eastern Polytex (Vietnam) Ltd.	Vietnam	Chemical fiber and Textile production	US\$ 240,000	US\$ 240,000	(Note D)	100.00	7,405,133	578,606	-	(Note B)
		Far Eastern New Apparel (Vietnam) Ltd.	Vietnam	Garment production	US\$ 18,000	US\$ 18,000	(Note D)	100.00	290,178	(78,497)	-	(Note B)
		Magna View Sdn. Bhd.	Malaysia	Investment	US\$ 3,465	US\$ 3,465	3,000	100.00	248,654	8,256	-	(Note B)
		Malaysia Garment Manufactures Pte. Ltd.	Singapore	Garment production and Investment	US\$ 15,849	US\$ 15,849	30	37.92	455,814	395	-	(Note B)
		Drive Catalyst SPC	Cayman Islands	Investment	US\$ 17	US\$ 17	(Note D)	34.00	504	(1)	-	(Note A)
		APG Polytech USA Holdings, Inc.	America	Investment	US\$ 506,467	US\$ 506,467	5	100.00	14,406,823	(211,329)	-	(Note B)
		Drive Catalyst SPC-SP Tranche One	Cayman Islands	Investment	US\$ 4,000	US\$ 4,000	4	25.00	115,372	(7,917)	-	(Note A)
		Drive Catalyst SPC-SP Tranche Three	Cayman Islands	Investment	US\$ 4,000	US\$ 4,000	4	25.00	114,369	(5,357)	-	(Note A)
	Far Eastern International Garments	Philippines	Garment production	US\$ 1	US\$ 1	59	41.00	(11,987)	-	-	(Note A)	
	Cemtex Apparel Inc.	Philippines	Clothing O.E.M.	US\$ 1	US\$ 1	90	50.00	(11,123)	-	-	(Note A)	
APG Polytech USA Holdings, Inc.	Corpus Christi Polymers LLC	America	Petrochemical materials production and polychemical products production	US\$ 422,800	US\$ 422,800	(Note D)	33.33	12,164,609	(138,530)	-	(Note K)	
	APG Polytech, LLC	America	Polychemical products production	US\$ 90,000	US\$ 90,000	(Note D)	100.00	2,672,324	(39,790)	-	(Note B)	
	Phoenix Technologies International, LLC	America	Production and sale of recycled plastic resins and their waste and general industrial waste handling	US\$ 16,500	US\$ 10,000	(Note D)	100.00	284,768	(101,826)	-	(Note B)	
Magna View Sdn. Bhd.	PET Far Eastern (M) Sdn. Bhd.	Malaysia	Bottle production	MYR 8,000	MYR 8,000	(Note C)	50.00	250,493	16,606	-	(Note B)	
Ding Yuan International Investment Co., Ltd.	Asia Cement Corporation	Taiwan	Cement production	339,088	337,260	12,279	0.37	446,020	10,322,173	-	(Note A)	
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	110,306	110,306	5,903	0.42	127,589	1,209,351	-	(Note A)	
	Everest Textile Corporation	Taiwan	Chemical fiber production	34,561	34,561	1,183	0.23	7,752	(362,558)	-	(Note A)	
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	677,665	677,665	27,365	3.09	613,941	(590,015)	-	(Note A)	
	Far Eastone Telecommunications Co., Ltd.	Taiwan	Telecommunications	38,457	38,457	920	0.03	40,482	6,469,093	-	(Note B)	
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	90,000	90,000	18,000	2.24	241,347	418,861	-	(Notes A and E)	
	Yu Ding Industry Co., Ltd.	Taiwan	Department store operations	95,624	95,624	15,738	13.20	427,751	91,683	-	(Note A)	
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	814,399	814,399	91,166	2.64	1,165,111	2,331,074	-	(Note A)	
Kai Yuan International Investment Co., Ltd.	Asia Cement Corporation	Taiwan	Cement production	732,627	732,627	25,312	0.75	973,041	10,322,173	-	(Note A)	
	Far Eastone Telecommunications Co., Ltd.	Taiwan	Telecommunications	803,672	793,702	34,299	1.05	1,088,522	6,469,093	-	(Note B)	
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	742,702	742,686	32,474	3.67	608,630	(590,015)	-	(Note A)	
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	519,473	519,473	20,672	1.46	583,282	1,209,351	-	(Note A)	
	Kowloon Cement Corporation	Hong Kong	Cement production	226,896	226,896	1,127	49.00	464,945	31,197	-	(Note A)	
	Far Eastern International Leasing Corporation	Taiwan	Leasing	1,026,489	1,026,489	74,970	16.80	944,587	138,452	-	(Note A)	
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	90,000	90,000	18,000	2.24	241,549	418,861	-	(Notes A and E)	
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	988,714	988,714	110,679	3.21	1,415,055	2,331,074	-	(Note A)	

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of September 30, 2020			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				September 30, 2020	December 31, 2019	Shares (Note F)	% of Ownership	Carrying Amount			
Far Eastern Polychem Industries Ltd.	PET Far Eastern (Holding) Ltd.	Bermuda	Investment	US\$ 17,622	US\$ 17,622	35	8.05	\$ 436,975	\$ (689,436)	\$ -	(Note B)
	FEDP (Holding) Ltd.	Bermuda	Investment	US\$ 29,240	US\$ 29,240	240	49.57	892,357	13,096	-	(Note B)
	Far Eastern Ishizuka Green Pet Corporation	Japan	Production and sale of recycled plastic resins and their waste and general industrial waste handling	JPY 2,991,678	JPY 2,991,678	3,578	90.00	1,095,237	135,994	-	(Note B)
Far Eastern Construction Co., Ltd.	Asia Cement Corporation	Taiwan	Cement production	216,959	216,959	17,726	0.53	587,286	10,322,173	-	(Note A)
	Far Eastern General Contractor Inc.	Taiwan	Real estate construction	271,587	271,587	147,413	98.95	2,082,526	103,232	-	(Note B)
Far Eastern Apparel Co., Ltd.	Asia Cement Corporation	Taiwan	Cement production	16,246	16,246	469	0.01	15,678	10,322,173	-	(Note A)
	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	6,353	6,353	90	-	5,970	6,469,093	-	(Note B)
	Yu Ding Industry Co., Ltd.	Taiwan	Department store operations	29	29	12	0.01	152	91,683	-	(Note A)
Far Eastern General Contractor Inc.	Far Eastern Technical Consultants Co., Ltd.	Taiwan	Real estate development business consulting and management	3,864	3,864	450	9.00	6,896	9,435	-	(Note B)
Malaysia Garment Manufactures Pte. Ltd.	Filsyn Corporation	Philippines	Polychemical products	PESO 102,565	PESO 102,565	20,513	9.95	-	-	-	(Note A)
	Arpeggio International Resources Corporation	Philippines	Industry investment	PESO 15,200	PESO 15,200	(Note D)	40.00	-	-	-	(Note A)
	PT Malaysia Garment Bintan	Indonesia	Garment production	SGD -	SGD -	(Note D)	99.00	(37)	-	-	(Note B)
An Ho Garment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	748,158	748,158	40,818	1.25	995,690	6,469,093	-	(Note B)
	Asia Cement Corporation	Taiwan	Cement production	206,551	206,551	6,094	0.18	248,344	10,322,173	-	(Note A)
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	287,121	287,121	11,204	1.26	239,397	(590,015)	-	(Note A)
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	10,483	10,483	370	0.03	11,639	1,209,351	-	(Note A)
	Oriental Securities Corporation	Taiwan	Brokering	119,933	119,933	8,474	1.17	112,957	(128,885)	-	(Note A)
	Yu Ding Industry Co., Ltd.	Taiwan	Department store operations	111,997	111,997	18,682	15.66	409,354	91,683	-	(Note A)
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	67,285	67,285	9,681	1.21	135,141	418,861	-	(Notes A and E)
	Yuan Ding Investment Co., Ltd.	Taiwan	Investment	148,994	148,994	5,502	0.30	163,475	3,060,044	-	(Note B)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	202,798	202,798	22,702	0.66	290,368	2,331,074	-	(Note A)
Yuan Faun Co., Ltd.	Yuan Cheng Human Resources Consultant Corporation	Taiwan	Personnel recruitment	7,214	7,214	745	55.19	12,514	2,051	-	(Note B)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	42,973	42,973	4,811	0.14	61,559	2,331,074	-	(Note A)
Fu Kwok Knitting & Garment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	19,663	19,663	520	0.02	17,735	6,469,093	-	(Note B)
Yuan Tong Investment Co., Ltd	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	2,246,035	2,246,035	100,237	3.08	2,616,817	6,469,093	-	(Note B)
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	1,522,394	1,391,618	54,528	3.85	1,631,184	1,209,351	-	(Note A)
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	1,755,017	1,755,017	49,705	5.61	1,586,574	(590,015)	-	(Note A)
	Asia Cement Corporation	Taiwan	Cement production	1,067,775	1,067,775	32,465	0.97	1,302,743	10,322,173	-	(Note A)
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	90,000	90,000	18,000	2.24	240,351	418,861	-	(Notes A and E)
	Far Eastern Electronic Toll Collection Co., Ltd.	Taiwan	Electronic toll collection services	787,104	787,104	35,934	11.98	491,327	359,005	-	(Note B)
	Liquid Air Far East Co., Ltd.	Taiwan	Industrial gas production and sales	20	20	1	-	32	1,486,940	-	(Note A)
	Sino Belgium (Holding) Ltd.	Bermuda	Investment	2,255,510	2,255,510	36	90.88	(722,298)	(21,664)	-	(Note B)
	Freudenberg Far Eastern Spunweb Co., Ltd.	Taiwan	Production of nonwoven industrial fabrics	34	34	3	-	49	267,936	-	(Note A)
	Malaysia Garment Manufactures Pte. Ltd.	Singapore	Garment production and Investment	SGD 7,354	SGD 7,354	10	13.00	156,265	395	-	(Note B)
Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	986,735	986,735	110,457	3.20	1,411,816	2,331,074	-	(Note A)	
FE Oriental Investment Holding (Singapore) Pte. Ltd.	FE New Century Industrial (Singapore) Pte. Ltd.	Singapore	Sale of textile products	US\$ 4,900	US\$ -	49	100.00	98,725	(44,946)	-	(Note B)
	Oriental Investment Holding (Netherlands) B.V.	Netherlands	Investment	-	-	-	-	-	-	-	(Notes B and L)
Oriental Investment Holding (Netherlands) B.V.	Oriental Martens (Netherlands) B.V.	Netherlands	Investment	-	-	-	-	-	-	-	(Notes B and M)
Yuan Ding Co., Ltd.	YDT Technology International Co., Ltd.	Taiwan	Electronic material and relevant by-product sales	100,000	100,000	13,992	100.00	256,219	7,279	-	(Note B)
	Ding Integrated Marketing Service Co., Ltd.	Taiwan	Marketing	558,000	558,000	21,787	60.00	179,786	(17,194)	-	(Note B)
	Far Eastern Technical Consultants Co., Ltd.	Taiwan	Real estate development business consulting and management	45,182	45,182	4,550	91.00	68,519	9,435	-	(Note B)
	YDC (Virgin Islands) Ltd.	British Virgin Islands	Investment	US\$ 200	US\$ 200	(Note D)	17.70	9,870	4,111	-	(Note B)
	Yuanshi Digital Technology Co., Ltd.	Taiwan	Electronic information providing services	566,896	566,896	1,499	1.35	(212)	(153,431)	-	(Note B)
	FET Consulting Engineers Co., Ltd.	Taiwan	Business management consultants, piping engineering, cable installation, automatic equipment installation and investment business	342,701	342,701	37,000	100.00	50,898	(2,522)	-	(Note B)
	Asia Cement Corporation	Taiwan	Cement production	136,037	136,037	5,329	0.16	206,585	10,322,173	-	(Note A)
Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	100,412	100,412	4,164	0.13	105,289	6,469,093	-	(Note B)	
Yu Yuan Investment Co., Ltd	Taiwan	Investment	411,187	411,187	129,637	25.02	2,107,707	562,121	-	(Note A)	

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of September 30, 2020			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				September 30, 2020	December 31, 2019	Shares (Note F)	% of Ownership	Carrying Amount			
	Yue Ming Corporation	Taiwan	Trading	\$ 787	\$ 787	104	1.00	\$ 681	\$ 3,658	\$ -	(Note A)
	Yu Ding Industry Co., Ltd.	Taiwan	Department store operations	22,676	22,676	3,091	2.59	67,329	91,683	-	(Note A)
	FEDS Asia Pacific Development Co., Ltd.	Taiwan	Department store operations	100,000	100,000	10,650	5.00	136,530	80,264	-	(Note A)
	Far Eastern Electronic Toll Collection Co., Ltd.	Taiwan	Electronic toll collection services	977,650	977,650	44,796	14.93	607,018	359,005	-	(Note B)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	76,665	76,665	8,582	0.25	109,848	2,331,074	-	(Note A)
	Yuan Hsin Digital Payment Co., Ltd.	Taiwan	Electronic stored value cards	400,000	400,000	15,535	20.00	84,645	(125,583)	-	(Note B)
	Ding Ding Hotel Co., Ltd.	Taiwan	Hotel	2,630,238	2,630,238	102,509	98.52	265,048	(541,822)	-	(Note B)
Ding Integrated Marketing Service Co., Ltd.	Yuanshi Digital Technology Co., Ltd.	Taiwan	Electronic information providing services	1,828	1,828	5	-	10	(153,431)	-	(Note B)
	Yuan Hsin Digital Payment Co., Ltd.	Taiwan	Electronic stored value cards	300,200	300,200	11,659	15.01	63,522	(125,583)	-	(Note B)
	DDIM (Virgin Islands) Ltd.	British Virgin Islands	Investment	US\$ 11,000	US\$ 11,000	(Note D)	46.13	23,508	(4,714)	-	(Note B)
FET Consulting Engineers Co., Ltd.	DDIM (Virgin Islands) Ltd.	British Virgin Islands	Investment	384,970	384,970	(Note D)	53.87	27,452	(4,714)	-	(Note B)
YDT Technology International Co., Ltd.	Everest Textile Corporation	Taiwan	Chemical fiber production	2,451	2,451	130	0.03	974	(362,558)	-	(Note A)
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	51,673	51,673	2,764	0.20	97,022	1,209,351	-	(Note A)
	Asia Cement Corporation	Taiwan	Cement production	862	862	61	-	2,334	10,322,173	-	(Note A)
	YDC (Virgin Islands) Ltd.	British Virgin Islands	Investment	US\$ 930	US\$ 930	(Note D)	82.30	45,894	4,111	-	(Note B)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	26,960	26,960	3,018	0.09	38,866	2,331,074	-	(Note A)
Far Eastern Electronic Toll Collection Co., Ltd.	FETC International Co., Ltd.	Taiwan	Dispatched labor, procuring equipment, and sales agent services	200,000	200,000	20,000	100.00	104,060	(11,196)	-	(Note B)
FETC International Co., Ltd.	FETC International (Thailand) Co., Ltd.	Thailand	Dispatched labor, procuring equipment, and sales agent services	7,868	-	825	100.00	6,912	(700)	-	(Note B)
Far EasTone Telecommunications Co., Ltd.	New Century InfoComm Tech Co., Ltd.	Taiwan	Type I, II telecommunications services	22,249,283	22,249,283	2,100,000	100.00	26,373,310	1,367,006	-	(Note B)
	ARCOA Communication Co., Ltd.	Taiwan	Telecommunications services, sales of communications products and office equipment	1,305,802	1,305,802	82,762	61.63	694,019	117,708	-	(Note B)
	KGEx.com Co., Ltd.	Taiwan	Type II telecommunications services	2,340,472	2,340,472	68,897	99.99	862,071	119,402	-	(Note B)
	Yuanshi Digital Technology Co., Ltd.	Taiwan	Electronic information providing services	1,686,169	886,169	107,004	96.18	(26,308)	(153,431)	-	(Note B)
	Yuan Cing Co., Ltd.	Taiwan	Call center services	-	-	2,000	100.00	36,995	12,608	-	(Notes B and J)
	Far Eastern Info Service (Holding) Ltd.	Bermuda	Investment	92,616	92,616	1	100.00	4,691	(97)	-	(Note B)
	Yuan Bao Fintech Co., Ltd.	Taiwan	Type II telecommunications services	60,000	60,000	6,000	100.00	53,468	(6,212)	-	(Note B)
	FarEasTone Property Insurance Agent Co., Ltd.	Taiwan	property insurance service agent	5,000	-	500	100.00	45,263	40,263	-	(Note B)
	Far Eastern Electronic Toll Collection Co., Ltd.	Taiwan	Electronic toll collection services	2,542,396	2,542,396	118,251	39.42	1,193,926	359,005	-	(Note B)
	Ding Integrated Marketing Service Co., Ltd.	Taiwan	Marketing	139,500	139,500	5,447	15.00	44,822	(17,194)	-	(Note B)
	Yuan Hsin Digital Payment Co., Ltd.	Taiwan	Electronic stored value cards	600,000	600,000	23,302	30.00	126,718	(125,583)	-	(Note B)
ARCOA Communication Co., Ltd.	DataExpress Infotech Co., Ltd.	Taiwan	Electronic information providing services	141,750	141,750	13,896	70.00	209,758	42,728	-	(Note B)
New Century InfoComm Tech Co., Ltd.	New Diligent Co., Ltd.	Taiwan	Investment	540,000	540,000	54,000	100.00	82,582	(3,610)	-	(Note B)
	Information Security Service Digital United Inc.	Taiwan	Security and monitoring service via internet	148,777	148,777	10,249	100.00	93,716	(17,803)	-	(Note B)
	Digital United (Cayman) Ltd.	Cayman Islands	Investment	317,446	317,446	10,320	100.00	169,883	(2,183)	-	(Note B)
	Yuanshi Digital Technology Co., Ltd.	Taiwan	Electronic information providing services	20,000	20,000	750	0.67	(184)	(153,431)	-	(Note B)
	Ding Integrated Marketing Service Co., Ltd.	Taiwan	Marketing	46,500	46,500	1,816	5.00	14,941	(17,194)	-	(Note B)
	Prime EcoPower Co., Ltd.	Taiwan	Energy technology services	160,000	160,000	16,000	100.00	130,351	(10,096)	-	(Note B)
	Drive Catalyst SPC-SP Tranche One	Cayman Islands	Investment	123,220	123,220	4	25.00	115,372	(7,917)	-	(Note A)
	Drive Catalyst SPC-SP Tranche Three	Cayman Islands	Investment	122,300	122,300	4	25.00	128,192	(5,357)	-	(Note A)
	Nextlink Technology Co., Ltd.	Taiwan	Electronic information providing services	420,000	420,000	3,430	70.00	418,981	25,822	-	(Note B)
New Diligent Co., Ltd.	Sino Lead Enterprise Limited	Hong Kong	Telecommunication services	125	125	30	100.00	307	12	-	(Note B)
	Far East New Diligent Company Ltd.	British Virgin Islands	Investment	330,598	330,598	-	100.00	20,362	(3,562)	-	(Note B)
	New Diligent Hong Kong Co., Ltd.	Hong Kong	Investment	3,051	3,051	(Note D)	100.00	2,516	(194)	-	(Note B)
DataExpress Infotech Co., Ltd.	Linkwell Tech. Co., Ltd.	Taiwan	Electronic information providing services	-	10,000	(Note D)	-	-	1,443	-	(Notes B and N)
	Home Master Technology Ltd.	Taiwan	Electronic information providing services	10,000	10,000	(Note D)	100.00	37,856	18,616	-	(Note B)
Nextlink Technology Co., Ltd.	Microfusion Technology Co., Ltd.	Taiwan	Electronic information providing services	17,000	17,000	2,600	100.00	23,231	6,769	-	(Note B)
	Nextlink (HK) Technology Co., Ltd.	Hong Kong	Electronic information providing services	973	973	-	100.00	9,313	4,028	-	(Note B)
	Microfusion Technology (HK) Co., Ltd.	Hong Kong	Electronic information providing services	-	-	-	-	-	-	-	(Notes B and O)

(Continued)



- Notes:
- A. Equity-method investee.
  - B. Subsidiary.
  - C. Including 5,000 thousand common stock and 3,000 thousand preferred shares.
  - D. Company limited.
  - E. The investor opened a trust account in Shanghai Bank in Taipei on September 26, 2002 to acquire the ownership of Pacific Liu Tong Investment Co., Ltd.
  - F. Shares in thousands.
  - G. For investments in mainland China, refer to Table 13.
  - H. Under the “IFRSs Questions and Answers” issued by Taiwan Stock Exchange Corporation (TWSE), the Company recognized these items as investment properties in its parent-company-only financial statements and reclassified them to property, plant and equipment in the consolidated financial statements. The Company used the equity method and share of the profit or loss of associates to adjust the differences between the investment property amounts presented in the parent-company-only financial statements and the consolidated financial statements.
  - I. The effects from the adjustments of FENC shares which are held by Yuan Ding Co., Ltd. and the transactions between subsidiaries amounted to \$6,347 thousand.
  - J. The ending balance of the investment is zero in 2016 because the amount of reduction in capital was over the original investing value.
  - K. Joint operation entity.
  - L. Oriental Investment Holding (Netherlands) was established and registered on January 23, 2020, but as of September 30, 2020, the relevant investment funds have not been remitted.
  - M. Oriental Martens (Netherlands) B.V. was established and registered on February 12, 2020, but as of September 30, 2020, the relevant investment funds have not been remitted.
  - N. DataExpress Infotech Co., Ltd merged with Linkwell Tech. Ltd. on April 1, 2020. DataExpress Infotech Co., Ltd. was the surviving company and Linkwell Tech. Ltd. was the dissolved company.
  - O. Microfusion Technology (HK) Co., Ltd. was established and registered on September 3, 2020, but as of September 30, 2020, the relevant investment funds have not been remitted.

(Concluded)

## FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

INVESTMENTS IN MAINLAND CHINA  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020  
(In Thousands of New Taiwan Dollars, Renminbi and U.S. Dollars)

Investee Company	Main Businesses and Products	Paid-in Capital (Note U)	Method of Investment (Note A)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2020	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of September 30, 2020	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note B)	Carrying Amount as of September 30, 2020 (Note C)	Accumulated Repatriation of Investment Income as of September 30, 2020	Note
					Outflow	Inflow							
Far Eastern Industries (Shanghai) Ltd.	Manufacture and sales of PET staple, PET filament, polyester top, PET performs, draw textured yarn, spinning yarn, knit fabrics, woven fabrics, knit garments and woven garments	\$ 8,027,425	2	\$ 3,700,967	\$ -	\$ -	\$ 3,700,967	\$ 510,323	100.00	\$ 510,323	\$ 8,818,259	\$ 853,493	(Notes D and E)
Far Eastern Apparel (Suzhou) Co., Ltd.	Production and marketing of knit garments, woven garments, non-knit garments, and nonwoven garments and accessories	873,340	2	1,010,901	-	-	1,010,901	19,060	100.00	19,060	1,564,694	233,172	(Notes F and G)
Far Eastern Innovation Apparel (Suzhou) Co., Ltd.	Production and marketing of knit garments, woven garments, non-knit garments, and nonwoven garments and accessories	1,014,393	3	-	-	-	-	14,171	100.00	14,171	1,045,521	-	
Far Eastern Industries (Wuxi) Ltd.	Production and marketing of combed cotton yarn, 60/40 poly/cotton blended yarn, 65/35 poly/cotton blended yarn, spun yarn, woven fabrics, grievie woven fabrics, print woven fabrics, piece dyed woven fabrics and bleached woven fabrics	2,055,398	2	2,018,430	-	-	2,018,430	(95,644)	100.00	(95,644)	2,724,342	313,458	(Notes H and I)
Oriental Petrochemical (Shanghai) Corporation	Manufacture and distribution of PTA and its by-products	7,656,834	2	3,791,007	-	-	3,791,007	(919,607)	61.35	(564,179)	2,860,430	1,064,005	(Note J)
Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Manufacture and sales of weaving, dyeing and finishing of novelty fabrics, high-value engineered textiles industrial woven fabrics and scraps	1,576,427	2	1,342,854	-	-	1,342,854	161,442	100.00	161,442	3,129,301	159,799	(Notes H and R)
Far Eastern Industries (Suzhou) Ltd.	Production and marketing of PET staple, PET filament, polyester top, PET performs, draw textured yarn, spinning yarn, knit fabrics, woven fabrics, knit garments and woven garments	1,683,564	2	1,765,319	-	-	1,765,319	17,573	100.00	17,573	1,585,665	-	(Note K)
Wuhan Far Eastern New Material Ltd.	Manufacture and sales of PET sheets, chips, and filaments PET performs and garments and its by-products	730,202	2	724,110	-	-	724,110	(7,009)	100.00	(7,009)	899,951	-	
Oriental Industries (Suzhou) Ltd.	Production and marketing of polyester chips, partially oriented yarn, fully oriented yarn, and polyester yarn	4,673,900	2	4,957,248	-	-	4,957,248	(40,289)	100.00	(40,289)	5,764,697	-	註八

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital (Note U)	Method of Investment (Note A)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2020	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of September 30, 2020	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note B)	Carrying Amount as of September 30, 2020 (Note C)	Accumulated Repatriation of Investment Income as of September 30, 2020	Note
					Outflow	Inflow							
Far Eastern New Century (China) Investment Co., Ltd.	Investment	\$ 4,568,050	2	\$ 4,794,027	\$ -	\$ -	\$ 4,794,027	\$ (9,005)	100.00	\$ (9,005)	\$ 3,863,520	\$ -	
Sino Belgium Beer (Suzhou) Ltd.	Beer brewing	1,627,164	2	1,763,952	-	-	1,763,952	(25,901)	100.00	(25,901)	(654,633)	-	(Note L)
Martens Beers (Shanghai) Ltd.	Beer brewing	318,708	2	231,475	-	-	231,475	(10)	100.00	(10)	14,545	-	(Note L)
Far Eastern Yihua Petrochemical (Yangzhou) Corporation	PA and its by-product production and sale	6,204,356	2	4,181,323	-	-	4,181,323	5,197	60.00	3,118	3,749,411	-	
Far Eastern Industries (Yangzhou) Ltd.	PA and its by-product production	1,318,704	2	1,436,190	-	-	1,436,190	5,659	100.00	5,659	1,347,638	-	
Far Eastern Union Petrochemical (Yangzhou) Corporation	PA and its by-product production	4,036,188	2	1,962,908	-	-	1,962,908	(321,131)	50.00	(160,566)	2,136,307	-	
Shanghai Yuan Zi Information Technology Co., Ltd.	Software development, equipment maintenance and consulting	54,259	3	-	-	-	-	10,881	100.00	10,881	66,882	-	
Shanghai Far Eastern Petrochemical Logistic Corporation	Transportation	81,111	3	-	-	-	-	8,274	100.00	8,274	141,819	-	
Suzhou An Ho Apparel Ltd.	Garment production	4,269	3	-	-	-	-	682	100.00	682	54,085	-	
Yuan Ding Enterprise (Shanghai) Limited	Wholesale of chemical products and machinery and equipment, design and development of computer software and network technology	7,528,061	3	-	-	-	-	(72,717)	40.00	(29,087)	2,735,848	-	
Tong Da Air Industry (Yangzhou) Co., Ltd.	Liquid oxygen, oxygen, nitrogen and hydrogen warehousing	1,756,583	2	1,020,489	-	-	1,020,489	64,288	50.00	32,144	915,353	-	
Yuan Ding Integrated Information Service (Shanghai) Inc.	Computer software and internet software design and development	643,118	2	598,270	-	-	598,270	(4,736)	100.00	(4,736)	50,934	-	(Note M)
Speedy (Shanghai) digital Tech. Co., Ltd.	Intelligent control equipment and security monitoring products and services	27,916	2	24,220	-	-	24,220	4,206	100.00	4,206	54,301	-	(Note N)
Digital United Information Technology (Shanghai) Ltd.	Research and design of computer systems	90,210	2	90,210	-	-	90,210	(1,472)	100.00	(1,472)	(1,842)	-	(Note P)
Nextlink (Shanghai) Technology Co., Ltd	Electronic information providing services	2,095	2	2,095	-	-	2,095	(500)	70.00	(500)	913	-	(Note Q)
Far Eastern Tech-Info Ltd. (Shanghai)	Digital information supply services	174,600	2	194,466	-	-	194,466	(201)	-	(201)	-	-	(Note O)

Investee Company	Accumulated Outward Remittance for Investment in Mainland China as of September 30, 2020	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
Far Eastern New Century Corporation (Notes S and T)	\$ 22,653,879	\$ 23,454,081	\$ -

(Continued)

Notes: A. Investment types are classified as follows:

1. The investment was made directly in China.
  2. The investment was made through a company registered in a third region. Companies which registered in a third region are: Far Eastern Polychem Industries Ltd., PET Far Eastern (Holding) Ltd., Far Eastern Apparel (Holding) Ltd., Oriental Textile (Holding) Ltd., FEDP (Holding) Ltd., Far Eastern Polytex (Holding) Ltd., Sino Belgium (Holding) Ltd., YDC (Virgin Islands) Ltd., DDIM (Virgin Islands) Ltd., Far Eastern Info Service (Holding) Ltd., Digital United (Cayman) Ltd., Nextlink (HK) Technology Co., Ltd. and Far East New Diligent Company Ltd.
  3. Other types.
- B. On investment gain (Loss) column, except for Far Eastern Union Petrochemical (Yangzhou) Corporation's investment gain or loss in percentage of ownership, based on the financial statements reviewed by an international accounting firm that has a cooperative relationship with CPA Associations R.O.C. (Taiwan), the remaining based on financial statements that have not been reviewed by accountants, recognized gain or loss in percentage of ownership.
- C. The ending balance of long term investment.
- D. As of September 30, 2020, the accumulated outflow of investment from Taiwan was NT\$3,700,967 thousand which NT\$3,134,807 thousand where from the Company and the other was from Yuan Ding Investment Co., Ltd.
- E. As of September 30, 2020, the remitted amount of profit of investment was the total cash dividend of Far Eastern Polychem Industries Ltd. received by FENC and Yuan Ding Investment Co., Ltd.
- F. As of September 30, 2020, the accumulated outflow of investment from Taiwan was NT\$1,010,901 thousand which NT\$509,725 thousand was remitted by FENC the other was by Yuan Ding Investment Co., Ltd.
- G. As of September 30, 2020, the profit of investment was cash dividend paid by Far Eastern Apparel (Suzhou) Co., Ltd. which remitted through FENC subsidiaries, Far Eastern Polytex (Holding) Ltd. and Far Eastern Apparel (Holding) Ltd.
- H. As of September 30, 2020, the accumulated outflow of investment from Taiwan was remitted by Yuan Ding Investment Co., Ltd.
- I. As of September 30, 2020, the profit of investment was cash dividend paid by Far Eastern Industries (Wuxi) Ltd. remitted through a FENC's subsidiary, Oriental Textile (Holding) Ltd.
- J. As of September 30, 2020, the profit of investment was cash dividend paid by Oriental Petrochemical (Shanghai) Corporation remitted through FENC's subsidiaries, PET Far Eastern (Holding) Ltd. and Far Eastern Polytex (Holding) Ltd.
- K. As of September 30, 2020, the accumulated outflow of investment from Taiwan was NT\$1,765,319 thousand which NT\$1,099,293 thousand was remitted by FENC, and the other was by subsidiaries, Yuan Ding Investment Co., Ltd. and Yuan Tong Investment Co., Ltd.
- L. As of September 30, 2020, the accumulated outflow of investment from Taiwan was remitted by a FENC's subsidiary, Yuan Tong Investment Co., Ltd.
- M. As of September 30, 2020, the accumulated outflow of investment from Taiwan was remitted by FENC's subsidiaries, YDT Technology International Co., Ltd., FET Consulting Engineers Co., Ltd. and Ding Ding Integrated Marketing Service Co., Ltd.
- N. As of September 30, 2020, the accumulated outflow of investment from Taiwan was remitted by a FENC's subsidiary, YDT Technology International Co., Ltd.
- O. As of September 30, 2020, the accumulated outflow of investment from Taiwan was remitted by a FENC's subsidiary, Far EasTone Telecommunications Co., Ltd., and the investee was dissolved in 2020 with approval of the local government.
- P. As of September 30, 2020, the accumulated outflow of investment from Taiwan was remitted by a FENC's subsidiary, New Century InfoComm Tech Co., Ltd.
- Q. As of September 30, 2020, the accumulated outflow of investment from Taiwan was remitted by a FENC's subsidiary, Nextlink Technology Co., Ltd.
- R. As of September 30, 2020, the profit from investment was cash dividend paid by Far Eastern Dyeing & Finishing (Suzhou) Ltd. which remitted through a FENC subsidiary, Far Eastern Apparel (Holding) Ltd.
- S. Investment amounts authorized by the Investment Commission of the MOEA include US\$805,000 thousand, and the original investment RMB6,695 thousand from Far Eastern Polytex (Holding) Ltd. which approved by Investment Commission under the Ministry of Economic Affairs were calculated based on the ending exchange rates of US\$1:29.1 and RMB1:4.269.
- T. Based on MOEA Approval Letter No. 10620430940, there is no limitation on the amount of the parent company's investment in China.
- U. The paid-in capital was calculated based on the ending exchange rate of RMB1:NT\$4.269.

(Concluded)

## FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

INVESTMENT IN MAINLAND CHINA - INVESTMENT TYPES  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020  
(In Thousands of U.S. Dollars)

Investee Company	Authorized by Investment Commission, MOEA					Investment Type			
	Investor Company	Date	MOEA Approval Letter No.	Through Investor Company in Third Area	Investment Amount (US\$)	Investor Company's Own Capital	Investor Company in Third Area Using Dividends Received from Investee (US\$)	Financed from Financial Institutions in Third Area (US\$)	Investor Company in Third Area Using Its Own Capital to Invest (US\$)
Far Eastern Industries (Shanghai) Ltd.	Parent company	1996.07.09	No. 84015136	Far Eastern Polychem Industries Ltd.	\$ 6,000	\$ 6,000			
	Yuan Ding Investment Co., Ltd.			Far Eastern Polychem Industries Ltd.	24,000	24,000			
	Parent company	2004.12.29	No. 093032400	Far Eastern Polychem Industries Ltd.	1,712		\$ 1,712		
	Parent company	2004.12.30	No. 093032090	Far Eastern Polychem Industries Ltd.	1,540			\$ 1,540	
	Parent company	2004.11.03	No. 093032240	Far Eastern Polychem Industries Ltd.	3,879		3,879		
	Yuan Ding Investment Co., Ltd.	2004.12.29	No. 093032402	Far Eastern Polychem Industries Ltd.	7,014		7,014		
	Yuan Ding Investment Co., Ltd.	2004.11.02	No. 093032239	Far Eastern Polychem Industries Ltd.	15,898		15,898		
	Yuan Ding Investment Co., Ltd.	2004.12.29	No. 093032089	Far Eastern Polychem Industries Ltd.	6,313			6,313	
	Parent company	2006.11.01	No. 09500287850	Far Eastern Polychem Industries Ltd.	31,779	31,779			
	Parent company	2008.06.27	No. 09700163440	Far Eastern Polychem Industries Ltd.	56,000	56,000			
	Parent company	2008.04.18	No. 09700045490	Far Eastern Polychem Industries Ltd.	4,800	4,800			
					8,198				
		Parent company	2010.04.19	No. 09900142680 (Note D)	Far Eastern Polychem Industries Ltd.	(Note E) 11,500	11,500		
Far Eastern Apparel (Suzhou) Co., Ltd.	Yuan Ding Investment Co., Ltd.	1996.10.16	No. 85016219	Far Eastern Apparel (Holding) Ltd.	10,000	10,000			
	Yuan Ding Investment Co., Ltd.	2003.10.30	No. 092033299	Far Eastern Apparel (Holding) Ltd.	5,000	5,000			
	Parent company	2006.05.23	No. 09500112650	Far Eastern Polytex (Holding) Ltd.	11,000	11,000			
	Parent company	2008.03.31	No. 09700038490	Far Eastern Polytex (Holding) Ltd.	5,000	5,000			
Far Eastern Innovation Apparel (Suzhou) Co., Ltd.	Yuan Ding Investment Co., Ltd.	2018.07.16	No. 10730028260	Far Eastern Apparel (Holding) Ltd.	35,000				\$ 35,000
Far Eastern Industries (Wuxi) Ltd.	Yuan Ding Investment Co., Ltd.	2002.06.21	No. 091011903	Oriental Textile (Holding) Ltd.	19,960	19,960			
	Yuan Ding Investment Co., Ltd.	2005.11.03	No. 094024169	Oriental Textile (Holding) Ltd.	40,000	40,000			
Oriental Petrochemical (Shanghai) Corporation	Parent company	2009.11.17	No. 09800408170 (Note B)	Far Eastern Polychem Industries Ltd.	1,228				1,228
	Yuan Ding Investment Co., Ltd.	2009.11.17	No. 09800408160 (Note C)	PET Far Eastern (Holding) Ltd.	6,592				6,592
	Parent company	2008.06.27	No. 09700163430	Far Eastern Polychem Industries Ltd.	49,500	49,500			
	Parent company	2008.04.18	No. 09700045500	PET Far Eastern (Holding) Ltd.	4,800	4,800			
					2,936				
					(Note F) 41,171	41,171			
Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Parent company	2009.12.25	No. 09800456740	PET Far Eastern (Holding) Ltd.	41,171	41,171			
	Parent company	2017.09.18	No. 10630056570	PET Far Eastern (Holding) Ltd.	27,000	27,000			
Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Yuan Ding Investment Co., Ltd.	2003.10.31	No. 092033525	Far Eastern Apparel (Holding) Ltd.	20,000	20,000			
	Yuan Ding Investment Co., Ltd.	2008.10.13	No. 09700348610	Far Eastern Apparel (Holding) Ltd.	30,000	30,000			
Far Eastern Industries (Suzhou) Ltd.	Yuan Ding Investment Co., Ltd.	2002.11.26	No. 091035216	Far Eastern Polychem Industries Ltd.	9,352				9,352
	Parent company	2004.10.11	No. 093025506	FEDP (Holding) Ltd.	1,569			1,569	
	Parent company	2004.10.14	No. 093030298	Far Eastern Polychem Industries Ltd.	713				713
	Parent company	2010.10.12	No. 09900403430 (Note H)	FEDP (Holding) Ltd.	5,288	5,288			

(Continued)

Investee Company	Authorized by Investment Commission, MOEA					Investment Type			
	Investor Company	Date	MOEA Approval Letter No.	Through Investor Company in Third Area	Investment Amount (US\$)	Investor Company's Own Capital	Investor Company in Third Area Using Dividends Received from Investee (US\$)	Financed from Financial Institutions in Third Area (US\$)	Investor Company in Third Area Using Its Own Capital to Invest (US\$)
Oriental Industries (Suzhou) Ltd.	Parent company	2006.11.01	No. 09500287850	Far Eastern Polychem Industries Ltd. FEDP (Holding) Ltd.	4,524	4,524			
	Parent company	2008.04.18	No. 09700045510	Far Eastern Polychem Industries Ltd. FEDP (Holding) Ltd.	4,800	4,800			
	Parent company	2010.12.29	No. 09900470520 (Note I)	FEDP (Holding) Ltd.	754 (Note G) 18,224				
	Yuan Ding Investment Co., Ltd.	2005.08.01	No. 094015006	Oriental Textile (Holding) Ltd.	19,800	19,800			
	Yuan Ding Investment Co., Ltd.	2006.02.09	No. 094037416	Oriental Textile (Holding) Ltd.	30,200	30,200			
	Yuan Ding Investment Co., Ltd.	2007.10.02	No. 09600280400	Oriental Textile (Holding) Ltd.	23,000	23,000			
	Yuan Ding Investment Co., Ltd.	2008.09.01	No. 09700172130	Oriental Textile (Holding) Ltd.	32,500	32,500			
	Yuan Ding Investment Co., Ltd.	2013.04.29	No. 10200127470	Oriental Textile (Holding) Ltd.	8,000	8,000			
Wuhan Far Eastern New Material Ltd.	Yuan Ding Investment Co., Ltd.	2014.09.11	No. 10300223190 (Note K)	Oriental Textile (Holding) Ltd.	43,000	43,000			
	Parent company	2006.05.19	No. 09500090070	Far Eastern Polytex (Holding) Ltd.	12,000	12,000			
	Parent company	2009.6.29	No. 09800135640	Far Eastern Polytex (Holding) Ltd.	10,000	10,000			
Far Eastern New Century (China) Investment Co., Ltd. (Note A)	Parent company	2010.12.21	No. 09900470530	Far Eastern Polytex (Holding) Ltd.	RMB 6,695				RMB 6,695
	Parent company	2006.08.01	No. 09500124430	Far Eastern Polytex (Holding) Ltd.	48,000	48,000			
Sino Belgium Beer (Suzhou) Ltd.	Parent company	2007.08.02	No. 09600248620	Far Eastern Polytex (Holding) Ltd.	18,000	18,000			
	Yuan Tong Investment Co., Ltd.	2008.02.21	No. 09600451060	Sino Belgium (Holding) Ltd.	12,000	12,000			
	Yuan Tong Investment Co., Ltd.	2014.04.24	No. 10300091010 (Note L)	Sino Belgium (Holding) Ltd.	16,000	16,000			
	Yuan Tong Investment Co., Ltd.	2014.12.19	No. 10300249370 (Note O)	Sino Belgium (Holding) Ltd.	10,000	10,000			
Martens Beers (Shanghai) Ltd.	Yuan Tong Investment Co., Ltd.	2008.12.10	No. 09700456110	Sino Belgium (Holding) Ltd.	3,800	3,800			
	Yuan Tong Investment Co., Ltd.	2010.07.29	No. 09900284200	Bockhold N.V. Martens HK Ltd.	4,304				4,304
	Yuan Tong Investment Co., Ltd.	2014.04.24	No. 10300091010 (Note L)	Sino Belgium (Holding) Ltd.	1,500	1,500			
	Yuan Tong Investment Co., Ltd.	2013.11.28	No. 10200451570 (Note N)	Sino Belgium (Holding) Ltd.	1,100	1,100			
	Yuan Tong Investment Co., Ltd.	2014.12.19	No. 10300249370 (Note O)	Sino Belgium (Holding) Ltd.	1,000	1,000			
Far Eastern Tech-Info Ltd. (Shanghai)	Far EasTone Telecommunications Co., Ltd.	2004.08.26	No. 093018811	Far Eastern Info Service (Holding) Limited	2,500	2,500			
Far Eastern Yihua Petrochemical (Yangzhou) Corporation	Parent company	2011.06.23	No. 10000021360 (Note J)	Far Eastern Polytex (Holding) Ltd.	166,000	166,000			
Far Eastern Industries (Yangzhou) Ltd.	Parent company	2012.03.30	No. 10100043080	Far Eastern Polychem Industries Ltd.	49,000	49,000			
Far Eastern Union Petrochemical (Yangzhou) Corporation	Parent company	2012.08.31	No. 10300210860 (Note M)	PET Far Eastern (Holding) Ltd.	66,000	66,000			
	Parent company	2020.08.20	No. 10900223750 (Note T)	PET Far Eastern (Holding) Ltd.	9,250	9,250			
Yuan Ding Enterprise (Shanghai) Limited	Parent company	2013.11.08	No. 10200399280	Far Eastern Polytex (Holding) Ltd.	1,000	1,000			
	Parent company	2019.08.02	No. 10800190930 (Note S)	Far Eastern New Century (China) Investment Co., Ltd.	74,335	74,335			
	Parent company	2019.11.26	No. 10800217150	Far Eastern Polytex (Holding) Ltd.	32,000	32,000			
Tong Da Air Industry (Yangzhou) Co., Ltd.	Parent company	2014.09.05	No. 10300203670 (Note P)	Far Eastern New Century (China) Investment Co., Ltd.	33,500	33,500			

(Continued)

Investee Company	Authorized by Investment Commission, MOEA					Investment Type			
	Investor Company	Date	MOEA Approval Letter No.	Through Investor Company in Third Area	Investment Amount (US\$)	Investor Company's Own Capital	Investor Company in Third Area Using Dividends Received from Investee (US\$)	Financed from Financial Institutions in Third Area (US\$)	Investor Company in Third Area Using Its Own Capital to Invest (US\$)
Yuan Ding Integrated Information Service (Shanghai) Inc.	YDT Technology International Co., Ltd. FET Consulting Engineers Co., Ltd. Ding Ding Marketing Service Co., Ltd.	2011.10.19 2011.11.03 2015.08.11	No. 10000429550 No. 10000439470 No. 10400179060	YDC (Virgin Islands) Ltd. DDIM (Virgin Islands) Ltd. DDIM (Virgin Islands) Ltd.	\$ 110 8,100 1,100	\$ 110 8,100 1,100			
Speedy (Shanghai) digital Tech. Co., Ltd.	YDT Technology International Co., Ltd.	2004.02.11 2005.02.05	No. 093003471 No. 094003122	YDC (Virgin Islands) Ltd. YDC (Virgin Islands) Ltd.	300 500	300 500			
Far Eastern Tech-Info Ltd. (Shanghai)	Far Eastone Telecommunications Co., Ltd. New Diligent Co., Ltd.	2004.08.26 2014.01.29	No. 093018811 No. 10300022990	Far Eastern Info Service (Holding) Ltd. Far East New Diligent Company Ltd.	2,500 3,500	2,500 3,500			
Digital United Information Technology (Shanghai) Ltd.	New Century InfoComm Tech Co., Ltd. New Century InfoComm Tech Co., Ltd.	2002.10.07 2013.08.09	No. 091041498 No. 10200302730	Digital United (Cayman) Ltd. Digital United (Cayman) Ltd.	3,100 1,000				\$ 3,100
Nextlink (Shanghai) Technology Co., Ltd.	Nextlink Technology Co., Ltd.	2019.03.28	No. 10830010930	Nextlink (Hong Kong) Technology Co., Ltd.	72	72			
New Diligence Corporation (Shanghai)	New Diligent Co., Ltd.	2007.08.08	No. 09600261870	New Diligent Co., Ltd. (Note Q)	1,127	1,127			
Far Eastern New Century Information Technology (Beijing) Limited	New Diligent Co., Ltd.	2012.11.19	No. 10100496420	Far East New Diligent Company Ltd. (Note R)	10,300	10,300			

- Notes: A. Far Eastern New Century (China) Investment Co., Ltd. invested US\$30,000 thousand in Far Eastern Industries (Shanghai) Ltd. and US\$16,000 thousand in Oriental Petrochemical (Shanghai) Corporation, except US\$2,000 thousand was still deposited in Far Eastern New Century (China) Investments Co., Ltd.
- B. Document No. 092035971 had been canceled and replaced with document No. 09800408170.
- C. Document No. 092035970 had been canceled and replaced with document No. 09800408160.
- D. The approved amount of US\$12,000 thousand on September 18, 2009 as stated in document No. 09800283970, had been changed to US\$11,500 thousand and updated to document No. 09900142680 on April 19, 2010 while completed the-review process.
- E. The shares offered for the privatization of FEPI had antidilutive effects; thus, FEPI's ownership and amount invested in Far Eastern Industry (Shanghai) Ltd. increased.
- F. The shares offered for the privatization of FEPI had antidilutive effects; thus, FEPI's ownership and amount invested in Oriental Petrochemical (Shanghai) Corporation increased.
- G. The shares offered for the privatization of FEPI had antidilutive effects; thus, FEPI's ownership and amount invested in Far Eastern Industries (Suzhou) Ltd. increased.
- H. Under the original investment scheme, the investment in Far Eastern Industry (Suzhou) Ltd. was made indirectly through Far Eastern Polytex (Holding) Ltd. and FEDP (Holding) Ltd., under the approval stated in Letter No. 09600059830 of the Ministry of Economic Affairs (MOEA). After a scheme modification, this investment was made indirectly only through FEDP (Holding) Ltd. under the MOEA's approval (Letter No. 09900403430).
- I. After obtaining MOEA approval (No. 09900470520), FENC received FEDP (Holding) Ltd. from Yuan Tong Investment Co., Ltd., for US\$18,224 thousand (MOEA approval No. 09600243260).
- J. After obtaining MOEA approval (No. 10000021360), FENC's subsidiary, Far Eastern Polytex (Holding) Ltd., indirectly invest US\$166,000 thousand in Far Eastern Yihua Petrochemical (Yangzhou) Corporation.
- K. After modifying MOEA approval from No. 10300140570 to No. 10300223190, FENC's subsidiary, Yuan Ding Investment Co., Ltd. amended to invest US\$43,000 thousand indirectly or equivalent RMB through its subsidiary, Oriental Textile (Holding) Ltd. in Far Eastern Industries (Suzhou) Ltd.
- L. After modifying MOEA approval from No. 10000446910 to No. 10300091010, FENC's subsidiary, Yuan Tong Investment Co., Ltd. amended to invest US\$16,000 and US\$17,500 indirectly through its subsidiary, Sino Belgium (Holding) Corporation, in Sino Belgium Beer (Suzhou) Ltd. and Martens Beers (Shanghai) Ltd.
- M. After modifying MOEA approval from No. 10100115020 to No. 10300210860, FENC amended to invest US\$66,000 thousand, and invested through its subsidiary, PET Far Eastern (Holding) Ltd., in Far Eastern Union Petrochemical (Yangzhou) Corporation.
- N. After obtaining MOEA approval (No. 10200451570), FENC's subsidiary, Yuan Tong Investment Co., Ltd., indirectly invest US\$1,100 thousand through its subsidiary, Sino Belgium (Holding) Corporation, in Martens Beers (Shanghai) Ltd.
- O. After obtaining MOEA approval (No. 10300249370), FENC's subsidiary Yuan Tong Investment Co., Ltd. indirectly invest US\$10,000 thousand and US\$1,000 thousand through its subsidiary, Sino Belgium (Holding) Corporation, in Sino Belgium Beer (Suzhou) Ltd. and Martens Beers (Shanghai) Ltd.

(Continued)

- P. After modifying MOEA approval from No. 10200478110 to No. 10300203670, FENC amended its indirect investment to US\$33,500 thousand, and invested through its subsidiary, PET Far Eastern (Holding) Ltd., indirectly in Tong Da Air Industry (Yangzhou) Co., Ltd.
- Q. The dissolution of this investment had been approved by the local government on April 13, 2010. On June 27, 2012, the remittance of the remaining shares of US\$73 million was made. MOEA approved the cancellation of the amount, the balance has not been cancelled to the MOEA.
- R. The dissolution of this investment had been approved by the local government, but the balance has not been cancelled to the MOEA.
- S. After modifying MOEA approval from No. 10600282650 to No. 10800015840, FENC invested US\$82,340 thousand through its subsidiary, Far Eastern Polytex (Holding) Ltd., indirectly in Far Eastern New Century (China) Investment Co., Ltd., then capitalized to Yuan Ding Enterprise (Shanghai) Limited. On August 8, 2019 after obtaining MOEA approval (No. 10800190930), amended to invest US\$74,335 thousand.
- T. The parent company was approved to indirectly invest US\$9,250 thousand in Far Eastern Union Petrochemical (Yangzhou) Corporation in Mainland China through PET Far Eastern (Holding) Ltd., by obtaining MOEA approval (No. 10900223750).

(Concluded)



**FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES**

**INFORMATION OF MAJOR SHAREHOLDERS  
SEPTEMBER 30, 2020**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Asia Cement Corporation	1,272,277,085 shares	23.77

Note 1: The above table discloses the information on stockholders with over 5% ownership of Far Eastern New Century on the last business day as of the end of the reporting period. The percentage of ownership was calculated by the Taiwan Depository & Clearing Corporation (TDCC) based on the number of common stock and preferred stock, including treasury stock, registered by Far Eastern New Century through the delivering of non-physical securities to TDCC. The number of issued capital stock recorded in the consolidated financial statements may be different from the actual number of stock registered by Far Eastern New Century through the delivering of non-physical securities to TDCC due to the difference in the calculation basis.

Note 2: If a shareholder delivers the shareholdings to the trust, the above information will be disclosed by the individual trustor who opened the trust account. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, please refer to Market Observation Post System.