

**Far Eastern New Century Corporation and
Subsidiaries**

**Consolidated Financial Statements for the
Six Months Ended June 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 June 30, 2020 and 2019, the related consolidated statements of comprehensive income for the three months ended June 30, 2020 and 2019 and for the six months ended June 30, 2020 and 2019, the consolidated statements of changes in equity and cash flows for six months ended June 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 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 June 30, 2020 and 2019, combined total assets of these non-significant subsidiaries and joint operations were NT\$204,431,020 thousand and NT\$243,995,158 thousand, respectively, representing 33.02% and 41.92%, respectively, of the consolidated total assets, and combined total liabilities of these non-significant subsidiaries and joint operations were NT\$91,360,219 thousand and NT\$93,157,635 thousand, respectively, representing 25.45% and 29.34%, respectively, of the consolidated total liabilities; for the three months and six months ended June 30, 2020 and 2019, the combined comprehensive income(loss) of these non-significant subsidiaries and joint operations were NT\$(1,034,924) thousand, NT\$1,265,833 thousand, NT\$(3,906,122) thousand and NT\$3,133,927 thousand, respectively, representing (38.61%), 25.38%, (114.00%) and 29.48%, 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 June 30, 2020 and 2019, with carrying

values of NT\$35,434,560 thousand and NT\$33,064,303 thousand, respectively, and the related shares of the comprehensive income of these investees amounting to NT\$1,648,264 thousand, NT\$1,335,672 thousand, NT\$971,827 thousand and NT\$1,921,896 thousand, for the three months and six months ended June 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 information on subsidiaries, joint operations, and associates stated above and investments shown in Note 41 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 June 30, 2020 and 2019, its consolidated financial performance for the three months ended June 30, 2020 and 2019, and its consolidated financial performance and its cash flows for the six months ended June 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 Ching-Pin Shih and Cheng-Hung Kuo.

Deloitte & Touche
Taipei, Taiwan
Republic of China

August 11, 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	June 30, 2020 (Reviewed)		December 31, 2019 (Audited)		June 30, 2019 (Reviewed)	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Notes 6 and 36)	\$ 46,457,738	8	\$ 38,924,588	7	\$ 38,757,640	7
Financial assets at fair value through profit or loss - current (Notes 7, 36 and 37)	4,736,789	1	5,053,716	1	4,572,184	1
Financial assets at fair value through other comprehensive income - current (Note 8)	75,452	-	80,853	-	80,587	-
Financial assets at amortized cost - current (Notes 9 and 36)	1,870,831	-	1,792,168	-	1,238,260	-
Contact assets - current (Note 27)	6,816,886	1	6,398,973	1	6,035,213	1
Notes and accounts receivable, net (Notes 11, 27 and 36)	23,956,467	4	26,932,881	5	31,866,629	5
Other receivables (Note 36)	7,387,772	1	4,209,711	1	6,321,954	1
Current tax assets (Note 4)	29,881	-	34,616	-	12,901	-
Inventories (Notes 12 and 37)	21,003,705	3	27,117,492	5	28,737,766	5
Prepayments	2,522,103	1	1,957,909	-	5,769,412	1
Other financial assets - current (Notes 36 and 37)	2,439,596	-	3,079,224	-	4,336,451	1
Refundable deposits - current	65,029	-	105,305	-	65,997	-
Other current assets	3,440,283	1	3,352,947	1	3,788,725	1
Total current assets	<u>120,802,532</u>	<u>20</u>	<u>119,040,383</u>	<u>21</u>	<u>131,583,719</u>	<u>23</u>
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income - non-current (Note 8)	2,540,053	-	2,076,085	-	2,025,864	-
Financial assets at amortized cost - non-current (Notes 9, 10, 36 and 37)	544,100	-	519,921	-	631,000	-
Investments accounted for using the equity method (Notes 14 and 37)	70,203,862	11	71,266,263	12	66,672,350	12
Contract assets - non-current (Note 27)	2,950,401	-	2,333,037	1	1,903,790	-
Property, plant and equipment (Notes 16 and 37)	158,901,053	26	163,017,162	28	163,435,664	28
Right-of-use assets (Notes 4, 17 and 36)	18,572,950	3	18,692,472	3	18,837,717	3
Investment properties (Notes 18 and 37)	134,866,919	22	127,633,553	22	125,958,078	22
Concessions (Notes 20 and 37)	79,506,285	13	38,069,295	7	39,606,528	7
Goodwill (Note 19)	12,289,565	2	12,290,228	2	12,777,741	2
Other intangible assets (Note 20)	4,568,810	1	4,926,629	1	5,137,366	1
Deferred tax assets (Note 4)	2,988,921	1	3,117,532	1	3,280,138	1
Prepayments for equipment (Note 16)	1,575,864	-	2,150,572	-	2,522,134	-
Refundable deposits - non-current	1,433,819	-	1,478,369	-	1,173,552	-
Long-term other receivables (Notes 11 and 36)	133,628	-	100,125	-	518,642	-
Incremental costs of obtaining a contract - non-current (Note 27)	3,355,876	1	3,398,107	1	2,806,427	1
Net defined benefit assets - non-current (Note 24)	663,687	-	487,009	-	-	-
Other financial assets - non-current (Notes 36 and 37)	2,605,648	-	3,882,293	1	2,489,956	-
Other non-current assets (Note 20)	532,304	-	1,600,664	-	708,055	-
Total non-current assets	<u>498,233,745</u>	<u>80</u>	<u>457,039,316</u>	<u>79</u>	<u>450,485,002</u>	<u>77</u>
TOTAL	<u>\$ 619,036,277</u>	<u>100</u>	<u>\$ 576,079,699</u>	<u>100</u>	<u>\$ 582,068,721</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 21 and 36)	\$ 36,978,470	6	\$ 35,429,586	6	\$ 38,765,823	7
Short-term bills payable (Note 21)	7,682,146	1	8,125,603	1	4,841,935	1
Financial liabilities at fair value through profit or loss - current (Notes 7 and 36)	386	-	1,861	-	3,333	-
Contract liabilities - current (Note 27)	4,959,478	1	4,535,792	1	4,905,042	1
Notes and accounts payable	13,621,967	2	17,704,125	3	18,915,248	3
Notes and accounts payable to related parties (Note 36)	300,974	-	336,261	-	279,359	-
Lease liabilities - current (Notes 4, 17 and 36)	3,349,821	1	3,187,540	1	3,225,179	1
Payables to suppliers of machinery and equipment	3,744,097	1	2,570,620	-	3,971,446	1
Other payables	27,962,727	5	14,844,133	3	31,990,890	5
Current tax liabilities (Note 4)	2,019,474	-	1,693,953	-	1,431,053	-
Provisions - current (Note 23)	244,055	-	250,396	-	281,914	-
Guarantee deposits received - current (Note 36)	194,336	-	233,022	-	281,503	-
Current portion of long-term liabilities (Notes 21 and 22)	19,572,040	3	23,071,439	4	25,270,563	4
Other current liabilities	3,135,866	-	2,988,273	1	2,741,832	-
Total current liabilities	<u>123,765,837</u>	<u>20</u>	<u>114,972,604</u>	<u>20</u>	<u>136,905,120</u>	<u>23</u>
NON-CURRENT LIABILITIES						
Financial liabilities for hedging - non-current (Note 35)	17,153	-	31,087	-	45,485	-
Contract liabilities - non-current (Note 27)	199,510	-	210,600	-	223,012	-
Lease liabilities - non-current (Notes 4, 17 and 36)	7,321,536	1	7,376,771	1	7,359,600	1
Bonds payable (Note 22)	96,183,500	16	83,398,393	15	79,202,740	14
Long-term borrowings (Note 21)	110,439,266	18	78,289,832	14	72,892,056	13
Provisions - non-current (Note 23)	988,881	-	961,398	-	937,049	-
Deferred tax liabilities (Note 4)	18,287,010	3	17,761,929	3	17,575,491	3
Net defined benefit liabilities - non-current (Notes 4 and 24)	922,317	-	959,416	-	1,608,704	-
Guarantee deposits received - non-current (Note 36)	763,839	-	635,451	-	547,081	-
Deferred credit-gains on related-party transactions (Note 36)	122,248	-	122,526	-	122,803	-
Other non-current liabilities	37,487	-	38,509	-	90,945	-
Total non-current liabilities	<u>235,282,747</u>	<u>38</u>	<u>189,785,912</u>	<u>33</u>	<u>180,604,966</u>	<u>31</u>
Total liabilities	<u>359,048,584</u>	<u>58</u>	<u>304,758,516</u>	<u>53</u>	<u>317,510,086</u>	<u>54</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 26)						
Share capital						
Common stock	53,528,751	9	53,528,751	9	53,528,751	9
Capital surplus	3,277,225	-	3,270,355	1	3,255,083	1
Retained earnings						
Legal reserve	19,028,517	3	17,955,250	3	17,955,250	3
Special reserve	117,342,360	19	115,505,874	20	115,531,749	20
Unappropriated earnings	10,074,767	2	17,376,404	3	11,308,209	2
Total retained earnings	146,445,644	24	150,837,528	26	144,795,208	25
Other equity	(5,664,972)	(1)	(3,089,283)	(1)	57,135	-
Treasury shares	(25,063)	-	(25,063)	-	(25,063)	-
Total equity attributable to owners of the Company	197,561,585	32	204,522,288	35	201,611,114	35
NON-CONTROLLING INTERESTS (Note 26)	<u>62,426,108</u>	<u>10</u>	<u>66,798,895</u>	<u>12</u>	<u>62,947,521</u>	<u>11</u>
Total equity	<u>259,987,693</u>	<u>42</u>	<u>271,321,183</u>	<u>47</u>	<u>264,558,635</u>	<u>46</u>
TOTAL	<u>\$ 619,036,277</u>	<u>100</u>	<u>\$ 576,079,699</u>	<u>100</u>	<u>\$ 582,068,721</u>	<u>100</u>

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

(With Deloitte & Touche review report dated August 11, 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 June 30				For the Six Months Ended June 30			
	2020		2019		2020		2019	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE								
(Notes 27 and 36)								
Net sales	\$ 31,304,642	64	\$ 49,060,999	74	\$ 67,501,602	67	\$ 94,970,654	74
Telecommunications service revenue	11,365,689	23	11,991,871	18	22,833,549	23	23,896,059	19
Construction revenue	2,600,223	5	2,181,835	3	3,436,167	3	3,222,625	2
Other operating revenue	<u>3,673,038</u>	<u>8</u>	<u>3,491,877</u>	<u>5</u>	<u>7,408,585</u>	<u>7</u>	<u>6,557,161</u>	<u>5</u>
Total operating revenue	<u>48,943,592</u>	<u>100</u>	<u>66,726,582</u>	<u>100</u>	<u>101,179,903</u>	<u>100</u>	<u>128,646,499</u>	<u>100</u>
OPERATING COSTS (Notes 12, 28 and 36)								
Cost of goods sold	28,832,805	59	44,158,116	66	62,717,236	62	86,678,423	67
Cost of telecommunications services	5,747,074	12	6,166,530	9	11,559,255	11	12,369,524	10
Loss on disposal of investments, net	1,722	-	5,499	-	5,308	-	7,284	-
Construction costs	2,511,111	5	2,136,093	3	3,292,165	3	3,144,002	3
Other operating costs	<u>2,236,235</u>	<u>4</u>	<u>1,675,927</u>	<u>3</u>	<u>4,489,465</u>	<u>5</u>	<u>2,989,117</u>	<u>2</u>
Total operating costs	<u>39,328,947</u>	<u>80</u>	<u>54,142,165</u>	<u>81</u>	<u>82,063,429</u>	<u>81</u>	<u>105,188,350</u>	<u>82</u>
GROSS PROFIT	<u>9,614,645</u>	<u>20</u>	<u>12,584,417</u>	<u>19</u>	<u>19,116,474</u>	<u>19</u>	<u>23,458,149</u>	<u>18</u>
REALIZED CONSTRUCTION INCOME	<u>278</u>	<u>-</u>	<u>278</u>	<u>-</u>	<u>278</u>	<u>-</u>	<u>278</u>	<u>-</u>
OPERATING EXPENSES								
(Notes 28 and 36)								
Selling and marketing	4,258,146	9	4,925,769	7	9,206,742	9	9,196,125	7
General and administrative	2,610,670	5	2,993,452	5	5,142,287	5	5,831,675	5
Research and development	217,737	1	267,840	-	436,080	1	518,453	1
Expected credit loss	<u>71,061</u>	<u>-</u>	<u>112,043</u>	<u>-</u>	<u>142,694</u>	<u>-</u>	<u>191,242</u>	<u>-</u>
Total operating expenses	<u>7,157,614</u>	<u>15</u>	<u>8,299,104</u>	<u>12</u>	<u>14,927,803</u>	<u>15</u>	<u>15,737,495</u>	<u>13</u>
OPERATING INCOME	<u>2,457,309</u>	<u>5</u>	<u>4,285,591</u>	<u>7</u>	<u>4,188,949</u>	<u>4</u>	<u>7,720,932</u>	<u>5</u>
NON-OPERATING INCOME AND EXPENSES								
Share of the profit or loss of associates	2,031,664	4	2,049,528	3	1,979,371	2	3,412,328	3
Interest income	83,441	-	90,353	-	156,142	-	170,618	-
Other income - other	356,636	1	205,794	-	802,563	1	409,584	-
Gain on financial (liabilities) assets at fair value through profit or loss	260,028	1	74,997	-	53,481	-	188,399	-
Gain on change in fair value of investment properties (Note 18)	164,807	-	165,406	-	3,057,610	3	313,804	-
Interest expense (Notes 28 and 36)	(776,976)	(2)	(877,052)	(1)	(1,538,084)	(2)	(1,688,045)	(1)
Other expenses	(94,125)	-	(177,348)	-	(311,922)	-	(362,948)	-
Loss on disposal of property, plant and equipment (Note 16)	(234,284)	(1)	(202,852)	-	(349,229)	-	(421,489)	-
Loss on disposal of concessions (Note 20)	-	-	(305)	-	-	-	(205)	-
Gain (loss) on disposal of intangible assets (Note 20)	(3)	-	280	-	(3)	-	(192)	-

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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 June 30				For the Six Months Ended June 30			
	2020	%	2019	%	2020	%	2019	%
	Amount	%	Amount	%	Amount	%	Amount	%
Exchange gain (loss), net	\$ (56,561)	-	\$ 189,437	-	\$ 46,151	-	\$ 224,975	-
Impairment loss (Notes 14 and 16)	(70,067)	-	(40,284)	-	(72,164)	-	(84,088)	-
Total non-operating incomes and expenses	<u>1,664,560</u>	<u>3</u>	<u>1,477,954</u>	<u>2</u>	<u>3,823,916</u>	<u>4</u>	<u>2,162,741</u>	<u>2</u>
INCOME BEFORE INCOME TAX	4,121,869	8	5,763,545	9	8,012,865	8	9,883,673	7
INCOME TAX EXPENSE (Notes 4 and 29)	(683,082)	(1)	(721,031)	(1)	(1,690,615)	(2)	(1,399,470)	(1)
NET INCOME	<u>3,438,787</u>	<u>7</u>	<u>5,042,514</u>	<u>8</u>	<u>6,322,250</u>	<u>6</u>	<u>8,484,203</u>	<u>6</u>
OTHER COMPREHENSIVE INCOME, NET								
Items that will not be reclassified subsequently to profit or loss:								
Gain on property revaluation (Note 16)	-	-	-	-	67,461	-	331,557	-
Unrealized gain (loss) on investments in equity instruments designated as at fair value through other comprehensive income	18,337	-	17,215	-	(88,403)	-	5,081	-
Share of the other comprehensive income of associates accounted for using the equity method	716,101	1	455,318	1	(780,204)	(1)	936,123	1
Income tax relating to items that will not be reclassified subsequently to profit or loss (Notes 4 and 29)	2,803	-	(69)	-	(10,738)	-	(35,016)	-
	<u>737,241</u>	<u>1</u>	<u>472,464</u>	<u>1</u>	<u>(811,884)</u>	<u>(1)</u>	<u>1,237,745</u>	<u>1</u>
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating foreign operations	(1,170,948)	(2)	(427,988)	(1)	(1,621,510)	(2)	756,309	1
Gain on hedging instruments	7,892	-	(20,784)	-	13,934	-	(110,841)	-
Share of the other comprehensive income of associates accounted for using the equity method	(332,504)	(1)	(77,787)	-	(476,247)	-	263,126	-
	<u>(1,495,560)</u>	<u>(3)</u>	<u>(526,559)</u>	<u>(1)</u>	<u>(2,083,823)</u>	<u>(2)</u>	<u>908,594</u>	<u>1</u>
Other comprehensive income (loss), net of income tax	<u>(758,319)</u>	<u>(2)</u>	<u>(54,095)</u>	<u>-</u>	<u>(2,895,707)</u>	<u>(3)</u>	<u>2,146,339</u>	<u>2</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 2,680,468</u>	<u>5</u>	<u>\$ 4,988,419</u>	<u>8</u>	<u>\$ 3,426,543</u>	<u>3</u>	<u>\$ 10,630,542</u>	<u>8</u>
NET INCOME ATTRIBUTABLE TO:								
Owners of the Company	\$ 2,185,655	4	\$ 3,505,296	6	\$ 3,688,731	4	\$ 5,521,083	4
Non-controlling interests	<u>1,253,132</u>	<u>3</u>	<u>1,537,218</u>	<u>2</u>	<u>2,633,519</u>	<u>2</u>	<u>2,963,120</u>	<u>2</u>
	<u>\$ 3,438,787</u>	<u>7</u>	<u>\$ 5,042,514</u>	<u>8</u>	<u>\$ 6,322,250</u>	<u>6</u>	<u>\$ 8,484,203</u>	<u>6</u>

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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 June 30				For the Six Months Ended June 30			
	2020		2019		2020		2019	
	Amount	%	Amount	%	Amount	%	Amount	%
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owners of the Company	\$ 1,553,823	3	\$ 3,507,029	6	\$ 1,080,364	1	\$ 7,650,397	6
Non-controlling interests	<u>1,126,645</u>	<u>2</u>	<u>1,481,390</u>	<u>2</u>	<u>2,346,179</u>	<u>2</u>	<u>2,980,145</u>	<u>2</u>
	<u>\$ 2,680,468</u>	<u>5</u>	<u>\$ 4,988,419</u>	<u>8</u>	<u>\$ 3,426,543</u>	<u>3</u>	<u>\$ 10,630,542</u>	<u>8</u>
EARNINGS PER SHARE (NEW TAIWAN DOLLARS; Note 30)								
Basic	<u>\$ 0.44</u>		<u>\$ 0.70</u>		<u>\$ 0.74</u>		<u>\$ 1.10</u>	
Diluted	<u>\$ 0.44</u>		<u>\$ 0.70</u>		<u>\$ 0.74</u>		<u>\$ 1.10</u>	

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

(With Deloitte & Touche review report dated August 11, 2020)

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars; Except Dividends Per Share)
(Reviewed, Not Audited)

	Equity Attributable to Owners of the Company					Other Equity							Total Equity
	Common Stock (Note 26)	Capital Surplus (Note 26)	Retained Earnings		Unappropriated Earnings (Notes 4 and 26)	Exchange Differences on Translating Foreign Operations (Note 26)	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income (Note 26)	Gain/(Loss) on Hedging Instruments (Note 26)	Unrealized Revaluation Increments (Note 26)	Treasury Shares (Note 26)	Total Equity Attributable to Owners of the Company	Non-controlling Interests (Note 26)	
			Legal Reserve (Note 26)	Special Reserve (Note 26)									
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 - NT\$1.8 per share	-	-	-	-	(9,635,175)	-	-	-	-	-	(9,635,175)	-	(9,635,175)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(7,758,030)	(7,758,030)
Net income for the six months ended June 30, 2019	-	-	-	-	5,521,083	-	-	-	-	-	5,521,083	2,963,120	8,484,203
Other comprehensive income (loss) for the six months ended June 30, 2019	-	-	-	-	-	862,790	1,008,247	(38,779)	297,056	-	2,129,314	17,025	2,146,339
Total comprehensive income (loss) for the six months ended June 30, 2019	-	-	-	-	5,521,083	862,790	1,008,247	(38,779)	297,056	-	7,650,397	2,980,145	10,630,542
Change in associates accounted for using the equity method	-	3	-	-	45,655	-	-	-	-	-	45,658	475	46,133
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	-	-	-	-	2,848	-	(2,848)	-	-	-	-	-	-
Disposal of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	(11,276)	(11,276)
Changes in percentage of ownership interests in subsidiaries	-	346,449	-	-	-	-	-	-	-	-	346,449	3,088,551	3,435,000
BALANCE, JUNE 30, 2019	\$ 53,528,751	\$ 3,255,083	\$ 17,955,250	\$ 115,531,749	\$ 11,308,209	\$ (2,727,111)	\$ 1,777,311	\$ 7,101	\$ 999,834	\$ (25,063)	\$ 201,611,114	\$ 62,947,521	\$ 264,558,635
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 - NT\$1.5 per share	-	-	-	-	(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 six months ended June 30, 2020	-	-	-	-	3,688,731	-	-	-	-	-	3,688,731	2,633,519	6,322,250
Other comprehensive income (loss) for the six months ended June 30, 2020	-	-	-	-	-	(1,934,292)	(732,846)	4,802	53,969	-	(2,608,367)	(287,340)	(2,895,707)
Total comprehensive income (loss) for the six months ended June 30, 2020	-	-	-	-	3,688,731	(1,934,292)	(732,846)	4,802	53,969	-	1,080,364	2,346,179	3,426,543
Change in associates accounted for using the equity method	-	6,870	-	-	(4,407)	-	-	-	-	-	2,463	(27)	2,436
Associate disposed the investment in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	(32,678)	-	32,678	-	-	-	-	-	-
Change in percentage of ownership interest of subsidiaries	-	-	-	-	(14,217)	-	-	-	-	-	(14,217)	14,217	-
BALANCE, JUNE 30, 2020	\$ 53,528,751	\$ 3,277,225	\$ 19,028,517	\$ 117,342,360	\$ 10,074,767	\$ (8,479,998)	\$ 1,739,797	\$ 16,502	\$ 1,058,727	\$ (25,063)	\$ 197,561,585	\$ 62,426,108	\$ 259,987,693

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

(With Deloitte & Touche review report dated August 11, 2020)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Six Months Ended June 30	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 8,012,865	\$ 9,883,673
Adjustments for:		
Depreciation	10,166,514	11,038,152
Amortization	2,288,901	2,221,932
Expected credit loss	142,694	191,242
Interest expense	1,538,084	1,688,045
Interest income	(156,142)	(170,618)
Dividend income	(77,351)	(17,640)
Share of the profit of associates	(1,979,371)	(3,412,328)
Loss on disposal of property, plant and equipment	349,229	421,489
Loss on disposal of intangible assets	3	192
Loss on disposal of concessions	-	205
Impairment loss	72,164	84,088
Write-down (reversal) of inventories	82,632	(428,280)
Realized gain on the transactions with associates	(278)	(278)
Gain on change in fair value of investment properties	(3,057,610)	(313,804)
Loss on disposal of a subsidiary	-	773
Gain on modifications of lease	(1,591)	(986)
Net changes in operating assets and liabilities		
Financial assets at fair value through profit or loss	316,927	1,503,420
Financial instruments for hedging	-	1,868
Contract assets	(1,035,277)	(574,605)
Notes and accounts receivable	2,387,477	(2,474,442)
Other receivables	220,956	2,631
Inventories	4,492,462	5,758,353
Prepayments	(564,194)	(1,272,904)
Other current assets	(73,836)	(847,408)
Incremental cost of obtaining a contract	42,231	(1,004,264)
Financial liabilities at fair value through profit or loss	(1,475)	(3,515)
Contract liabilities	412,596	223,076
Notes and accounts payable	(4,082,158)	1,849,554
Notes and accounts payable to related parties	(35,287)	(86,158)
Other payables	(1,551,878)	(2,520,355)
Provisions	21,142	14,266
Other current liabilities	147,593	(663,183)
Net defined benefit liabilities/assets	(213,777)	(260,663)
Cash generated from operations	17,864,245	20,831,528
Interest received	149,041	142,434
Dividend received	539,870	596,746

(Continued)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Six Months Ended June 30	
	2020	2019
Interest paid	\$ (1,667,990)	\$ (1,784,341)
Income tax paid	<u>(271,114)</u>	<u>(3,524,665)</u>
Net cash generated from operating activities	<u>16,614,052</u>	<u>16,261,702</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in prepayments for investments	-	(100,000)
Acquisition of financial assets at fair value through other comprehensive income	(464,893)	(5,207)
(Increase) decrease in financial assets at amortized cost	(102,842)	634,985
Acquisition of investments accounted for using the equity method	(2,373,303)	(19,520)
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	(6,604,968)	(13,034,400)
Proceeds from disposal of property, plant and equipment	85,937	19,291
Decrease (increase) in refundable deposits	84,826	(42,775)
Decrease (increase) in other receivables	200,874	(788,990)
Acquisition of intangible assets	(312,919)	(401,877)
Acquisition of right-of-use assets	(154,366)	(568,827)
Acquisition of investment properties	-	(10,564)
Proceeds from the disposal of investment properties	-	540,000
Increase in concessions	(42,060,355)	(27,562)
Proceeds from disposal of concessions	-	7,987
Decrease in other financial assets	1,916,273	1,638,583
Increase in other non-current assets	<u>(33,679)</u>	<u>(150,206)</u>
Net cash used in investing activities	<u>(49,819,415)</u>	<u>(12,785,544)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in short-term borrowings	1,548,884	(9,067,622)
Decrease in short-term bills payables	(433,000)	(1,877,000)
Proceeds from issue of bonds	22,200,000	13,000,000
Repayments of bonds payables	(12,700,000)	(6,800,000)
Proceeds from long-term borrowings	169,745,777	122,405,280
Repayments of long-term borrowings	(137,756,303)	(119,553,322)
Repayment of the principal portion of lease liabilities	(1,846,750)	(1,992,440)
Increase in guarantee deposits received	89,702	40,711
(Decrease) increase in other non-current liabilities	(1,022)	157
Dividends paid to non-controlling interest	(1,595)	(1,728)

(Continued)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Six Months Ended	
	June 30	
	2020	2019
Cash capital increase by subsidiaries	\$ -	\$ 384,917
Increase in non-controlling interests	<u>-</u>	<u>3,435,000</u>
Net cash generated from (used in) financing activities	<u>40,845,693</u>	<u>(26,047)</u>
EFFECTS OF EXCHANGE RATE CHANGES	<u>(107,180)</u>	<u>(35,031)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	7,533,150	3,415,080
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>\$ 46,457,738</u>	<u>\$ 38,757,640</u>

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

(With Deloitte & Touche review report dated August 11, 2020)

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

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

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 August 11, 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

New IFRSs	Effective Date Announced by IASB (Note 1)
“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 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.

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

	June 30, 2020	December 31, 2019	June 30, 2019
Cash			
Cash on hand and petty cash	\$ 32,972	\$ 34,263	\$ 45,609
Demand and checking accounts	<u>31,988,504</u>	<u>33,004,579</u>	<u>27,348,703</u>
	<u>32,021,476</u>	<u>33,038,842</u>	<u>27,394,312</u>
Cash equivalents (investments with original maturities of less than three months)			
Time deposits	3,329,126	2,062,519	9,305,629
Commercial paper and corporate bonds purchased under resale agreements	<u>10,983,336</u>	<u>3,741,139</u>	<u>1,896,546</u>
	<u>14,312,462</u>	<u>5,803,658</u>	<u>11,202,175</u>
Management discretionary accounts			
Demand accounts	<u>123,800</u>	<u>82,088</u>	<u>161,153</u>
	<u>\$ 46,457,738</u>	<u>\$ 38,924,588</u>	<u>\$ 38,757,640</u>

The Group's members individually contracted and fully authorized an "other related party", Oriental Securities Investment Advisory Co., Ltd. (OSIAC, trustee) to manage discretionary funds. Deposits that were entrusted to OSIAC's full management amounted to \$123,800 thousand, \$82,088 thousand and \$161,153 thousand as of June 30, 2020, December 31, 2019 and June 30, 2019, respectively.

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

	June 30, 2020	December 31, 2019	June 30, 2019
Time deposits	0.05%-2.00%	0.10%-2.90%	0.20%-2.83%
Commercial paper and corporate bonds purchased under resale agreements	0.25%-0.63%	0.48%-2.15%	0.39%-2.80%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2020	December 31, 2019	June 30, 2019
Financial assets mandatorily classified as at <u>fair value through profit or loss (FVTPL)</u>			
Derivative financial assets (not under hedge accounting)			
Forward exchange contracts	\$ 2,399	\$ 11,479	\$ 3,746
Non-derivative financial assets			
Mutual funds - beneficial certificates	4,499,775	4,653,960	4,324,664
Listed shares	<u>234,615</u>	<u>388,277</u>	<u>243,774</u>
	<u>\$ 4,736,789</u>	<u>\$ 5,053,716</u>	<u>\$ 4,572,184</u>
<u>Financial liabilities held for trading - current</u>			
Derivative financial liabilities (not under hedge accounting)			
Forward exchange contracts	<u>\$ 386</u>	<u>\$ 1,861</u>	<u>\$ 3,333</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.

As of June 30, 2020, December 31, 2019 and June 30, 2019, the Group had outstanding forward exchange contracts, which were stated as follows:

	Currency	Maturity	Contract Amount (Thousands)
<u>June 30, 2020</u>			
Sell	USD/NTD	2020.07.07-2020.09.09	USD47,110/TWD 1,397,380
Sell	EUR/USD	2020.07.30-2020.08.31	EUR9,000/USD9,949
Buy	USD/JPY	2020.07.22-2020.09.09	USD17,000/JPY1,830,960
Buy	USD/RMB	2020.07.31-2020.07.31	USD9,000/RMB63,744
Sell	USD/JPY	2020.07.30-2020.08.31	USD3,500/JPY375,532
Sell	USD/RMB	2020.07.14-2020.10.15	USD12,000/RMB85,253
Sell	JPY/NTD	2020.07.16-2020.08.20	JPY1,167,000/NTD323,329
<u>December 31, 2019</u>			
Sell	USD/NTD	2020.01.06-2020.04.29	USD69,750/NTD2,104,757
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/NTD70,199
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
<u>June 30, 2019</u>			
Sell	USD/NTD	2019.07.05-2019.09.03	USD32,000/NTD1,001,509
Buy	USD/JPY	2019.07.10-2019.09.05	USD23,000/JPY2,493,110
Buy	USD/RMB	2019.07.29-2019.08.28	USD12,000/RMB82,790
Buy	USD/NTD	2019.07.04-2019.08.02	USD1,500/NTD46,867
Sell	USD/JPY	2019.07.26-2019.08.27	USD6,100/JPY666,369
Sell	USD/RMB	2019.07.11-2019.08.22	USD24,000/RMB164,590
Sell	EUR/USD	2019.07.29-2019.08.28	EUR7,000/USD7,909

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 June 30, 2020, December 31, 2019 and June 30, 2020.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	June 30, 2020	December 31, 2019	June 30, 2019
Financial assets at fair value through <u>other comprehensive income (FVTOCI)</u>			
Domestic listed shares	\$ 440,900	\$ 403,142	\$ 401,343
Domestic unlisted shares	1,384,705	937,065	908,195
Real estate investment trust mutual funds - beneficial certificates	306,000	307,500	300,000
Oversea shares	<u>483,900</u>	<u>509,231</u>	<u>496,913</u>
	<u>\$ 2,615,505</u>	<u>\$ 2,156,938</u>	<u>\$ 2,106,451</u>
Current	\$ 75,452	\$ 80,853	\$ 80,587
Non-current	<u>2,540,053</u>	<u>2,076,085</u>	<u>2,025,864</u>
	<u>\$ 2,615,505</u>	<u>\$ 2,156,938</u>	<u>\$ 2,106,451</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

	June 30, 2020	December 31, 2019	June 30, 2019
<u>Current</u>			
Domestic investments			
Time deposits with original maturities of more than 3 months (a.)	<u>\$ 1,870,831</u>	<u>\$ 1,792,168</u>	<u>\$ 1,238,260</u>
<u>Non-current</u>			
Domestic investments			
Time deposits with original maturities of more than 3 months (a.)	\$ 44,100	\$ 19,921	\$ 131,000
Subordinated perpetual corporate bonds of Taiwan Life Insurance Co., Ltd. (b.)	-	-	500,000
Subordinated corporate bonds of Cathay Life Insurance Co., Ltd. (c.)	<u>500,000</u>	<u>500,000</u>	<u>-</u>
	<u>\$ 544,100</u>	<u>\$ 519,921</u>	<u>\$ 631,000</u>

- a. The interest rates for time deposits with original maturity of more than 3 months were from 0.10% to 2.10%, 0.60% to 3.20% and 0.67% to 2.90% as of June 30, 2020, December 31, 2019 and June 30, 2019.
- b. In November 2018, the Group purchased corporate bonds which were issued by Taiwan Life Insurance Co., Ltd. The coupon rate is 4.000%, and the effective interest rate is 3.972%. In addition, in the second half of the year ended December 31, 2019, the Group disposed corporate bonds which were issued by Taiwan Life Insurance Co., Ltd amounted to \$400,000 thousand, and recognized loss on disposal of financial assets at amortized cost amounted to \$2,800 thousand.
- c. In June 2020, the Group purchased corporate bonds which were issued by Cathay Life Insurance Co., Ltd., the coupon rate and the effective interest rate are both 3.000%.
- d. Refer to Note 37 for information related to investments in financial assets at amortized cost pledged as collateral or for security.

10. CREDIT RISK MANAGEMENT FOR INVESTMENTS IN DEBT INSTRUMENTS

The Group invested in subordinated corporate bonds of Cathay Life Insurance Co., Ltd. and subordinated perpetual corporate bonds of Taiwan Life Insurance Co., Ltd., and they were classified as at amortized cost.

	June 30, 2020	December 31, 2019	June 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

	June 30, 2020	December 31, 2019	June 30, 2019
<u>Notes and accounts receivable</u>			
At amortized cost			
Notes and accounts receivable	\$ 25,143,942	\$ 28,116,742	\$ 33,095,722
Less: Allowance for doubtful accounts	(1,183,452)	(1,181,254)	(1,227,889)
Less: Unrealized interest income	(2,338)	(2,607)	(1,204)
Less: Unearned financing income	<u>(1,685)</u>	<u>-</u>	<u>-</u>
	<u>\$ 23,956,467</u>	<u>\$ 26,932,881</u>	<u>\$ 31,866,629</u>

(Continued)

	June 30, 2020	December 31, 2019	June 30, 2019
Notes receivable - operating	\$ 23,956,457	\$ 26,486,590	\$ 31,866,629
Notes receivable - non-operating	<u>-</u>	<u>446,291</u>	<u>-</u>
	<u>\$ 23,956,467</u>	<u>\$ 26,932,881</u>	<u>\$ 31,866,629</u> (Concluded)

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

	June 30, 2020	December 31, 2019	June 30, 2019
Gross amounts of accounts receivable	\$ 117,708	\$ 130,025	\$ 85,407
Unrealized interest income	<u>(6,503)</u>	<u>(7,873)</u>	<u>(4,535)</u>
	<u>\$ 111,205</u>	<u>\$ 122,152</u>	<u>\$ 80,872</u>
Current	\$ 22,296	\$ 22,027	\$ 12,229
Non-current	<u>88,909</u>	<u>100,125</u>	<u>68,643</u>
	<u>\$ 111,205</u>	<u>\$ 122,152</u>	<u>\$ 80,872</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:

	June 30, 2020
Gross amounts of financial leases receivable	\$ 57,829
Unearned financing income	<u>(6,819)</u>
	<u>\$ 51,010</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>17,949</u>
Less: Unearned financing income	57,829
Less: Allowance for impairment loss	<u>(6,819)</u>
	<u>-</u>
Finance lease receivable	<u>\$ 51,010</u>
Current	
Non-current	\$ 6,291
	<u>44,719</u>
	<u>\$ 51,010</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.

June 30, 2020

	1 to 90 Days	91 to 180 Days	181 to 365 Days	Over 365 Days	Total
Gross carrying amount	\$ 22,106,676	\$ 2,433,594	\$ 218,716	\$ 380,933	\$ 25,139,919
Loss allowance (Lifetime ECL)	<u>(474,865)</u>	<u>(326,050)</u>	<u>(32,501)</u>	<u>(350,036)</u>	<u>(1,183,452)</u>
Amortized cost	<u>\$ 21,631,811</u>	<u>\$ 2,107,544</u>	<u>\$ 186,215</u>	<u>\$ 30,897</u>	<u>\$ 23,956,467</u>

December 31, 2019

	1 to 90 Days	91 to 180 Days	181 to 365 Days	Over 365 Days	Total
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>

June 30, 2019

	1 to 90 Days	91 to 180 Days	181 to 365 Days	Over 365 Days	Total
Gross carrying amount	\$ 30,281,031	\$ 2,132,692	\$ 304,507	\$ 376,288	\$ 33,094,518
Loss allowance (Lifetime ECL)	<u>(606,496)</u>	<u>(265,042)</u>	<u>(32,246)</u>	<u>(324,105)</u>	<u>(1,227,889)</u>
Amortized cost	<u>\$ 29,674,535</u>	<u>\$ 1,867,650</u>	<u>\$ 272,261</u>	<u>\$ 52,183</u>	<u>\$ 31,866,629</u>

The above aging schedule was based on the invoice date.

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

	For the Six Months Ended June 30	
	2020	2019
Balance at January 1	\$ 1,181,254	\$ 1,110,203
Acquisitions through business combinations	-	5,205
Add: Bad debt recovered	97,097	106,462
Add: Impairment losses recognized on receivables	142,694	191,242
Less: Amounts written off	(236,129)	(186,110)
Foreign exchange gains and losses	<u>(1,464)</u>	<u>887</u>
Balance at June 30	<u>\$ 1,183,452</u>	<u>\$ 1,227,889</u>

12. INVENTORIES

	June 30, 2020	December 31, 2019	June 30, 2019
Merchandise inventories	\$ 1,922,000	\$ 3,476,737	\$ 4,345,360
Finished goods	6,115,732	6,705,248	7,999,069
Work in progress	2,947,305	3,313,982	3,622,398
Raw materials	5,397,472	7,474,416	7,046,591
Supplies	1,056,998	1,308,865	1,118,372
Available-for-sale - buildings and land	761,711	989,163	1,137,351
Available-for-construction - land	208,384	208,384	208,384
Construction in progress	<u>2,594,103</u>	<u>3,640,697</u>	<u>3,260,241</u>
	<u>\$ 21,003,705</u>	<u>\$ 27,117,492</u>	<u>\$ 28,737,766</u>

The cost of inventories recognized as cost of goods sold for the three months and six months ended June 30, 2020 and 2019 were \$28,832,805 thousand, \$44,158,116 thousand, \$62,717,236 thousand, \$86,678,423 thousand, respectively. The cost of goods sold included reversal of write-downs (inventory write-downs) \$75,552 thousand, \$(265,967) thousand, \$(82,632) thousand, \$428,280 thousand for the three months and six months ended June 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		
				June 30, 2020	December 31, 2019	June 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

(Continued)

Investor	No	Investee	Nature of Activities	Proportion of Ownership		
				June 30, 2020	December 31, 2019	June 30, 2019
	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	-
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
Far Eastern Investment (Holding) Ltd. (FEIH)	29	FETG Investment Antilles N.V.	Investment	100.00	100.00	100.00
	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
	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. (Note 8)	Investment	100.00	100.00	100.00
Far Eastern Polychem Industries Ltd. (FEPI)	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

(Continued)

Investor	No	Investee	Nature of Activities	Proportion of Ownership		
				June 30, 2020	December 31, 2019	June 30, 2019
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
Far Eastern Apparel (Suzhou) Co., Ltd.	47	Suzhou An Ho Apparel Ltd.	Garment production	100.00	100.00	100.00
PET Far Eastern (Holding) Ltd. (PETH)	48	Oriental Petrochemical (Shanghai) Corporation	PTA production and sales	61.35	61.35	61.35
Oriental Textile (Holding) Ltd. (OTTI)	49	Far Eastern Industries (Wuxi) Ltd.	Fiber and textile productions	100.00	100.00	100.00
	50	Oriental Industries (Suzhou) Ltd.	Production and sales of polyester resins and industrial fabrics	100.00	100.00	100.00
FEDP (Holding) Ltd. (FEDP)	51	Far Eastern Industries (Suzhou) Ltd.	Production and sales of polyester products	100.00	100.00	100.00
Far Eastern Polytex (Holding) Ltd.	52	Wuhan Far Eastern New Material Ltd.	Production and sales of PET sheet, chip, filament, staple fibers, and apparel	100.00	100.00	100.00
	53	Far Eastern Apparel (Suzhou) Ltd.	Garment production	100.00	100.00	100.00
	54	Far Eastern Yihua Petrochemical (Yangzhou) Corporation	PTA and by-product production and sale	60.00	60.00	60.00
Far Eastern New Century (China) Investment Co., Ltd.	55	Far Eastern New Century (China) Investment Co., Ltd.	Investment	100.00	100.00	100.00
	56	Shanghai Yuan Zi Information Technology Co., Ltd.	Internet software development services	100.00	100.00	100.00
	57	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
Sino Belgium (Holding) Ltd.	58	Sino Belgium Beer (Suzhou) Ltd.	Beer brewing	100.00	100.00	100.00
	59	Martens Beers Trading (Shanghai) Ltd.	Beer sale	100.00	100.00	100.00
Oriental Petrochemical (Shanghai) Corporation Yuan Ding Co., Ltd.	60	Shanghai Far Eastern Petrochemical Logistic Corporation	Transportation	100.00	100.00	100.00
	61	Ding Hotel Co., Ltd.	Hotel	99.26	99.26	99.26
	62	YDT Technology International Co., Ltd.	Electronic materials and by-product sale	100.00	100.00	100.00
	63	Far Eastern Technical Consultants Co., Ltd.	Real estate development business consulting and management	100.00	100.00	100.00
	64	FET Consulting Engineers Co., Ltd.	Corporate management consulting, pipe & cable installment and replacement	100.00	100.00	100.00
FET Consulting Engineers Co., Ltd.	65	Ding Ding Integrated Marketing Services Co., Ltd.	Market research and general advertisement	80.00	80.00	80.00
	66	DDIM (Virgin Islands) Ltd.	Investment	100.00	100.00	100.00
YDT Technology International Co., Ltd.	67	YDC (Virgin Islands) Ltd.	Investment	100.00	100.00	100.00
YDC (Virgin Islands) Ltd.	68	Speedy (Shanghai) Digital Tech. Co., Ltd.	Intelligent control equipment and security monitoring products	100.00	100.00	100.00
DDIM (Virgin Islands) Ltd.	69	Yuan Ding Integrated Information Service (Shanghai) Inc.	Internet software development services	100.00	100.00	100.00
Malaysia Garment Manufactures Pte. Ltd.	70	PT Malaysia Garment Bintan (PTMG)	Clothing production	99.00	99.00	99.00
APG Polytech USA Holdings, Inc.	71	APG Polytech, LLC (Note 8)	Chemical fiber production	100.00	100.00	100.00
	72	Phoenix Technologies International, LLC (Note 7)	Recycled PET production and sales	90.00	90.00	90.00
FE Oriental Investment Holding (Singapore) Pte. Ltd.	73	Oriental Investment Holding (Netherlands) B.V. (Note 12)	Investment	100.00	-	-
	74	FE New Century Industry (Singapore) Pte. Ltd. (Note 18)	Chemical fiber sales	100.00	-	-
Oriental Investment Holding (Netherlands) B.V.	75	Oriental Martens (Netherlands) B.V. (Note 13)	Investment	100.00	-	-

(Continued)

Investor	No	Investee	Nature of Activities	Proportion of Ownership		
				June 30, 2020	December 31, 2019	June 30, 2019
Far EasTone Telecommunications Co., Ltd.	76	New Century InfoComm Tech Co., Ltd.	Types I and II telecommunications services	100.00	100.00	100.00
	77	ARCOA Communication Co., Ltd.	Sale of communications products and office equipment	61.63	61.63	61.63
	78	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
		Far Eastern Info Service Holding Ltd. (FEIS)	Investment	100.00	100.00	100.00
	81	O-music Co., Ltd. (Note 6)	Electronic information providing services	-	-	-
	82	Yuanshi Digital Technology Co., Ltd. (Note 16)	Electronic information providing services	98.20	93.62	93.62
	83	Yuanbao Financial Technology Co., Ltd. (Note 10)	Data processing services and electronic information provision services	100.00	100.00	-
	84	Far Eastern Property Insurance Agency Ltd. Co. (Note 14)	Property insurance agent	100.00	-	-
	ARCOA Communication Co., Ltd.	85	DataExpress Infotech Co., Ltd. (Note 15)	Sale of communications products	70.00	70.00
New Century InfoComm Tech Co., Ltd.	86	New Diligent Co., Ltd.	Investment	100.00	100.00	100.00
	87	Information Security Service Digital United Inc.	Security and monitoring service via Internet	100.00	100.00	100.00
	88	Digital United (Cayman) Ltd.	Investment	100.00	100.00	100.00
	89	Prime Ecopower Co., Ltd.	Energy technology service	100.00	100.00	100.00
	90	Nextlink Technology Co., Ltd. (Note 5)	Electronic information service	70.00	70.00	70.00
Digital United (Cayman) Ltd.	91	Digital United Information Technology (Shanghai) Ltd.	Design and research of computer system	100.00	100.00	100.00
New Diligent Co., Ltd.	92	Sino Lead Enterprise Limited	Telecommunications services	100.00	100.00	100.00
	93	Far East New Diligent Company Ltd.	Investment	100.00	100.00	100.00
	94	New Diligent Hong Kong Co., Ltd.	Investment	100.00	100.00	100.00
	Far Eastern New Diligent Company Ltd.	95	Far Eastern Tech-info Ltd. (Shanghai) (Note 17)	Computer software, data processing and network information providing services	-	100.00
DataExpress Infotech Co., Ltd.	96	Linkwell Tech. Co., Ltd. (Note 15)	Sale of communications products	-	100.00	100.00
	97	Home Master Technology Ltd.	Sale of communications products	100.00	100.00	100.00
Nextlink Technology Co., Ltd.	98	Microfusion Technology Co., Ltd. (Note 5)	Electronic information service	100.00	100.00	100.00
	99	Nextlink (HK) Technology Co., Ltd. (Note 5)	Electronic information service	100.00	100.00	100.00
Microfusion Technology Co., Ltd.	100	Microfusion Technology (HK) Co., Ltd. (Note 5 and 9)	Electronic information service	-	-	100.00
Nextlink (HK) Technology Co., Ltd.	101	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 \$313,750 thousand (US\$10,000) 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. However, there is no actual cash outflow until June 30, 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 June 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 June 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. However, there is no actual cash outflow until June 30, 2020.

Except for the financial statements of significant subsidiaries Far EasTone Telecommunications Co., Ltd., and New Century InfoComm Tech Co., Ltd., and non-significant subsidiaries Yuan Ding Investment Co., Ltd., Far Eastern Construction Co., Ltd., Far Eastern General Contractor Inc., Oriental Industries (Suzhou) Ltd., ARCOA Communication Co., Ltd and Far Eastern Apparel (Holding) Ltd. for the six months ended June 30, 2020 and 2019, and Oriental Textile (Holding) Ltd. for the six months ended June 30, 2020, all the other financial statements of non-significant subsidiaries 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		For the Six Months Ended		June 30,	December 31,	June 30,
	June 30	2019	June 30	2019	2020	2019	2019
Far EasTone	\$ 1,398,867	\$ 1,359,235	\$ 2,752,346	\$ 2,755,775	\$ 40,021,350	\$ 43,893,802	\$ 41,172,464

The summarized financial information below represents amounts before intragroup eliminations.

Far EasTone and Far EasTone's subsidiaries:

	June 30, 2020	December 31, 2019	June 30, 2019
Current assets	\$ 32,430,548	\$ 27,257,217	\$ 30,704,584
Non-current assets	146,548,313	106,905,719	108,215,263
Current liabilities	(31,271,864)	(22,132,215)	(37,007,011)
Non-current liabilities	<u>(83,395,097)</u>	<u>(41,424,301)</u>	<u>(35,694,410)</u>
Equity	\$ 64,311,900	\$ 70,606,420	\$ 66,218,426
Equity attributable to:			
Owners of the Group	\$ 24,290,550	\$ 26,712,618	\$ 25,045,962
Non-controlling interests of Far EasTone	39,147,816	43,051,337	40,365,273
Non-controlling interests of Far EasTone's subsidiaries	<u>873,534</u>	<u>842,465</u>	<u>807,191</u>
	\$ 64,311,900	\$ 70,606,420	\$ 66,218,426

	For the Three Months Ended		For the Six Months Ended	
	June 30	2019	June 30	2019
Revenue	\$ 18,674,739	\$ 20,425,260	\$ 38,063,579	\$ 41,244,719
Net income for the period	\$ 2,256,102	\$ 2,191,636	\$ 4,441,315	\$ 4,442,633
Other comprehensive income for the period	<u>(51,631)</u>	<u>(6,619)</u>	<u>(61,258)</u>	<u>(37,731)</u>
Total comprehensive income for the period	\$ 2,204,471	\$ 2,185,017	\$ 4,380,057	\$ 4,404,902

(Continued)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2020	2019	2020	2019
Net income attributable to:				
Owners of the Group	\$ 857,235	\$ 832,401	\$ 1,688,969	\$ 1,686,858
Non-controlling interests of Far EasTone	1,381,562	1,341,537	2,722,024	2,718,622
Non-controlling interests of Far EasTone's subsidiaries	<u>17,305</u>	<u>17,698</u>	<u>30,322</u>	<u>37,153</u>
	<u>\$ 2,256,102</u>	<u>\$ 2,191,636</u>	<u>\$ 4,441,315</u>	<u>\$ 4,442,633</u>
Total comprehensive income attributable to:				
Owners of the Group	\$ 837,487	\$ 829,849	\$ 1,665,522	\$ 1,672,457
Non-controlling interests of Far EasTone	1,349,735	1,337,424	2,684,236	2,695,412
Non-controlling interests of Far EasTone's subsidiaries	<u>17,249</u>	<u>17,744</u>	<u>30,299</u>	<u>37,033</u>
	<u>\$ 2,204,471</u>	<u>\$ 2,185,017</u>	<u>\$ 4,380,057</u>	<u>\$ 4,404,902</u> (Concluded)

	For the Six Months Ended June 30	
	2020	2019
Net cash inflow from:		
Operating activities	\$ 13,584,633	\$ 10,201,721
Investing activities	(44,350,716)	(3,608,555)
Financing activities	37,939,557	1,914,733
Effect of exchange rate changes	<u>(2,066)</u>	<u>1,053</u>
Net cash inflow	<u>\$ 7,171,408</u>	<u>\$ 8,508,952</u>

14. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

Investments in Associates

	June 30, 2020		December 31, 2019		June 30, 2019	
	Carrying Value	% of Owner- ship	Carrying Value	% of Owner- ship	Carrying Value	% of Owner- ship
Material associate						
Listed companies						
Asia Cement Corporation	<u>\$ 22,995,955</u>	27	<u>\$ 24,627,983</u>	26	<u>\$ 22,451,988</u>	26
Associate that are not individually material						
Listed companies						
Far Eastern Department Stores Co., Ltd.	9,373,240	30	8,229,421	25	7,342,324	24
Far Eastern International Bank	7,068,526	16	6,942,480	16	6,680,299	16
Oriental Union Chemical Corporation	5,338,212	31	5,647,218	31	5,742,820	31
Everest Textile Corporation	<u>983,173</u>	26	<u>1,104,322</u>	26	<u>1,216,591</u>	26
	<u>22,763,151</u>		<u>21,923,441</u>		<u>20,982,034</u>	

(Continued)

	June 30, 2020		December 31, 2019		June 30, 2019	
	Carrying Value	% of Ownership	Carrying Value	% of Ownership	Carrying Value	% of Ownership
Unlisted companies						
Oriental Securities Corporation	\$ 4,705,191	47	\$ 4,868,187	47	\$ 4,816,710	47
Pacific Liu Tong Investment Co., Ltd.	4,376,466	40	4,317,863	40	4,215,463	40
Yu Yuan Investment Co., Ltd.	3,146,933	44	3,128,822	44	2,399,076	44
Far Eastern Union Petrochemical (Yangzhou) Corporation	2,266,479	42	2,259,130	42	2,040,142	42
Da Ju Fiber Co., Ltd.	2,083,041	35	2,135,073	35	1,796,962	35
Far Eastern International Leasing Corporation	1,894,329	50	2,038,169	50	2,345,885	50
Liquid Air Far East Co., Ltd.	1,888,066	34	1,869,536	34	1,862,089	34
Tong Da Air Industry (Yangzhou) Co., Ltd.	1,166,800	50	1,169,018	50	1,213,147	50
Yu Ding Industry Co., Ltd.	904,087	31	891,164	31	817,162	31
Kowloon Cement Corporation	489,113	30	503,208	30	432,833	30
Freudenberg Far Eastern Spunweb Co., Ltd.	452,851	49	449,658	49	451,544	49
Yuan Ding Leasing Corporation	395,093	46	394,072	46	388,096	46
Drive Catalyst SPC-SP Tranche One	239,070	50	242,551	50	249,902	50
FEDS Asia Pacific Development Co., Ltd.	232,969	50	238,348	50	-	-
Yue Ming Corporation	135,213	5	132,517	5	135,462	5
Opas Fund Segregated Portfolio Company	66,896	47	75,347	47	71,622	47
Drive Catalyst SPC	1,647	34	1,656	34	1,699	34
Com 2B	512	34	520	34	534	34
Alliance Digital Technology Co., Ltd.	24,444,756		24,714,839		23,238,328	
Corpus Christi Polymers, LLC						
	<u>\$ 70,203,862</u>		<u>\$ 71,266,263</u>		<u>\$ 66,672,350</u>	

(Concluded)

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		
			June 30, 2020	December 31, 2019	June 30, 2019
Asia Cement Corporation	Cement production	Taiwan	26.84%	26.14%	25.70%

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

Name of Associate	June 30, 2020	December 31, 2019	June 30, 2019
	Asia Cement Corporation	<u>\$ 39,325,778</u>	<u>\$ 42,323,806</u>

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 16.37% 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 six months ended June 30, 2020 and 2019 and Far Eastern Union Petrochemical (Yangzhou) Corporation for the six months ended June 30, 2020. 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 identified assets and liabilities relating to the Group's interest in the joint operation was as follow:

	June 30, 2020	December 31, 2019	June 30, 2019	
Assets				
Current assets	\$ 277,026	\$ 783,332	\$ 1,639,952	
Non-current assets	12,419,805	12,132,352	12,728,537	
Liabilities				
Current liabilities	(180,970)	(223,081)	(1,540,519)	
Non-current liabilities	<u>(116,979)</u>	<u>(114,253)</u>	<u>-</u>	
Net assets	<u>\$ 12,398,882</u>	<u>\$ 12,578,350</u>	<u>\$ 12,827,970</u>	
	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2020	2019	2020	2019
Expenses and losses	<u>\$ 14,042</u>	<u>\$ 13,017</u>	<u>\$ 33,030</u>	<u>\$ 86,035</u>
The interest in the joint operation	33.33%	33.33%	33.33%	33.33%

16. PROPERTY, PLANT, EQUIPMENT AND PREPAYMENTS FOR EQUIPMENT

	June 30, 2020	December 31, 2019	June 30, 2019
<u>Carrying amount</u>			
Property, plant and equipment	\$ 158,901,053	\$ 163,017,162	\$ 163,435,664
Prepayments for equipment	<u>1,575,864</u>	<u>2,150,572</u>	<u>2,522,134</u>
	<u>\$ 160,476,917</u>	<u>\$ 165,167,734</u>	<u>\$ 165,957,798</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	-	4,570	170,522	-	6,655	6,280	199,673	7,394,075	7,781,775
Disposals	-	(93,907)	(1,444,879)	(802,818)	(198,525)	(86,130)	(342,191)	(13,675)	(2,982,125)
Reclassification	-	755,913	2,264,156	1,180,655	184,259	75,170	614,297	(7,749,532)	(2,675,082)
Effect of exchange rate differences	(54,273)	(292,157)	(1,208,864)	-	(12,537)	(725)	(116,244)	(369,985)	(2,054,785)
Balance at June 30, 2020	<u>\$ 20,007,127</u>	<u>\$ 37,887,399</u>	<u>\$ 148,524,795</u>	<u>\$ 81,841,861</u>	<u>\$ 15,351,439</u>	<u>\$ 6,225,846</u>	<u>\$ 21,734,258</u>	<u>\$ 33,412,356</u>	<u>\$ 364,985,081</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	-	46,603	1,386,430	485,953	197,629	83,658	335,855	-	2,536,128
Depreciation expense	-	(501,262)	(2,762,908)	(3,540,527)	(375,612)	(103,406)	(743,175)	-	(8,026,890)
Impairment loss	-	(140)	(64,728)	-	-	-	(5,257)	-	(70,125)
Reclassification	-	(5,562)	(1,538)	-	-	-	(295)	-	(7,395)
Effect of exchange rate differences	-	101,696	645,085	-	1,347	334	59,220	-	807,682
Balance at June 30, 2020	<u>\$ (95,894)</u>	<u>\$ (17,228,351)</u>	<u>\$ (89,295,953)</u>	<u>\$ (62,995,128)</u>	<u>\$ (13,454,860)</u>	<u>\$ (4,900,180)</u>	<u>\$ (16,537,798)</u>	<u>\$ -</u>	<u>\$ (204,508,164)</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	43,884	170,193	247,219	6,402	16,440	14,888	168,958	8,803,096	9,471,080
Disposals	-	(45,730)	(1,782,401)	(924,330)	(562,497)	(165,848)	(231,852)	(15,267)	(3,727,925)
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)	1,581,427	4,723,792	1,922,520	881,972	111,363	793,370	(10,822,872)	(1,112,890)
Effect of exchange rate differences	26,377	149,220	503,973	-	3,769	161	49,746	302,453	1,035,699
Balance at June 30, 2019	<u>\$ 20,085,812</u>	<u>\$ 37,320,142</u>	<u>\$ 147,810,936</u>	<u>\$ 81,429,779</u>	<u>\$ 15,350,134</u>	<u>\$ 4,600,724</u>	<u>\$ 22,702,051</u>	<u>\$ 33,008,543</u>	<u>\$ 362,308,121</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	-	37,626	1,753,193	562,653	561,524	146,700	225,449	-	3,287,145
Depreciation expense	-	(493,658)	(2,761,289)	(4,264,128)	(497,391)	(131,067)	(737,170)	-	(8,884,703)
Acquisitions through business combinations	-	(17,356)	(690,890)	-	(908)	(1,940)	(11,740)	-	(722,834)
Derecognition of a subsidiary	-	-	-	-	2,369	-	176	-	2,545
Impairment loss	-	-	(71,638)	-	-	-	-	-	(71,638)
Reclassification	-	3,182	(9)	-	(681)	(16,855)	14,363	-	-
Effect of exchange rate differences	-	(43,557)	(239,645)	-	(212)	(41)	(25,051)	-	(308,506)
Balance at June 30, 2019	<u>\$ (95,894)</u>	<u>\$ (16,577,271)</u>	<u>\$ (88,322,151)</u>	<u>\$ (57,262,203)</u>	<u>\$ (13,325,006)</u>	<u>\$ (4,046,375)</u>	<u>\$ (16,721,423)</u>	<u>\$ -</u>	<u>\$ (196,350,323)</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 six months ended June 30, 2020 and 2019, the Group recognized the impairment loss amounting to \$68,997 thousand, \$29,261 thousand, \$70,125 thousand and \$71,638 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 to investment property due to the end of owner-occupation and participate into the area's development project. Therefore, the Group recognized gains on property revaluation amounted to \$331,557 thousand for the six months ended June 30, 2019, refer to Note 18.

For the six months ended June 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 June 30, 2020, December 31, 2019 and June 30, 2019, farmland was reclassified to property, plant and equipment amounted to \$238,430 thousand and to investment properties amounted to \$43,104 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

	June 30, 2020	December 31, 2019	June 30, 2019	
<u>Carrying amounts</u>				
Land	\$ 8,119,498	\$ 8,192,579	\$ 8,334,569	
Buildings	9,591,384	9,733,637	9,804,412	
Machinery	16,301	19,413	16,069	
Operating and other equipment	<u>845,767</u>	<u>746,843</u>	<u>682,667</u>	
	<u>\$ 18,572,950</u>	<u>\$ 18,692,472</u>	<u>\$ 18,837,717</u>	
	<u>For the Three Months Ended June 30</u>		<u>For the Six Months Ended June 30</u>	
	2020	2019	2020	2019
Additions to right-of-use assets	<u>\$ 975,745</u>	<u>\$ 1,293,530</u>	<u>\$ 2,319,424</u>	<u>\$ 2,266,618</u>
Depreciation charge for right-of-use assets				
Land	\$ 59,855	\$ 65,670	\$ 121,413	\$ 128,934
Buildings	939,836	950,722	1,890,146	1,907,867
Machinery	2,181	845	3,029	1,669
Operating and other equipment (Note)	<u>53,609</u>	<u>57,561</u>	<u>128,366</u>	<u>114,979</u>
	<u>\$ 1,055,481</u>	<u>\$ 1,074,798</u>	<u>\$ 2,142,954</u>	<u>\$ 2,153,449</u>

For the six months ended June 30, 2020, the depreciation expenses of operating and other equipment amounting to \$128,366 thousand, and partial of it is depreciation expense amounting to \$3,330 thousand were capitalized as operating and other equipment.

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 ended June 30, 2020 and 2019.

b. Lease liabilities

	June 30, 2020	December 31, 2019	June 30, 2019
<u>Carrying amounts</u>			
Current	<u>\$ 3,349,821</u>	<u>\$ 3,187,540</u>	<u>\$ 3,225,179</u>
Non-current	<u>\$ 7,321,536</u>	<u>\$ 7,376,771</u>	<u>\$ 7,359,600</u>

Range of discount rate for lease liabilities was as follows:

	June 30, 2020	December 31, 2019	June 30, 2019
Land	0.76%-2.63%	0.76%-2.63%	0.76%-2.63%
Buildings	0.60%-4.35%	0.71%-4.35%	0.72%-4.35%
Machinery	0.76%-1.08%	0.76%-1.08%	0.76%-1.08%
Operating and other equipment	0.60%-8.00%	0.71%-8.00%	0.72%-4.27%

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2020	2019	2020	2019
Interest expense from lease liabilities	<u>\$ 32,650</u>	<u>\$ 30,734</u>	<u>\$ 67,822</u>	<u>\$ 61,935</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.

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2020	2019	2020	2019
Expenses relating to short-term leases	\$ 89,127	\$ 64,653	\$ 158,107	\$ 145,520
Expenses relating to low-value asset leases	\$ 432	\$ 413	\$ 855	\$ 1,080
Expenses relating to variable lease payments not included in the measurement of lease liabilities	\$ 745	\$ 791	\$ 913	\$ 1,665
Total cash outflow for leases	\$ (1,091,051)	\$ (1,086,141)	\$ (2,038,766)	\$ (2,161,273)

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

	Completed Investment Properties
Balance at June 30, 2020	<u>\$ 134,866,919</u>
Balance at December 31, 2019	<u>\$ 127,633,553</u>
Balance at June 30, 2019	<u>\$ 125,958,078</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 June 30, 2020, December 31, 2019 and June 30, 2019 was as follows:

	June 30, 2020	December 31, 2019	June 30, 2019
Year 1	\$ 934,890	\$ 913,168	\$ 901,604
Year 2	1,163,803	903,137	902,287
Year 3	1,033,104	776,796	818,510
Year 4	1,001,031	686,526	671,352
Year 5	936,326	659,977	642,919
Year 6 onwards	<u>2,576,553</u>	<u>1,338,147</u>	<u>1,516,137</u>
	<u>\$ 7,645,707</u>	<u>\$ 5,277,751</u>	<u>\$ 5,452,809</u>

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

	Completed Investment Properties
Balance at January 1, 2020	\$ 127,633,553
Reclassification	5,857,117
Recognized in profit (gain arising from the change in fair value of investment property)	1,386,751
Recognized in other comprehensive income (exchange differences on translating foreign operations)	<u>(10,502)</u>
Balance at June 30, 2020	<u>\$ 134,866,919</u>
Balance at January 1, 2019	\$ 124,816,527
Additions	10,564
Reclassification	957,297
Recognized in profit (gain arising from the change in fair value of investment property)	168,230
Recognized in other comprehensive income (exchange differences on translating foreign operations)	<u>5,460</u>
Balance at June 30, 2019	<u>\$ 125,958,078</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 three and six months ended June 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 \$367,590 thousand and \$473,233 thousand, respectively, and a gain on the transfers from inventories to investment properties amounting to \$201,250 thousand and \$259,369 thousand (recognized as gain on change in fair value of investment properties), respectively, was recognized. For the three and six months ended June 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 \$52,914 thousand and \$264,387 thousand, respectively, and a gain on the transfers from inventories to investment properties amounting to \$29,152 thousand and \$145,574 thousand (recognized as gain on change in fair value of investment properties), respectively, was recognized.

For the six months ended June 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. for the six months ended June 30, 2020. 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 \$1,411,490 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 six months ended June 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 at between \$0.4 thousand to \$6.8 thousand per ping (i.e. 1 ping = 3.3 square meters).

For the six months ended June 30, 2019, The Group's land located in the Neili district, Taoyuan city was reclassified from property, plant, and equipment to investment properties at their fair value of \$650,283 thousand refer to Note 16.

The fair values of investment properties were as follows:

	June 30, 2020	December 31, 2019	June 30, 2019
Independent valuation	<u>\$ 134,866,919</u>	<u>\$ 127,633,553</u>	<u>\$125,958,078</u>

The fair value of the investment properties as of June 30, 2020, December 31, 2019, June 30, 2019 and January 31, 2019 were based on the valuations carried out at August 3, 2020, January 31, 2020, July 12, 2019 and January 18, 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.

In consultation with the appraisers, except for some investment properties were adjusted in accordance with fair value movement, the Group determined that the fair values reported as of December 31, 2019 and January 1, 2019 were still valid as of June 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:

	June 30, 2020	December 31, 2019	June 30, 2019
Expected future cash inflows	\$ 70,931,887	\$ 61,343,277	\$ 60,646,055
Expected future cash outflows	<u>(3,034,404)</u>	<u>(2,306,872)</u>	<u>(2,508,769)</u>
Expected future cash inflows, net	<u>\$ 67,897,483</u>	<u>\$ 59,036,405</u>	<u>\$ 58,137,286</u>
Discount rate intervals	1.845%-2.64%	1.845%-2.38%	1.845%-2.38%

The expected future cash inflows/outflows disclosed above was based on parts of different types of investment properties located in Banqiao. 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 six months ended June 30, 2020 and 2019, were \$363,860 thousand, \$278,676 thousand, \$680,336 thousand and \$569,477 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:

	June 30, 2020	December 31, 2019	June 30, 2019
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

	For the Six Months Ended June 30	
	2020	2019
<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>(663)</u>	<u>3,034</u>
Balance at June 30	<u>\$ 12,289,565</u>	<u>\$ 12,777,741</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

	June 30, 2020	December 31, 2019	June 30, 2019
<u>Carrying amounts</u>			
Concessions	<u>\$ 79,506,285</u>	<u>\$ 38,069,295</u>	<u>\$ 39,606,528</u>
Other intangible assets			
Computer software	3,184,573	3,357,779	3,460,749
Others	<u>1,384,237</u>	<u>1,568,850</u>	<u>1,676,617</u>
	<u>4,568,810</u>	<u>4,926,629</u>	<u>5,137,366</u>
	<u>\$ 84,075,095</u>	<u>\$ 42,995,924</u>	<u>\$ 44,743,894</u>

	Concessions	Computer Software	Others	Total
Balance at January 1, 2020	\$ 38,069,295	\$ 3,357,779	\$ 1,568,850	\$ 42,995,924
Additions	42,060,355	309,162	3,757	42,373,274
Amortization	(1,676,232)	(557,340)	(55,329)	(2,288,901)
Disposals	-	(3)	-	(3)
Reclassifications	1,052,867	77,172	(120,035)	1,010,004
Effect of exchange rate differences	<u>-</u>	<u>(2,197)</u>	<u>(13,006)</u>	<u>(15,203)</u>
Balance at June 30, 2020	<u>\$ 79,506,285</u>	<u>\$ 3,184,573</u>	<u>\$ 1,384,237</u>	<u>\$ 84,075,095</u>

(Continued)

	Concessions	Computer Software	Others	Total
Balance at January 1, 2019	\$ 41,136,801	\$ 3,595,018	\$ 1,402,458	\$ 46,134,277
Additions	27,562	383,213	18,664	429,439
Amortization	(1,595,610)	(524,101)	(102,221)	(2,221,932)
Disposals	(8,192)	(192)	-	(8,384)
Acquisitions through business combinations	-	2,519	113,800	116,319
Derecognition from disposal of subsidiaries	-	(87)	-	(87)
Reclassifications	45,967	3,397	222,689	272,053
Effect of exchange rate differences	<u>-</u>	<u>982</u>	<u>21,227</u>	<u>22,209</u>
Balance at June 30, 2019	<u>\$ 39,606,528</u>	<u>\$ 3,460,749</u>	<u>\$ 1,676,617</u>	<u>\$ 44,743,894</u> (Concluded)

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

	June 30, 2020	December 31, 2019	June 30, 2019
Bank credit loans	\$ 36,614,491	\$ 34,724,450	\$ 37,572,329
Secured and pledged borrowings	363,979	705,136	443,000
Loans from related parties	<u>-</u>	<u>-</u>	<u>750,494</u>
	<u>\$ 36,978,470</u>	<u>\$ 35,429,586</u>	<u>\$ 38,765,823</u>

- 1) The range of interest rates for bank loans were from 0.22% to 3.85%, 0.60% to 4.57% and 0.50% to 4.35% as of June 30, 2020, December 31, 2019 and June 30, 2019, respectively.
- 2) Loans from related parties were the Group's repayments to related parties. Interest rates were all 0% as of June 30, 2019.

b. Short-term bills payable

	June 30, 2020	December 31, 2019	June 30, 2019
Commercial paper	\$ 7,697,000	\$ 8,130,000	\$ 4,844,000
Less: Unamortized discount on commercial paper	<u>14,854</u>	<u>4,397</u>	<u>2,065</u>
	<u>\$ 7,682,146</u>	<u>\$ 8,125,603</u>	<u>\$ 4,841,935</u>

The short-term bills payable outstanding were issued at interest rates ranging from 0.57% to 1.59%, 0.70% to 1.60% and 0.660% to 1.538%, as of June 30, 2020, December 31, 2019 and June 30, 2019, respectively.

c. Long-term borrowings

	June 30, 2020	December 31, 2019	June 30, 2019
Bank loans	<u>\$ 75,275,116</u>	<u>\$ 68,003,780</u>	<u>\$ 68,355,857</u>
Long-term commercial paper	37,500,000	12,800,000	6,120,000
Less: Unamortized discount on commercial paper	<u>57,545</u>	<u>36,171</u>	<u>4,305</u>
	<u>37,442,455</u>	<u>12,763,829</u>	<u>6,115,695</u>
	112,717,571	80,767,609	74,471,552
Less: Current portion	<u>2,278,305</u>	<u>2,477,777</u>	<u>1,579,496</u>
	<u>\$ 110,439,266</u>	<u>\$ 78,289,832</u>	<u>\$ 72,892,056</u>

The foregoing loans are repayable through a lump sum payment 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. Therefore, 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:

	June 30, 2020	December 31, 2019	June 30, 2019
Maturity	September 2020- April 2031	September 2020- April 2031	July 2019- April 2031
Bank interest rate intervals	0.36%-4.18%	0.42%-3.00%	0.25%-3.47%

On March 22, 2011, a FENC's subsidiary, FECC, entered into a credit agreement with Hua Nan Bank and update the credit agreement into \$5,600,000 thousand on January 3, 2017. 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. 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. 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. 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:

Project	Credit	Fixed dial Date	Expected Repayment Period
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 Cathay United Bank as collateral. As of March 31, 2020, December 31, 2019 and March 31, 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

	June 30, 2020	December 31, 2019	June 30, 2019
Nonconvertible domestic bonds	\$ 113,600,000	\$ 104,100,000	\$ 103,000,000
Discount of nonconvertible domestic bonds	<u>(122,765)</u>	<u>(107,945)</u>	<u>(106,193)</u>
	113,477,235	103,992,055	102,893,807
Less: Current portion	<u>17,293,735</u>	<u>20,593,662</u>	<u>23,691,067</u>
	<u>\$ 96,183,500</u>	<u>\$ 83,398,393</u>	<u>\$ 79,202,740</u>

Bonds

Period	Maturity	Annual Rate (%)	Issued Amount	Outstanding Balance			Repayment
				June 30, 2020	December 31, 2019	June 30, 2019	
<u>Company</u>							
Unsecured bonds							
103-1	2014.08.21-2019.08.21	1.47	\$ 3,200,000	\$ -	\$ -	\$ 1,600,000	(Note 1)
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	-	(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)
<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	3,000,000	(Note 1)
104-2	2015.11.09-2020.11.09	1.28	2,000,000	1,000,000	1,000,000	1,500,000	(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)

(Continued)

Period	Maturity	Annual Rate (%)	Issued Amount	Outstanding Balance			Repayment
				June 30, 2020	December 31, 2019	June 30, 2019	
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	<u>1,000,000</u>	-	-	(Note 2)
Total outstanding balance				<u>\$ 113,600,000</u>	<u>\$ 104,100,000</u>	<u>\$ 103,000,000</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

	June 30, 2020	December 31, 2019	June 30, 2019
Dismantling obligation	\$ 1,122,100	\$ 1,094,702	\$ 1,067,214
Warranties	88,287	88,320	101,458
Onerous contract	<u>22,549</u>	<u>28,772</u>	<u>50,291</u>
	<u>\$ 1,232,936</u>	<u>\$ 1,211,794</u>	<u>\$ 1,218,963</u>
Current	\$ 244,055	\$ 250,396	\$ 281,914
Non-current	<u>988,881</u>	<u>961,398</u>	<u>937,049</u>
	<u>\$ 1,232,936</u>	<u>\$ 1,211,794</u>	<u>\$ 1,218,963</u>

	Dismantling Obligation	Warranties	Onerous Contracts	Total
Balance at January 1, 2020	\$ 1,094,702	\$ 88,320	\$ 28,772	\$ 1,211,794
Additions	30,097	7,405	22,549	60,051
Reductions	<u>(2,699)</u>	<u>(7,438)</u>	<u>(28,772)</u>	<u>(38,909)</u>
Balance at June 30, 2020	<u>\$ 1,122,100</u>	<u>\$ 88,287</u>	<u>\$ 22,549</u>	<u>\$ 1,232,936</u>
Balance at January 1, 2019	\$ 1,036,544	\$ 101,757	\$ 66,396	\$ 1,204,697
Additions	39,285	11,285	50,291	100,861
Reductions	<u>(8,615)</u>	<u>(11,584)</u>	<u>(66,396)</u>	<u>(86,595)</u>
Balance at June 30, 2019	<u>\$ 1,067,214</u>	<u>\$ 101,458</u>	<u>\$ 50,291</u>	<u>\$ 1,218,963</u>

24. RETIREMENT BENEFIT PLANS

For defined benefit plans, employee benefit expenses for the three months and six months ended June 30, 2020 and 2019 were calculated as \$18,974 thousand, \$27,985 thousand, \$38,519 thousand and \$53,263 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:

	June 30, 2020		
	Within One Year	Over One Year	Total
<u>Assets</u>			
Notes and accounts receivable	\$ 379,131	\$ 116,485	\$ 495,616
Inventories - construction and real estate	761,711	2,802,487	3,564,198
Contract assets - current	1,293,472	748,627	2,042,099
Other financial assets - current	778,338	185,703	964,041
Refundable deposits - current	4,681	5,681	10,362
<u>Liabilities</u>			
Notes and accounts payable	1,172,453	13,920	1,186,373
Notes and accounts payable to related parties	182,892	-	182,892
Contract liabilities - current	786,227	497,144	1,283,371
Provisions - current	4,319	59,388	63,707

	December 31, 2019		
	Within One Year	Over One Year	Total
<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

	June 30, 2019		
	Within One Year	Over One Year	Total
<u>Assets</u>			
Notes and accounts receivable	\$ 261,070	\$ 145,722	\$ 406,792
Inventories - construction and real estate	2,241,375	2,364,601	4,605,976
Contract assets - current	339,922	1,780,008	2,119,930
Other financial assets - current	112,279	672,301	784,580
Refundable deposits - current	13	13,472	13,485
<u>Liabilities</u>			
Notes and accounts payable	1,023,776	93,998	1,117,774
Notes and accounts payable to related parties	78,292	-	78,292
Contract liabilities - current	164,179	843,729	1,007,908
Provisions - current	2,164	102,255	104,419

26. EQUITY

a. Share capital

1) Common stock

	June 30, 2020	December 31, 2019	June 30, 2019
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 June 30, 2020, December 31, 2019 and June 30, 2019, there are 59 thousand units, 6 thousand units and 6 thousand units outstanding, which were equal to 591 thousand, 59 thousand and 59 thousand common stock of the Company.

b. Capital surplus

	June 30, 2020	December 31, 2019	June 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	15,469	15,469	14,066
<u>May not be used for any purpose</u>			
Changes in equity-method associates capital surplus	<u>111,592</u>	<u>104,722</u>	<u>90,853</u>
	<u>\$ 3,277,225</u>	<u>\$ 3,270,355</u>	<u>\$ 3,255,083</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, or from changes in capital surplus of subsidiaries accounted for by using equity method.

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:

	Appropriation of Earnings		Dividends Per Share	
			(NT\$)	
	For Year 2019	For Year 2018	For Year 2019	For Year 2018
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:

	For the Six Months Ended	
	June 30	
	2020	2019
Balance at January 1 and June 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.

	For the Six Months Ended	
	June 30	
	2020	2019
Balance at January 1	\$ 90,776,716	\$ 89,713,777
Appropriation in respect of:		
Application of the fair value method for investment properties	<u>1,838,006</u>	<u>1,089,437</u>
Balance at June 30	<u>\$ 92,614,722</u>	<u>\$ 90,803,214</u>

e. Other equity items

The changes in other equity items were as follows:

	Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Assets at FVTOCI	Gain (Loss) on Hedging Instruments	Gain on Property Revaluation	Total
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	(1,375,472)	-	-	-	(1,375,472)
Unrealized gain (loss) on financial assets at FVTOCI	-	(47,277)	-	-	(47,277)
Gain (loss) on hedging instruments	-	-	4,802	-	4,802
Gain on property revaluation	-	-	-	53,969	53,969
Associate disposed the investment in equity instruments designated as at FVTOCI	-	32,678	-	-	32,678
Share of the other comprehensive gain (loss) of associates	<u>(558,820)</u>	<u>(685,569)</u>	<u>-</u>	<u>-</u>	<u>(1,244,389)</u>
Balance at June 30, 2020	<u>\$ (8,479,998)</u>	<u>\$ 1,739,797</u>	<u>\$ 16,502</u>	<u>\$ 1,058,727</u>	<u>\$ (5,664,972)</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	681,845	-	-	-	681,845
Unrealized gain (loss) on financial assets at FVTOCI	-	(771)	-	-	(771)
Gain (loss) on hedging instruments	-	-	(38,195)	-	(38,195)
Gain on property revaluation	-	-	-	297,056	297,056
Associate disposed the investment in equity instruments designated as at FVTOCI	-	(2,848)	-	-	(2,848)
Share of the other comprehensive gain (loss) of associates	<u>180,945</u>	<u>1,009,018</u>	<u>(584)</u>	<u>-</u>	<u>1,189,379</u>
Balance at June 30, 2019	<u>\$ (2,727,111)</u>	<u>\$ 1,777,311</u>	<u>\$ 7,101</u>	<u>\$ 999,834</u>	<u>\$ 57,135</u>

f. Non-controlling interests

	For the Six Months Ended June 30	
	2020	2019
Beginning balance	\$ 66,798,895	\$ 64,194,300
Adjustment on initial application of IFRS 9 and 16	-	(94,653)
Balance at January 1 per IFRS 9 and 16	<u>66,798,895</u>	<u>64,099,647</u>
Attributable to non-controlling interests:		
Net income	2,633,519	2,963,120
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	(246,038)	74,464
Unrealized gain (loss) on financial assets at FVTOCI	(38,372)	5,337
(Loss) gain on hedging instruments	9,132	(72,646)
Share of other comprehensive income (loss) of associates accounted for using the equity method	(12,062)	9,870
Changes in capital surplus of associates accounted for using the equity method	17	-
Changes in unappropriated earnings of associates accounted for using the equity method	(44)	475
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	14,217	3,088,551
Acquisition of a subsidiary	<u>-</u>	<u>163,092</u>
Ending balance	<u>\$ 62,426,108</u>	<u>\$ 62,947,521</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:

Name of Subsidiary	Number of Shares Held (In Thousands)	Carrying Amount	Market Price
<u>June 30, 2020</u>			
Yuan Ding	779	<u>\$ 25,063</u>	<u>\$ 21,745</u>
<u>December 31, 2019</u>			
Yuan Ding	779	<u>\$ 25,063</u>	<u>\$ 23,265</u>
<u>June 30, 2019</u>			
Yuan Ding	779	<u>\$ 25,063</u>	<u>\$ 26,109</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 June 30		For the Six Months Ended June 30	
	2020	2019	2020	2019
Revenue from contracts with customers				
Revenue from sale of goods	\$ 31,304,642	\$ 49,060,999	\$ 67,501,602	\$ 94,970,654
Telecommunications				
service revenue	11,365,689	11,991,871	22,833,549	23,896,059
Construction revenue	2,600,223	2,181,835	3,436,167	3,222,625
Other operating revenue	<u>3,027,731</u>	<u>2,849,862</u>	<u>6,118,910</u>	<u>5,222,144</u>
	48,298,285	66,084,567	99,890,228	127,311,482
Other operating revenue	<u>645,307</u>	<u>642,015</u>	<u>1,289,675</u>	<u>1,335,017</u>
	<u>\$ 48,943,592</u>	<u>\$ 66,726,582</u>	<u>\$ 101,179,903</u>	<u>\$ 128,646,499</u>

a. Description of customer contract

Refer to Note 4 the summary of significant accounting policies.

b. Contact balances

	June 30, 2020	December 31, 2019	June 30, 2019	January 1, 2019
Contract assets				
Bundle sale of goods	\$ 6,755,273	\$ 6,655,169	\$ 5,954,998	\$ 5,433,851
Real estate construction	1,765,605	1,876,768	1,780,021	1,760,390
Retentions receivable	276,494	335,998	339,909	306,082
Others	1,105,840	-	-	-
Less: Allowance for impairment loss	<u>(135,925)</u>	<u>(135,925)</u>	<u>(135,925)</u>	<u>(135,925)</u>
	<u>\$ 9,767,287</u>	<u>\$ 8,732,010</u>	<u>\$ 7,939,003</u>	<u>\$ 7,364,398</u>
Current	\$ 6,816,886	\$ 6,398,973	\$ 6,035,213	\$ 5,828,641
Non-current	<u>2,950,401</u>	<u>2,333,037</u>	<u>1,903,790</u>	<u>1,535,757</u>
	<u>\$ 9,767,287</u>	<u>\$ 8,732,010</u>	<u>\$ 7,939,003</u>	<u>\$ 7,364,398</u>
Contract liabilities				
Sale of goods and services	\$ 3,875,617	\$ 3,654,987	\$ 4,120,146	\$ 3,821,027
Sale of real estate	3,943	4,652	31,898	19,886
Real estate construction	68,653	74,874	98,138	114,423
Retentions payable	<u>1,210,775</u>	<u>1,011,879</u>	<u>877,872</u>	<u>900,146</u>
	<u>\$ 5,158,988</u>	<u>\$ 4,746,392</u>	<u>\$ 5,128,054</u>	<u>\$ 4,855,482</u>

(Continued)

	June 30, 2020	December 31, 2019	June 30, 2019	January 1, 2019
Current	\$ 4,959,478	\$ 4,535,792	\$ 4,905,042	\$ 4,647,210
Non-current	<u>199,510</u>	<u>210,600</u>	<u>223,012</u>	<u>208,272</u>
	<u>\$ 5,158,988</u>	<u>\$ 4,746,392</u>	<u>\$ 5,128,054</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 six months ended June 30, 2020 and 2019.

c. Assets related to contract costs

	June 30, 2020	December 31, 2019	June 30, 2019
Current			
Costs to fulfill a contract (classified as other current assets)	<u>\$ 3,036</u>	<u>\$ -</u>	<u>\$ -</u>
Non-current			
Incremental costs of obtaining a contract	<u>\$ 3,355,876</u>	<u>\$ 3,398,107</u>	<u>\$ 2,806,427</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 \$735,273 thousand and \$596,770 thousand for the three months ended June 30, 2020 and 2019, respectively, and \$1,453,093 thousand and \$1,129,702 thousand for the six months ended June 30, 2020 and 2019, respectively.

d. Disaggregation of revenue

Refer to Note 42 for information about disaggregation of revenue.

28. NET PROFIT FROM CONTINUING OPERATIONS

a. Interest expenses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2020	2019	2020	2019
Capitalized interests on properties	\$ 28,602	\$ 34,283	\$ 68,485	\$ 68,643
Capitalization rates	0.36%-3.70%	0.42%-4.35%	0.36%-3.70%	0.42%-4.51%

b. Depreciation and amortization

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2020	2019	2020	2019
Property, plant and equipment	\$ 3,981,247	\$ 4,483,029	\$ 8,026,890	\$ 8,884,703
Right-of-use assets	1,052,151	1,074,798	2,139,624	2,153,449
Intangible assets	<u>1,144,596</u>	<u>1,115,415</u>	<u>2,288,901</u>	<u>2,221,932</u>
	<u>\$ 6,177,994</u>	<u>\$ 6,673,242</u>	<u>\$ 12,455,415</u>	<u>\$ 13,260,084</u>
An analysis of deprecation by function				
Operating costs	\$ 4,406,551	\$ 4,908,029	\$ 8,951,671	\$ 9,749,966
Operating expenses	606,828	644,205	1,175,108	1,274,614
Other expense	<u>20,019</u>	<u>5,593</u>	<u>39,735</u>	<u>13,572</u>
	<u>\$ 5,033,398</u>	<u>\$ 5,557,827</u>	<u>\$ 10,166,514</u>	<u>\$ 11,038,152</u>
An analysis of amortization by function				
Operating costs	\$ 898,265	\$ 859,373	\$ 1,795,148	\$ 1,722,989
Operating expenses	<u>246,331</u>	<u>256,042</u>	<u>493,753</u>	<u>498,943</u>
	<u>\$ 1,144,596</u>	<u>\$ 1,115,415</u>	<u>\$ 2,288,901</u>	<u>\$ 2,221,932</u>

c. Employee benefits expense

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2020	2019	2020	2019
Post-employment benefits				
Defined contribution plans	\$ 141,116	\$ 188,326	\$ 303,304	\$ 381,935
Defined benefit plans	18,974	27,985	38,519	53,263
Other employee benefits	<u>5,411,730</u>	<u>5,568,531</u>	<u>10,889,844</u>	<u>10,819,732</u>
Total employee benefit expense	<u>\$ 5,571,820</u>	<u>\$ 5,784,842</u>	<u>\$ 11,231,667</u>	<u>\$ 11,254,930</u>

(Continued)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2020	2019	2020	2019
Analysis of employee benefit expense by function				
Operating costs	\$ 2,666,468	\$ 2,773,432	\$ 5,489,626	\$ 5,455,672
Operating expenses	<u>2,905,352</u>	<u>3,011,410</u>	<u>5,742,041</u>	<u>5,799,258</u>
	<u>\$ 5,571,820</u>	<u>\$ 5,784,842</u>	<u>\$ 11,231,667</u>	<u>\$ 11,254,930</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 six months ended June 30, 2020 and 2019 were as follows:

Accrual rate

	For the Six Months Ended June 30	
	2020	2019
Employees' compensation	3.30%	3.06%
Remuneration of directors	2.36%	2.30%

Amount

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2020	2019	2020	2019
Employees' compensation	<u>\$ 72,342</u>	<u>\$ 111,776</u>	<u>\$ 126,882</u>	<u>\$ 183,212</u>
Remuneration of directors	<u>\$ 51,673</u>	<u>\$ 86,336</u>	<u>\$ 90,630</u>	<u>\$ 137,362</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:

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

Rate

	For the Year Ended December 31	
	2019	2018
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

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2020	2019	2020	2019
Current tax	\$ 517,253	\$ 687,658	\$ 1,048,764	\$ 1,361,949
Income tax on unappropriated earnings	731	-	731	-
Adjustments for prior years	<u>(1,834)</u>	<u>11,492</u>	<u>(1,834)</u>	<u>11,492</u>
	516,150	699,150	1,047,661	1,373,441
Deferred tax				
In respect of the current period	<u>166,932</u>	<u>21,881</u>	<u>642,954</u>	<u>26,029</u>
Income tax expense recognized in profit or loss	<u>\$ 683,082</u>	<u>\$ 721,031</u>	<u>\$ 1,690,615</u>	<u>\$ 1,399,470</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

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2020	2019	2020	2019
<u>Deferred tax</u>				
In respect of the current period				
Fair value changes of financial assets at FVTOCI	\$ 2,803	\$ (69)	\$ 2,754	\$ (515)
Gains on property revaluation	-	-	(13,492)	(34,501)
	<u>\$ 2,803</u>	<u>\$ (69)</u>	<u>\$ (10,738)</u>	<u>\$ (35,016)</u>

c. Income tax assessments

	<u>Latest Year of Income Tax Return That Tax Authorities Had Examined and Cleared</u>
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)

**Latest Year of Income
Tax Return That Tax
Authorities Had
Examined and Cleared**

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
Nextlink Technology Co., Ltd.	2017
Microfusion Technology 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: NTS Per Share

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2020	2019	2020	2019
Basic earnings per share	<u>\$ 0.44</u>	<u>\$ 0.70</u>	<u>\$ 0.74</u>	<u>\$ 1.10</u>
Diluted earnings per share	<u>\$ 0.44</u>	<u>\$ 0.70</u>	<u>\$ 0.74</u>	<u>\$ 1.10</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

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2020	2019	2020	2019
Net income for the period attributable to owners of the Company	<u>\$ 2,185,655</u>	<u>\$ 3,505,296</u>	<u>\$ 3,688,731</u>	<u>\$ 5,521,083</u>

Weighted Average Number of Common Stock Outstanding

Unit: In Thousand Shares

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2020	2019	2020	2019
Weighted average number of common stock used in the computation of basic earnings per share	4,982,461	4,998,166	4,987,214	4,998,166
Effect of potentially dilutive common stock:				
Employees' compensation	<u>4,806</u>	<u>5,469</u>	<u>14,819</u>	<u>12,565</u>
Weighted average number of common stock used in the computation of diluted earnings per share	<u>4,987,267</u>	<u>5,003,635</u>	<u>5,002,033</u>	<u>5,010,731</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 six months ended June 30, 2020 and 2019, the Company's EPS were \$0.41, \$0.65, \$0.69 and \$1.03.

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) based on Membership Interest Purchase Agreement. The capital injection was completed on June 5, 2019.

b. Consideration transferred

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

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

	Nextlink Technology Co., Ltd.	Phoenix Technologies International, LLC
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

	Nextlink Technology Co., Ltd.	Phoenix Technologies International, LLC
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

	Nextlink Technology Co., Ltd.	Phoenix Technologies International, LLC
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:

	Nextlink Technology Co., Ltd.	Phoenix Technologies International, LLC
Operating revenue	\$ 482,410	\$ 85,129
Net income	<u>\$ 4,621</u>	<u>\$ (10,416)</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 six months ended June 30, 2019 would have been \$67,179,031 thousand and \$129,624,989 thousand, respectively, and the Group's net income for the three months and six months ended June 30, 2019 would have been \$4,984,507 thousand and \$8,429,710 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

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

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

	Omusic
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

	Omusic
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

	Omusic
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 six months ended June 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:

	Yuan Shi Digital Technology Co., Ltd.
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>

For the six months ended June 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:

	Yuan Ding Enterprise (Shanghai) Limited
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.

	June 30, 2020		December 31, 2019		June 30, 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<u>Financial liabilities</u>						
Financial liabilities measured at amortized cost						
Bonds payable	\$ 113,477,235	\$ 113,972,559	\$ 103,992,055	\$ 104,463,768	\$ 102,893,807	\$ 103,343,404

2) Fair value hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>				
Bonds payable	<u>\$ 113,972,559</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 113,972,559</u>

December 31, 2019

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

June 30, 2019

	Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>				
Bonds payable	\$ 103,343,404	\$ _____ -	\$ _____ -	\$ 103,343,404

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

1) Fair value hierarchy

June 30, 2020

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Open-end mutual funds - beneficial certificates	\$ 2,707,804	\$ -	\$ -	\$ 2,707,804
Oversea mutual funds - benefit certificates	-	1,791,971	-	1,791,971
Domestic listed shares	234,615	-	-	234,615
Forward exchange contracts	_____ -	_____ -	_____ 2,399	_____ 2,399
	<u>\$ 2,942,419</u>	<u>\$ 1,791,971</u>	<u>\$ 2,399</u>	<u>\$ 4,736,789</u>
<u>Financial assets at FVTOCI</u>				
Domestic listed shares	\$ 440,900	\$ -	\$ -	\$ 440,900
Domestic unlisted shares	-	-	1,384,705	1,384,705
Real estate investment trust mutual funds - beneficial certificates	306,000	-	-	306,000
Oversea unlisted shares	_____ -	_____ -	_____ 483,900	_____ 483,900
	<u>\$ 746,900</u>	<u>\$ _____ -</u>	<u>\$ 1,868,605</u>	<u>\$ 2,615,505</u>
<u>Financial liabilities at FVTPL</u>				
Forward exchange contracts	\$ _____ -	\$ _____ -	\$ _____ 386	\$ _____ 386
<u>Financial liabilities for hedging</u>				
Cash flow hedges - interest rate swap contracts	\$ _____ -	\$ _____ -	\$ _____ 17,153	\$ _____ 17,153

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
Overseas 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
Overseas 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>
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>

June 30, 2019

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Open-end mutual funds - beneficial certificates	\$ 2,926,551	\$ -	\$ -	\$ 2,926,551
Overseas mutual funds - benefit certificates	-	1,398,113	-	1,398,113
Domestic listed shares	243,774	-	-	243,774
Forward exchange contracts	<u>-</u>	<u>-</u>	<u>3,746</u>	<u>3,746</u>
	<u>\$ 3,170,325</u>	<u>\$ 1,398,113</u>	<u>\$ 3,746</u>	<u>\$ 4,572,184</u>
Financial assets at FVTOCI				
Domestic listed shares	\$ 401,343	\$ -	\$ -	\$ 401,343
Domestic unlisted shares	-	-	908,195	908,195
Real estate investment trust mutual funds - beneficial certificates	300,000	-	-	300,000
Overseas unlisted shares	<u>-</u>	<u>-</u>	<u>496,913</u>	<u>496,913</u>
	<u>\$ 701,343</u>	<u>\$ -</u>	<u>\$ 1,405,108</u>	<u>\$ 2,106,451</u>
Financial liabilities at FVTPL				
Forward exchange contracts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,333</u>	<u>\$ 3,333</u>
Financial liabilities for hedging				
Cash flow hedges - interest rate swap contracts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,485</u>	<u>\$ 45,485</u>

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

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

For the six months ended June 30, 2020

	Financial Assets at FVTPL	Financial Assets at FVTOCI	Financial Instruments for Hedging	Total
Balance at January 1, 2020	\$ 9,618	\$ 1,446,296	\$ (31,087)	\$ 1,424,827
Additions	-	500,000	-	500,000
Return on the capital reduction	-	(13,500)	-	(13,500)
Recognized in profit or loss	(7,889)	-	12,293	4,404
Recognized in other comprehensive income	-	(59,182)	13,934	(45,248)
Settlements and effect of exchange rate differences	<u>284</u>	<u>(5,009)</u>	<u>(12,293)</u>	<u>(17,018)</u>
Balance at June 30, 2020	<u>\$ 2,013</u>	<u>\$ 1,868,605</u>	<u>\$ (17,153)</u>	<u>\$ 1,853,465</u>

For the six months ended June 30, 2019

	Financial Assets at FVTPL	Financial Assets at FVTOCI	Financial Instruments for Hedging	Total
Balance at January 1, 2019	\$ (4,738)	\$ 1,407,217	\$ 67,224	\$ 1,469,703
Recognized in profit or loss	(20,032)	-	10,417	(9,615)
Recognized in other comprehensive income	-	(8,126)	(110,841)	(118,967)
Settlements and effect of exchange rate differences	<u>25,183</u>	<u>6,017</u>	<u>(12,285)</u>	<u>18,915</u>
Balance at June 30, 2019	<u>\$ 413</u>	<u>\$ 1,405,108</u>	<u>\$ (45,485)</u>	<u>\$ 1,360,036</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, option contracts, combined exchange options, 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

	June 30, 2020	December 31, 2019	June 30, 2019
<u>Financial assets</u>			
Financial assets at FVTPL	\$ 4,736,798	\$ 5,053,716	\$ 4,572,184
Financial assets at amortized cost (Note 1)	86,894,628	81,024,585	87,400,081
Financial assets at FVTOCI	2,615,505	2,156,938	2,106,451
<u>Financial liabilities</u>			
Financial liabilities at FVTPL	386	1,861	3,333
Financial liabilities for hedging	17,153	31,087	45,485
Amortized cost (Note 2)	318,676,298	265,797,849	278,177,607

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 39.

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.

	June 30, 2020	December 31, 2019	June 30, 2019
5% change in profit or loss			
USD	<u>\$ (177,716)</u>	<u>\$ (220,689)</u>	<u>\$ (425,379)</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:

	June 30, 2020	December 31, 2019	June 30, 2019
Fair value interest rate risk			
Financial assets	\$ 23,105,289	\$ 16,107,962	\$ 17,849,058
Financial liabilities	245,472,694	204,549,298	193,609,648
Cash flow interest rate risk			
Financial assets	18,309,396	12,675,075	14,092,695
Financial liabilities	36,071,238	34,360,953	37,244,557

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 as of June 30, 2020, December 31, 2019 and June 30, 2019 would have decreased/increase by \$57,619 thousand, \$40,169 thousand and \$44,511 thousand, respectively, and the cash flows on the Group's financial assets with floating interest rate would have increased/decrease by \$45,773 thousand, \$31,688 thousand and \$35,232 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 as of June 30, 2020, December 31, 2019 and June 30, 2019 would have decreased/increase by \$612,151 thousand, \$510,098 thousand and \$482,817 thousand, respectively, and the cash flows on the Group's financial liabilities with floating interest rate would have decreased/increase by \$90,178 thousand, \$85,902 thousand and \$93,111 thousand, respectively.

Hedge accounting

For the six months ended June 30, 2019

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.

June 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 10, 2025	0%-4.8%	0.60%-4.90%	Financial liabilities for hedging	\$ -	\$ 17,153	\$ -

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	\$ -	\$ (17,153)	\$ -

For the three months ended June 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	\$ 7,892	\$ -	-	\$5,436 Increase in interest expense

For the six months ended June 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	\$ 13,934	\$ -	-	\$12,293 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	Carrying Amount
		Continuing Hedges	Hedge Accounting No Longer Applied
Cash flow hedge			
Interest expense from long-term debt	\$ -	\$ (31,087)	\$ -

June 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%-4.90%	Financial liabilities for hedging	\$ -	\$ 45,485	\$ -

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	\$ -	\$ (45,485)	\$ -

For the three months ended June 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	\$ (20,784)	\$ -	-	\$10,366 Increase in interest expense

For the six months ended June 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	\$ (110,841)	\$ -	-	\$12,285 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 as of June 30, 2020, December 31, 2019 and June 30, 2019, would have decreased by \$367,495 thousand, \$359,959 thousand and \$333,744 thousand.

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:

	1-2 Years	2-3 Years	Over 3 Years	Total
<u>June 30, 2020</u>				
Long-term borrowings	\$ 39,607,626	\$ 12,628,280	\$ 58,203,360	\$ 110,439,266
Bonds payable	<u>22,000,000</u>	<u>21,000,000</u>	<u>53,300,000</u>	<u>96,300,000</u>
	<u>\$ 61,607,626</u>	<u>\$ 33,628,280</u>	<u>\$ 111,503,360</u>	<u>\$ 206,739,266</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>June 30, 2019</u>				
Long-term borrowings	\$ 39,774,408	\$ 15,265,285	\$ 17,852,363	\$ 72,892,056
Bonds payable	<u>17,300,000</u>	<u>19,000,000</u>	<u>43,000,000</u>	<u>79,300,000</u>
	<u>\$ 57,074,408</u>	<u>\$ 34,265,285</u>	<u>\$ 60,852,363</u>	<u>\$ 152,192,056</u>

Additional information about the maturity analysis for lease liabilities

	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
<u>June 30, 2020</u>					
Lease liabilities	\$ 6,678,654	\$ 637,899	\$ 103,241	\$ 83,562	\$ 202,613
<u>December 31, 2019</u>					
Lease liabilities	\$ 6,686,931	\$ 700,748	\$ 108,607	\$ 83,995	\$ 210,173
<u>June 30, 2019</u>					
Lease liabilities	\$ 6,575,750	\$ 769,148	\$ 79,660	\$ 58,958	\$ 69,769

36. TRANSACTIONS WITH RELATED PARTIES

Besides the transactions mentioned in the other notes, the transactions for the three months and six months ended June 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.

	June 30, 2020	December 31, 2019	June 30, 2019
Financial assets at FVTPL - current	\$ -	\$ -	\$ 26,306
Other financial assets - current	1,533,710	1,809,900	1,428,677
Inventories - available-for-construction	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	-
Property, plant and equipment, net	27,547,029	28,287,683	28,844,550
Investment properties	36,534,526	35,802,323	37,251,296
Investments accounted for using the equity method	3,152,849	3,183,595	3,022,379
Concessions - cost	3,850,000	3,850,000	3,756,000
Other financial assets - non-current	<u>2,224,933</u>	<u>3,553,636</u>	<u>2,489,956</u>
	<u>\$ 75,543,701</u>	<u>\$ 77,680,294</u>	<u>\$ 77,512,321</u>

As of June 30, 2020, December 31, 2019 and June 30, 2019, FENC and some of its subsidiaries had provided 55,972 thousand shares, 47,522 thousand shares and 61,622 thousand shares, respectively, of common stock of Far EasTone Telecommunications Co., Ltd. and 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 June 30, 2020, December 31, 2019 and June 30, 2019 were as follows:

- a. The Group issued but unused letters of credit aggregated at approximately \$299,179 thousand, \$399,158 thousand and \$202,690 thousand as of June 30, 2020, December 31, 2019 and June 30, 2019, respectively.
- b. The Group (except for Far EasTone and its subsidiaries) had unpaid construction contract and property, plant and equipment amounting to \$5,342,355 thousand, \$7,941,293 thousand and \$8,581,397 thousand as of June 30, 2020, December 31, 2019 and June 30, 2019, respectively.

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

	June 30, 2020	December 31, 2019	June 30, 2019
Acquisition of property, plant and equipment under contracts	<u>\$ 5,189,194</u>	<u>\$ 4,241,999</u>	<u>\$ 3,031,481</u>
Acquisition of inventories under contract	<u>\$ 2,483,070</u>	<u>\$ 3,895,806</u>	<u>\$ 3,477,298</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:

	June 30, 2020	December 31, 2019	June 30, 2019
Lease commitments	<u>\$ 321,555</u>	<u>\$ 247,816</u>	<u>\$ 202,873</u>

- d. The letters of bank guarantees issued for importing from manufactures all amounted to \$0 thousand, \$100,000 thousand and \$100,000 thousand as of June 30, 2020, December 31, 2019 and June 30, 2019.
- e. There were undelivered cotton contracts which were unable to be cancelled amounting to \$80,124 thousand, \$138,054 thousand and \$106,884 thousand as of June 30, 2020, December 31, 2019 and June 30, 2019, respectively.
- f. Project contracts' costs already signed by Far Eastern General Contractor Inc. (FEGC) amounted to \$48,058,964 thousand, \$46,350,772 thousand and \$45,842,060 thousand as of June 30, 2020, December 31, 2019 and June 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 \$3,829,922 thousand, \$3,859,807 thousand and \$3,865,812 thousand as of June 30, 2020, December 31, 2019 and June 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. As of August 11, 2020, TANFB has not filed an appeal yet.

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.

39. 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:

June 30, 2020

	Foreign Currencies (In Thousands)	Exchange Rate	Carrying Amount (NT\$)
<u>Financial assets</u>			
Monetary items			
USD	\$ 272,460	29.63 (USD:NTD)	\$ 8,072,990
USD	74,907	7.070 (USD:RMB)	2,219,494
USD	18,083	7.800 (USD:HKD)	535,799
USD	1,278	4.476 (USD:MYR)	37,867
USD	4,517	107.71 (USD:JPY)	<u>133,839</u>
			<u>\$ 10,999,989</u>
<u>Financial liabilities</u>			
Monetary items			
USD	168,368	29.63 (USD:NTD)	\$ 4,988,744
USD	59,976	7.070 (USD:RMB)	1,777,089
USD	21,678	7.800 (USD:HKD)	642,319
USD	1,266	4.476 (USD:MYR)	<u>37,512</u>
			<u>\$ 7,445,664</u>

December 31, 2019

	Foreign Currencies (In Thousands)	Exchange Rate	Carrying Amount (NT\$)
<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
USD	22,805	7.800 (USD:HKD)	683,694
USD	4,225	4.237 (USD:MYR)	<u>126,666</u>
			<u>\$ 12,243,953</u>
<u>Financial liabilities</u>			
Monetary items			
USD	189,322	29.98 (USD:NTD)	\$ 5,675,874
USD	18,742	6.964 (USD:RMB)	561,885
USD	50,191	7.800 (USD:HKD)	1,504,726
USD	2,925	4.237 (USD:MYR)	<u>87,692</u>
			<u>\$ 7,830,177</u>

June 30, 2019

	Foreign Currencies (In Thousands)	Exchange Rate	Carrying Amount (NT\$)
<u>Financial assets</u>			
Monetary items			
USD	\$ 438,486	31.06 (USD:NTD)	\$ 13,619,375
USD	93,069	6.870 (USD:RMB)	2,890,723
USD	38,745	7.800 (USD:HKD)	1,203,420
USD	3,596	4.303 (USD:MYR)	<u>111,692</u>
			<u>\$ 17,825,210</u>
<u>Financial liabilities</u>			
Monetary items			
USD	188,043	31.06 (USD:NTD)	\$ 5,840,616
USD	34,104	6.870 (USD:RMB)	1,059,270
USD	74,230	7.800 (USD:HKD)	2,305,584
USD	3,611	4.303 (USD:MYR)	<u>112,158</u>
			<u>\$ 9,317,628</u>

For the three months and six months ended June 30, 2020 and 2019, (realized and unrealized) net foreign exchange gains were \$(56,561) thousand, \$189,437 thousand, \$46,151 thousand and \$224,975 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.

40. OTHER ITEMS

For the six months ended June 30, 2020, The Group assess 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.

41. 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

42. 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.

	<u>Segments Revenue</u>		<u>Segments Profit</u>	
	<u>For the Six Months Ended June 30</u>		<u>For the Six Months Ended June 30</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Petrochemical business			\$ (2,136,287)	\$ 143,231
Revenue generated from external customers	\$ 7,479,410	\$ 16,595,044		
Intersegment revenue	<u>10,155,596</u>	<u>16,752,081</u>		
	<u>17,635,006</u>	<u>33,347,125</u>		
Chemical fiber business			1,578,875	1,799,333
Revenue generated from external customers	35,467,920	45,721,620		
Intersegment revenue	<u>549,195</u>	<u>1,072,664</u>		
	<u>36,017,115</u>	<u>46,794,284</u>		
Textile business			(382,124)	455,145
Revenue generated from external customers	13,927,227	18,972,330		
Intersegment revenue	<u>23,637</u>	<u>21,045</u>		
	<u>13,950,864</u>	<u>18,993,375</u>		

(Continued)

	<u>Segments Revenue</u>		<u>Segments Profit</u>	
	<u>For the Six Months Ended June 30</u>		<u>For the Six Months Ended June 30</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Telecommunication services business			\$ 5,937,213	\$ 6,106,443
Revenue generated from external customers	\$ 37,970,336	\$ 41,162,152		
Intersegment revenue	<u>93,243</u>	<u>82,567</u>		
	<u>38,063,579</u>	<u>41,244,719</u>		
Real estate development			471,941	342,650
Revenue generated from external customers	4,146,372	3,933,623		
Intersegment revenue	<u>387,530</u>	<u>378,420</u>		
	<u>4,533,902</u>	<u>4,312,043</u>		
Investment and other			790,350	1,855,267
Revenue generated from external customers	4,245,866	6,125,098		
Intersegment revenue	<u>174,685</u>	<u>166,259</u>		
	<u>4,420,551</u>	<u>6,291,357</u>		
Adjustment and elimination	<u>(11,384,392)</u>	<u>(18,906,436)</u>	<u>(14,297)</u>	<u>448,831</u>
	<u>\$ 103,236,625</u>	<u>\$ 132,076,467</u>	<u>6,245,671</u>	<u>11,150,900</u>
Interest revenue			156,142	170,618
Exchange gain			46,151	224,975
Interest expense			(1,538,084)	(1,688,045)
Other revenue and income			<u>3,102,985</u>	<u>25,225</u>
Profit before tax			<u>\$ 8,012,865</u>	<u>\$ 9,883,673</u> (Concluded)

Note: For the six months ended June 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 \$1,979,371 thousand and \$3,412,328 thousand, respectively, and dividend income from associates, which amounted to \$77,351 thousand and \$17,640 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.

TABLE 1

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND PERCENTAGES OF OWNERSHIP
 JUNE 30, 2020

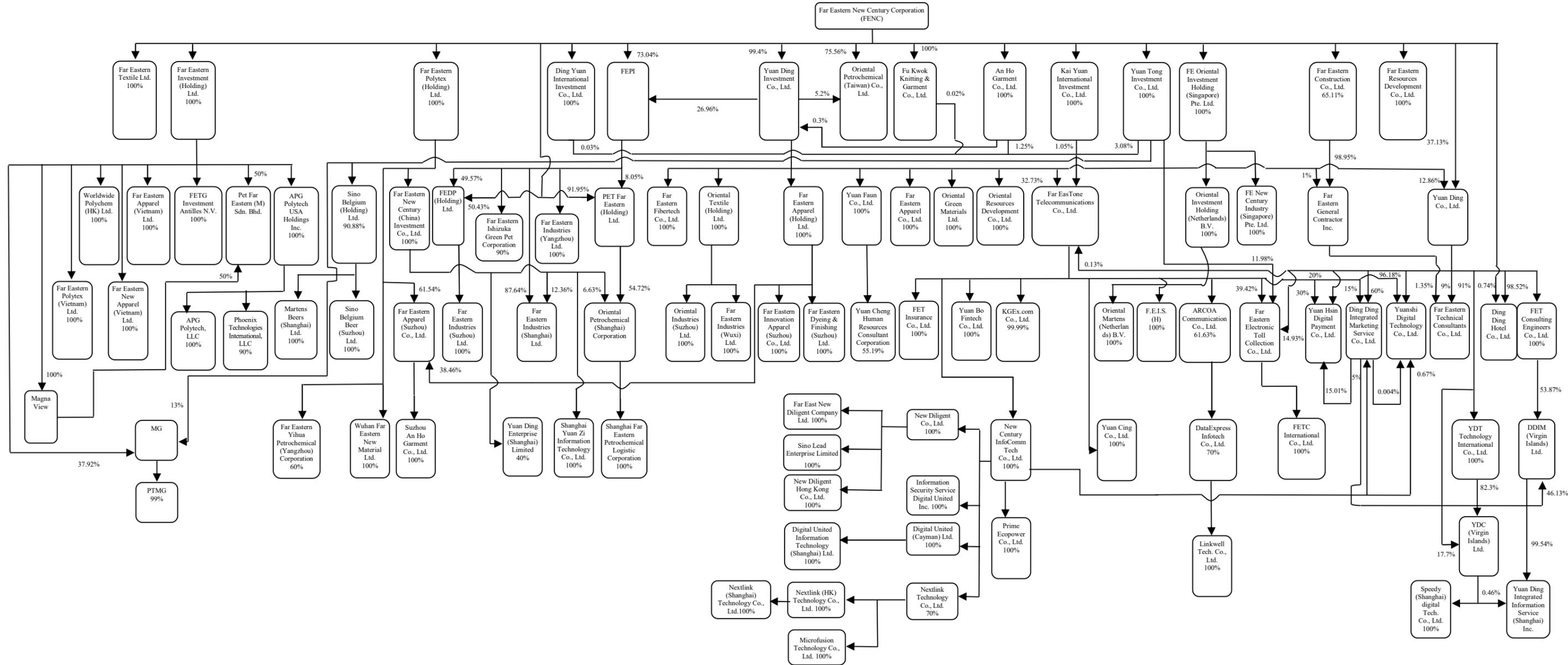


TABLE 2**FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES****RELATED PARTY NAME AND CATEGORIES****JUNE 30, 2020**

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.	Other related party (corporate director of the subsidiary)
Universal Music Taiwan Ltd.	Other related party (corporate director of the subsidiary)
Forward Music Co., Ltd.	Other related party (corporate director of the subsidiary)
Him International Music Incorporated	Other related parties (Supervisor of the subsidiary)
Otiga Technologies Co., Ltd.	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)
Mr. Xu Yuanzhi Memorial Foundation	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)
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)

(Concluded)

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

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2020	2019	2020	2019
Operating revenue				
Associates	\$ 211,321	\$ 609,421	\$ 516,843	\$ 1,127,825
Other related parties	<u>188,976</u>	<u>199,061</u>	<u>359,237</u>	<u>358,134</u>
	<u>\$ 400,297</u>	<u>\$ 808,482</u>	<u>\$ 876,080</u>	<u>\$ 1,485,959</u>
Operating cost				
Associates	\$ 222,145	\$ 334,570	\$ 493,242	\$ 631,763
Other related parties	<u>278,970</u>	<u>175,112</u>	<u>436,742</u>	<u>355,215</u>
	<u>\$ 501,115</u>	<u>\$ 509,682</u>	<u>\$ 929,984</u>	<u>\$ 986,978</u>
Operating expense				
Associates	\$ 6,865	\$ 9,660	\$ 15,073	\$ 19,838
Other related parties	<u>223,630</u>	<u>214,417</u>	<u>429,174</u>	<u>413,220</u>
	<u>\$ 230,495</u>	<u>\$ 224,077</u>	<u>\$ 444,247</u>	<u>\$ 433,058</u>

The Group had purchased the software equipment, other equipment and construction contracts from other related parties amounted to \$49,755 thousand for the three months ended June 30, 2020 and \$87,500 thousand for the six months ended June 30, 2020. The Group had purchased the software equipment, machinery equipment and construction contracts from other related parties amounted to \$53,548 thousand for the three months ended June 30, 2019 and \$93,581 thousand for the six months ended June 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 six months ended June 30, 2019, the Group acquired funds including Opas Fund Segregated Portfolio Tranche “D” amounted to \$1,123 thousand. For the three months and six months ended June 30, 2019, the Group disposed funds all amounted to \$1,702,985 thousand, and recognized gain on disposal amounted to \$59,218 thousand, calculated by using original investing cost.

For the three months and six months ended June 30, 2019, the Group sold other securities and equipments to other related parties at book value for \$7,350 thousand and \$24,649 thousand, respectively, and recognized loss on disposal all amounted to \$542 thousand.

Lease arrangements - Group is lessee

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2020	2019	2020	2019
Acquisitions of right-of-use assets				
Associates	\$ 18,322	\$ 2,914	\$ 27,457	\$ 7,605
		June 30, 2020	December 31, 2019	June 30, 2019
Lease liabilities				
Associates		\$ 684,197	\$ 764,327	\$ 853,550
Other related parties				
Yuan Bo Asset Management Corporation		1,015,871	1,072,258	1,128,284
Others		<u>7,134</u>	<u>30,821</u>	<u>37,972</u>
		<u>\$ 1,707,202</u>	<u>\$ 1,867,406</u>	<u>\$ 2,019,806</u>
	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2020	2019	2020	2019
Interest expense				
Associates	\$ 2,101	\$ 2,620	\$ 4,327	\$ 5,385
Other related parties	<u>3,329</u>	<u>3,770</u>	<u>6,752</u>	<u>7,564</u>
	<u>\$ 5,430</u>	<u>\$ 6,390</u>	<u>\$ 11,079</u>	<u>\$ 12,949</u>
Lease expense				
Associates	\$ 2,307	\$ 745	\$ 4,041	\$ 1,428
Other related parties	<u>3,279</u>	<u>559</u>	<u>6,636</u>	<u>885</u>
	<u>\$ 5,586</u>	<u>\$ 1,304</u>	<u>\$ 10,677</u>	<u>\$ 2,313</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

	June 30, 2020	December 31, 2019	June 30, 2019
	Operating lease receivable		
Associates	\$ 96,944	\$ 114,385	\$ 108,218
Other related parties	<u>74,265</u>	<u>72,907</u>	<u>110,904</u>
	<u>\$ 171,209</u>	<u>\$ 187,292</u>	<u>\$ 219,122</u>
Future lease receivable			
Associates	\$ 1,448,608	\$ 1,611,712	\$ 1,716,646
Other related parties	<u>3,092,526</u>	<u>1,634,761</u>	<u>1,766,060</u>
	<u>\$ 4,541,134</u>	<u>\$ 3,246,473</u>	<u>\$ 3,482,706</u>

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2020	2019	2020	2019
Lease revenue				
Associates	\$ 73,952	\$ 81,149	\$ 161,373	\$ 161,609
Other related parties	<u>71,686</u>	<u>68,796</u>	<u>135,730</u>	<u>132,984</u>
	<u>\$ 145,638</u>	<u>\$ 149,945</u>	<u>\$ 297,103</u>	<u>\$ 294,593</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:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2020	2019	2020	2019
Short-term benefits	\$ 73,963	\$ 112,238	\$ 159,576	\$ 208,863
Post-employment benefits	<u>275</u>	<u>416</u>	<u>534</u>	<u>814</u>
	<u>\$ 74,238</u>	<u>\$ 112,654</u>	<u>\$ 160,110</u>	<u>\$ 209,677</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 JUNE 30, 2020 AND 2019****(In Thousands of New Taiwan Dollars)**

	June 30, 2020	December 31, 2019	June 30, 2019
Notes and accounts receivable			
Associates	\$ 381,927	\$ 427,211	\$ 436,991
Other related parties	<u>312,316</u>	<u>375,503</u>	<u>336,679</u>
	<u>\$ 694,243</u>	<u>\$ 802,714</u>	<u>\$ 773,670</u>
Notes and accounts payable - related parties (Note 1)			
Associates	\$ 85,835	\$ 113,722	\$ 106,902
Other related parties	<u>227,653</u>	<u>226,218</u>	<u>179,815</u>
	<u>\$ 313,488</u>	<u>\$ 339,940</u>	<u>\$ 286,717</u>
Progress billings (Note 2)			
Associates	\$ 1,614,910	\$ 1,610,277	\$ 1,480,980
Other related parties	<u>551,585</u>	<u>479,031</u>	<u>273,569</u>
	<u>\$ 2,166,495</u>	<u>\$ 2,089,308</u>	<u>\$ 1,754,549</u>
Guarantee deposits received			
Associates	\$ 68,236	\$ 53,760	\$ 58,557
Other related parties	<u>73,590</u>	<u>69,420</u>	<u>72,507</u>
	<u>\$ 141,826</u>	<u>\$ 123,180</u>	<u>\$ 131,064</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 \$12,514 thousand, \$3,679 thousand and \$7,358 thousand as of June 30, 2020, December 31, 2019 and June 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):

	June 30, 2020	December 31, 2019	June 30, 2019
Associates			
Far Eastern Union Petrochemical (Yangzhou) Corporation	\$ 1,760,220	\$ 1,162,350	\$ 542,520
Da Ju Fiber Corporation	-	795,000	-
Others	29,630	369,980	-
Other related parties	<u>670,560</u>	<u>301,350</u>	<u>316,470</u>
	<u>\$ 2,460,410</u>	<u>\$ 2,628,680</u>	<u>\$ 858,990</u>

Interests income from loans to related parties:

	<u>For the Three Months Ended June 30</u>		<u>For the Six Months Ended June 30</u>	
	2020	2019	2020	2019
Associates	\$ 14,696	\$ 4,683	\$ 26,347	\$ 7,991
Other related parties	<u>4,763</u>	<u>2,980</u>	<u>7,745</u>	<u>3,918</u>
	<u>\$ 19,459</u>	<u>\$ 7,663</u>	<u>\$ 34,092</u>	<u>\$ 11,909</u>

Loans from related parties:

	June 30, 2020	December 31, 2019	June 30, 2019
Other related parties (recognized as short-term borrowings - loans from related parties)	\$ -	\$ -	\$ 750,494
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>\$ 1,050,494</u>

Interests expense from loans from associates:

	<u>For the Three Months Ended June 30</u>		<u>For the Six Months Ended June 30</u>	
	2020	2019	2020	2019
Far Eastern International Bank	<u>\$ 145</u>	<u>\$ 466</u>	<u>\$ 308</u>	<u>\$ 1,460</u>

(Continued)

Bank deposits, time deposits and other financial assets

	June 30, 2020	December 31, 2019	June 30, 2019
Far Eastern International Bank	<u>\$ 11,762,124</u>	<u>\$ 8,882,512</u>	<u>\$ 7,919,920</u>

The Group had bank deposits and time deposits (recognized as cash and cash equivalents, financial assets at amortized cost - current, financial assets at amortized cost - non-current and other financial assets - non-current) 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, were recognized as other financial assets. The interests income were \$18,345 thousand and \$35,811 thousand for the three months ended June 30, 2020 and 2019; \$33,783 thousand and \$49,543 thousand for the six months ended June 30, 2020 and 2019, respectively.

Financial assets (liabilities) at FVTPL - current

	June 30, 2020	December 31, 2019	June 30, 2019
Associates			
Far Eastern International Bank	<u>\$ (4,849)</u>	<u>\$ (4,114)</u>	<u>\$ (7,256)</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 \$(5,133) thousand and \$(10,459) thousand for the three months ended June 30, 2020 and 2019; \$2,421 thousand and \$(8,096) thousand for the six months ended June 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 June 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.
3. The Group purchased the materials and other inventories for an associate, Far Eastern Union Petrochemical (Yangzhou) Corporation. As of June 30, 2020, December 31, 2019 and June 30, 2019, the amount which recognized as other receivables were \$4,015 thousand \$28,862 thousand, and \$50,566 thousand, respectively.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE SIX MONTHS ENDED JUNE 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 B); maximum amounts allowed for the period (Note D)
		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 B); maximum amounts allowed for the period (Note D)
		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 B); maximum amounts allowed for the period (Note D)
		Ding Yuan International Investment Co., Ltd.	Receivables from related parties	Yes	400,000	400,000	-	-	2	-	For revolving fund	-	Promissory note	-	3,866,352	19,331,760	Amounts allowed for ending period (Note B); maximum amounts allowed for the period (Note D)
		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 B); maximum amounts allowed for the period (Note D)
		Da Ju Fiber Co., Ltd.	Receivables from related parties	Yes	1,060,000	795,000	-	1.05	2	-	For revolving fund	-	Promissory note	-	3,866,352	19,331,760	Amounts allowed for ending period (Note B); maximum amounts allowed for the period (Note D)
		Kai Yuan International Investment Co., Ltd.	Receivables from related parties	Yes	1,200,000	1,200,000	-	-	2	-	For revolving fund	-	Promissory note	-	3,866,352	19,331,760	Amounts allowed for ending period (Note B); maximum amounts allowed for the period (Note D)
		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 B); maximum amounts allowed for the period (Note D)
		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 B); maximum amounts allowed for the period (Note D)
		Far Eastern Apparel Co., Ltd.	Receivables from related parties	Yes	350,000	350,000	-	1.05	2	-	For revolving fund	-	Promissory note	-	3,866,352	19,331,760	Amounts allowed for ending period (Note B); maximum amounts allowed for the period (Note D)
		An Ho Garment Co., Ltd.	Receivables from related parties	Yes	800,000	800,000	-	-	2	-	For revolving fund	-	Promissory note	-	3,866,352	19,331,760	Amounts allowed for ending period (Note B); maximum amounts allowed for the period (Note D)

(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	\$ 177,780	\$ 160,002	1.59555-2.09922	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 888,136	\$ 4,440,678	Amounts allowed for ending period (Note F); maximum amounts allowed for the period (Note J)
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 F); maximum amounts allowed for the period (Note J)
		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 F); maximum amounts allowed for the period (Note 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	-	-	-	9,356,624	11,695,780	Amounts allowed for ending period (Note C); maximum amounts allowed for the period (Note D)
		Far Eastone Telecommunications Co., Ltd.	Receivables from related parties	Yes	1,500,000	1,500,000	-	0.58-0.83	1	2,261,600	-	-	-	-	2,261,600	11,695,780	Amounts allowed for ending period (Note Q); maximum amounts allowed for the period (Note D)
		Far Eastone Telecommunications Co., Ltd.	Receivables from related parties	Yes	9,500,000	9,500,000	-	0.58-0.83	2	-	For revolving fund	-	-	-	9,356,624	11,695,780	Amounts allowed for ending period (Note C); maximum amounts allowed for the period (Note D)
5	Yuan Ding Co., Ltd.	Ding Ding Hotel Co., Ltd.	Receivables from related parties	Yes	800,000	800,000	-	-	2	-	For revolving fund	-	Promissory note	-	1,601,525	4,003,812	Amounts allowed for ending period (Note H); maximum amounts allowed for the period (Note J)
6	Far Eastern Investment (Holding) Ltd.	Far Eastern Polytex (Vietnam) Ltd.	Receivables from affiliates	Yes	1,481,500	592,600	592,600	2.03070-2.67173	2	-	For revolving fund	-	Promissory note	-	13,085,715	39,257,146	Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note M)
7	Oriental Textile (Holding) Ltd.	Far Eastern Polytex (Vietnam) Ltd.	Receivables from affiliates	Yes	-	-	-	2.09922	2	-	For revolving fund	-	Promissory note	-	3,734,531	11,203,592	Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note M)
8	APG Polytech USA Holdings, Inc.	Phoenix Technologies International, LLC	Receivables from affiliates	Yes	148,150	148,150	-	-	2	-	For revolving fund	-	Promissory note	-	5,967,800	5,967,800	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note I)
9	Malaysia Garment Manufactures Pte. Ltd.	Arpeggio International Resources Corporation	Receivables from affiliates	Yes	74,075	74,075	29,630	1.59555-2.09922	2	-	For revolving fund	-	Promissory note	-	101,041	101,041	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note I)
10	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	2,095,500	2,095,500	1,167,290	3.66-3.94	2	-	For revolving fund	-	Promissory note	-	2,621,950	5,826,556	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			
11	Far Eastern Apparel (Suzhou) Co., Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	\$ 1,173,480	\$ 1,173,480	\$ 663,901	3.10-3.69	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 1,365,617	\$ 3,034,704	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
12	Far Eastern Industries (Suzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	1,257,300	1,257,300	1,226,869	2.60-3.10	2	-	For revolving fund	-	Promissory note	-	1,385,463	3,078,806	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
13	Oriental Industries (Suzhou) Ltd.	Far Eastern Innovation Apparel (Suzhou) Co., Ltd.	Other receivables - loans to related parties	Yes	209,550	209,550	-	-	2	-	For revolving fund	-	Promissory note	-	5,129,109	11,398,020	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
		Far Eastern New Century (China) Investment Co., Ltd.	Other receivables - loans to related parties	Yes	209,550	209,550	-	3.90980	2	-	For revolving fund	-	Promissory note	-	5,129,109	11,398,020	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
		Far Eastern Apparel (Suzhou) Co., Ltd.	Other receivables - loans to related parties	Yes	419,100	419,100	-	-	2	-	For revolving fund	-	Promissory note	-	5,129,109	11,398,020	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
		Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	419,100	419,100	-	-	2	-	For revolving fund	-	Promissory note	-	5,129,109	11,398,020	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
		Far Eastern Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	1,257,300	1,257,300	-	-	2	-	For revolving fund	-	Promissory note	-	5,129,109	11,398,020	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
		Far Eastern Industries (Wuxi) Ltd.	Other receivables - loans to related parties	Yes	838,200	838,200	-	-	2	-	For revolving fund	-	Promissory note	-	5,129,109	11,398,020	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
		Sino Belgium Beer (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	1,047,750	1,047,750	712,646	3.74-3.91	2	-	For revolving fund	-	Promissory note	-	5,129,109	11,398,020	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
		Oriental Petrochemical (YangZhou) Corporation	Other receivables - loans to related parties	Yes	670,560	670,560	670,560	3.74-3.91	2	-	For revolving fund	-	Promissory note	-	2,279,604	2,279,604	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note I)
14	Far Eastern Industries (Wuxi) Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	838,200	838,200	-	3.47-4.31	2	-	For revolving fund	-	Promissory note	-	2,491,804	5,537,343	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
15	Suzhou An Ho Apparel Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	37,719	37,719	37,719	2.60-3.10	2	-	For revolving fund	-	Promissory note	-	47,183	104,851	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			
16	Far Eastern Innovation Apparel (Suzhou) Co., Ltd.	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	\$ 419,100	\$ 146,685	\$ 146,685	2.60-3.10	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 911,227	\$ 2,024,949	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
		Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	754,380	754,380	544,830	2.60-3.10	2	-	For revolving fund	-	Promissory note	-	911,227	2,024,949	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
17	Oriental Petrochemical (Shanghai) Corporation	Far Eastern New Century (China) Investment Co., Ltd.	Other receivables - loans to related parties	Yes	209,550	209,550	-	-	2	-	For revolving fund	-	Promissory note	-	273,952	821,857	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note G)
18	Far Eastern Industries (Shanghai) Ltd.	Far Eastern Union Petrochemical (Yangzhou) Corporation	Other receivables - loans to related parties	Yes	1,257,300	1,257,300	1,257,300	3.75-3.87	2	-	For revolving fund	-	Promissory note	-	3,178,040	3,178,040	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note I)
		Far Eastern New Century (China) Investment Co., Ltd.	Other receivables - loans to related parties	Yes	628,650	628,650	-	-	2	-	For revolving fund	-	Promissory note	-	3,972,550	7,150,589	Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note K)
19	Wuhan Far Eastern New Material Ltd.	Far Eastern New Century (China) Investment Co., Ltd.	Other receivables - loans to related parties	Yes	125,730	125,730	-	-	2	-	For revolving fund	-	Promissory note	-	446,768	804,182	Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note K)
20	Far Eastern New Century (China) Investment Co., Ltd.	Shanghai Yuan Zi Information Technology Co., Ltd.	Other receivables - loans to related parties	Yes	41,910	41,910	-	-	2	-	For revolving fund	-	Promissory note	-	11,260,401	15,764,561	Amounts allowed for ending period (Note O); maximum amounts allowed for the period (Note P)
		Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	1,047,750	1,047,750	-	1.21	2	-	For revolving fund	-	Promissory note	-	11,260,401	15,764,561	Amounts allowed for ending period (Note O); maximum amounts allowed for the period (Note P)
		Wuhan Far Eastern New Material Ltd.	Other receivables - loans to related parties	Yes	125,730	125,730	-	1.21	2	-	For revolving fund	-	Promissory note	-	11,260,401	15,764,561	Amounts allowed for ending period (Note O); maximum amounts allowed for the period (Note P)
		Far Eastern Industries (Shanghai) Ltd.	Other receivables - loans to related parties	Yes	2,933,700	2,933,700	-	1.21	2	-	For revolving fund	-	Promissory note	-	11,260,401	15,764,561	Amounts allowed for ending period (Note O); maximum amounts allowed for the period (Note P)
		Shanghai Far Eastern Petrochemical Logistic Corporation	Other receivables - loans to related parties	Yes	50,292	50,292	-	1.21	2	-	For revolving fund	-	Promissory note	-	11,260,401	15,764,561	Amounts allowed for ending period (Note O); maximum amounts allowed for the period (Note P)
		Oriental Petrochemical (Shanghai) Corporation	Other receivables - loans to related parties	Yes	209,550	209,550	45,548	1.21	2	-	For revolving fund	-	Promissory note	-	1,801,664	1,801,664	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note I)
21	Shanghai Yuan Zi Information Technology Co., Ltd.	Far Eastern New Century (China) Investment Co., Ltd.	Other receivables - loans to related parties	Yes	41,910	41,910	-	-	2	-	For revolving fund	-	Promissory note	-	54,953	82,430	Amounts allowed for ending period (Note L); maximum amounts allowed for the period (Note M)

(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			
22	Shanghai Far Eastern Petrochemical Logistic Corporation	Far Eastern New Century (China) Investment Co., Ltd.	Other receivables - loans to related parties	Yes	\$ 50,292	\$ 50,292	\$ -	-	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 65,543	\$ 117,978	Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note K)
23	Far Eastern Industries (Yangzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	Other receivables - loans to related parties	Yes	293,370	293,370	293,370	3.30-3.60	2	-	For revolving fund	-	Promissory note	-	1,185,702	2,634,893	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
		Far Eastern Union Petrochemical (Yangzhou) Corporation	Other receivables - loans to related parties	Yes	502,920	502,920	502,920	3.30-3.60	2	-	For revolving fund	-	Promissory note	-	526,979	526,979	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note I)

Notes: A. Reasons for financing are as follows:

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

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

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE SIX MONTHS ENDED JUNE 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	\$ 100,000	\$ -	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	6,637,120 (Note P)	1,724,466	-	17.17	19,756,159	-	-	-	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	2,637,070 (Note P)	-	-	6.82	19,756,159	-	-	-	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	660,240	275,100	-	1.71	19,756,159	-	-	-	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	605,000	592,600	340,745	-	1.53	19,756,159	-	-	-	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	2.61	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	1,050,000	620,000	250,000	0.53	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)	98,780,793	6,664,075	6,527,489	592,600	-	3.30	197,561,585	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note K); maximum amounts allowed for the period (Note L)
		APG Polytech, LLC	(Note D)	98,780,793	2,607,550	2,139,286	302,819	-	1.08	197,561,585	-	-	-	Limits on each counterparty's endorsement/guarantee amounts (Note K); maximum amounts allowed for the period (Note L)
		Phoenix Technologies International, LLC	(Note D)	98,780,793	605,000	592,600	361,486	-	0.30	197,561,585	-	-	-	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 June 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 June 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\$12,573 thousand), the actual remittance: RMB3,000 thousand (NT\$12,573 thousand). Far Eastern Apparel (Suzhou) Co., Ltd.: RMB2,000 thousand (NT\$8,382 thousand), the actual remittance: RMB2,000 thousand (NT\$8,382 thousand).
- P. The amount for the endorsement/guarantee to APG USA Holdings, Inc. which provided by Yuan Ding Investment Co., Ltd. is \$79,000 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

JUNE 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	June 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	\$ 17,338,702	22.33	\$ 32,722,294	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	4,818,060	17.06	6,020,066	
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method	81,216	1,125,533	9.17	1,364,429	
	Everest Textile Corporation	(Note A)	Investments accounted for using the equity method	140	1,348	0.03	1,468	
	Oriental Securities Corporation	(Note A)	Investments accounted for using the equity method	140,278	1,933,844	19.65	-	
	Pacific Liu Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	135,000	1,918,224	16.83	-	
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	87,767	1,130,080	2.62	974,212	
	Yuan Ding Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	1,822,822	38,104,071	99.40	-	
	Far Eastern Resources Development Co., Ltd.	(Note A)	Investments accounted for using the equity method	775,836	106,213,219	100.00	-	
	Far Eastern Polytex (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	168	9,272,900	100.00	-	
	Far Eastern Polychem Industries Ltd.	(Note A)	Investments accounted for using the equity method	830,815	7,537,520	73.04	-	
	Yuan Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	739,953	8,278,518	100.00	-	
	Kai Yuan International Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	361,486	5,404,962	100.00	-	
	Far Eastern Investment (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	5,072	26,608,379	100.00	-	
	PET Far Eastern (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	397	5,080,052	91.95	-	
	Oriental Petrochemical (Taiwan) Corporation	(Note A)	Investments accounted for using the equity method	1,712,218	8,529,769	75.56	-	
	Far Eastern Construction Co., Ltd.	(Note A)	Investments accounted for using the equity method	223,481	9,727,331	65.11	-	
	Yuan Ding Co., Ltd.	(Note A)	Investments accounted for using the equity method	186,929	3,236,558	37.13	-	
	An Ho Garment Co., Ltd.	(Note A)	Investments accounted for using the equity method	75,704	2,013,612	100.00	-	
	Ding Yuan International Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	253,977	3,009,206	100.00	-	
FEDP (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	244	892,506	50.43	-		
Fu Kwok Knitting & Garment Co., Ltd.	(Note A)	Investments accounted for using the equity method	4,000	215,333	100.00	-		
Ding Ding Hotel Co., Ltd.	(Note A)	Investments accounted for using the equity method	769	10,344	0.74	-		
Far Eastern Textile Ltd.	(Note A)	Investments accounted for using the equity method	100	1,647	100.00	-		
Yuan Ding Investment Co., Ltd.	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	51,722	2,013,672	1.54	2,255,058	8,807 thousand shares pledged or mortgaged as collateral for loans. 31,600 thousand shares pledged or mortgaged as collateral for loans. 10,000 thousand shares pledged or mortgaged as collateral for loans.
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method	70,818	1,157,512	8.00	1,189,737	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	98,168	2,208,499	6.93	2,444,383	
	Everest Textile Corporation	(Note A)	Investments accounted for using the equity method	128,618	973,004	25.23	1,350,493	
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	1,066,658	20,700,095	32.73	72,532,718	
	Far Eastern Polychem Industries Ltd.	(Note A)	Investments accounted for using the equity method	306,644	2,782,195	26.96	-	
	Far Eastern Apparel (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	111	3,870,806	100.00	-	
	Da Ju Fiber Co., Ltd.	(Note A)	Investments accounted for using the equity method	59,558	2,266,479	41.86	-	
	Far Eastern Apparel Co., Ltd.	(Note A)	Investments accounted for using the equity method	24,772	70,271	100.00	-	
	Yuan Faun Co., Ltd.	(Note A)	Investments accounted for using the equity method	5,000	142,966	100.00	-	
	Yue Ming Corporation	(Note A)	Investments accounted for using the equity method	4,745	66,062	45.50	-	
	Yuan Ding Leasing Corporation	(Note A)	Investments accounted for using the equity method	36,706	395,093	46.20	-	
	Far Eastern Fibertech Co., Ltd.	(Note A)	Investments accounted for using the equity method	91,000	1,071,486	100.00	-	
	Oriental Resources Development Co., Ltd.	(Note A)	Investments accounted for using the equity method	1,000	57,248	100.00	-	
	Liquid Air Far East Co., Ltd.	(Note A)	Investments accounted for using the equity method	86,615	2,083,011	35.00	-	
	Freudenberg Far Eastern Spunweb Co., Ltd.	(Note A)	Investments accounted for using the equity method	27,371	489,066	29.80	-	
	Oriental Securities Corporation	(Note A)	Investments accounted for using the equity method	185,247	2,660,375	25.96	-	
Yuan Ding Co., Ltd.	(Note A)	Investments accounted for using the equity method	64,759	1,136,156	12.86	-		

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 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 International Leasing Corporation	(Note A)	Investments accounted for using the equity method	75,268	\$ 936,563	16.87	\$ -	(Note F)
	Oriental Textile (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	110	7,347,644	100.00	-	
	Pacific Liu Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	119,653	1,613,921	14.92	-	
	Yu Yuan Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	98,198	958,801	18.96	-	
	Far Eastern General Contractor Inc.	(Note A)	Investments accounted for using the equity method	1,490	22,405	1.00	-	
	Oriental Petrochemical (Taiwan) Corporation	(Note A)	Investments accounted for using the equity method	117,746	607,019	5.20	-	
	Oriental Green Materials Limited	(Note A)	Investments accounted for using the equity method	53,304	562,844	100.00	-	
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	119,403	1,536,956	3.56	1,325,373	
	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	1,135	63,644	0.16	63,644	
	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	31,328	0.50	31,328	
	U-Ming Marine Transport Corporation	(Note B)	Financial asset at FVTOCI - non-current	8,869	277,600	1.05	277,600	
	Financial assets under asset management contracts (Note E)							
	Yuanta Taiwan Top 50 ETF	-	Financial assets at fair value through profit or loss - current	100	8,990	-	8,990	
	Yuanta Taiwan Dividend Plus ETF	-	Financial assets at fair value through profit or loss - current	90	2,570	-	2,570	
	Cathay FTSE China A50 ETF	-	Financial assets at fair value through profit or loss - current	128	2,680	-	2,680	
	Taiwan Cement Corporation	-	Financial assets at fair value through profit or loss - current	97	4,147	-	4,147	
	Great Wall Enterprise Co., Ltd.	-	Financial assets at fair value through profit or loss - current	365	15,567	-	15,567	
	Formosa Chemicals & Fiber Corporation	-	Financial assets at fair value through profit or loss - current	30	2,271	-	2,271	
	Tung Ho Steel Enterprise Corp.	-	Financial assets at fair value through profit or loss - current	370	8,288	-	8,288	
	Compeq Manufacturing Co., Ltd.	-	Financial assets at fair value through profit or loss - current	100	4,770	-	4,770	
	Yageo Corporation	-	Financial assets at fair value through profit or loss - current	18	6,858	-	6,858	
	Taiwan Semiconductor Manufacturing Co., Ltd.	-	Financial assets at fair value through profit or loss - current	35	10,955	-	10,955	
	Micro-star International Co., Ltd.	-	Financial assets at fair value through profit or loss - current	60	6,450	-	6,450	
	Elite Material Co., Ltd.	-	Financial assets at fair value through profit or loss - current	40	6,380	-	6,380	
	Sunrex Technology Corporation	-	Financial assets at fair value through profit or loss - current	100	4,010	-	4,010	
	Sincere Navigation Corporation	-	Financial assets at fair value through profit or loss - current	372	5,636	-	5,636	
	Kerry TJ Logistics Company Limited	-	Financial assets at fair value through profit or loss - current	30	1,223	-	1,223	
	Unimicron Technology Corp.	-	Financial assets at fair value through profit or loss - current	80	4,008	-	4,008	
	Win Semiconductors Corp.	-	Financial assets at fair value through profit or loss - current	19	5,681	-	5,681	
	Browave Corporation	-	Financial assets at fair value through profit or loss - current	40	2,092	-	2,092	
	TrueLight Corporation	-	Financial assets at fair value through profit or loss - current	100	4,395	-	4,395	
	Elite Advanced Laser Corporation	-	Financial assets at fair value through profit or loss - current	61	4,563	-	4,563	
	Farglory Land Development Co., Ltd.	-	Financial assets at fair value through profit or loss - current	260	12,298	-	12,298	
	Chunghwa Precision Test Tech. Co., Ltd.	-	Financial assets at fair value through profit or loss - current	7	5,691	-	5,691	
	Hotai Finance Co., Ltd.	-	Financial assets at fair value through profit or loss - current	138	11,261	-	11,261	
	Wiwynn Corporation	-	Financial assets at fair value through profit or loss - current	10	8,020	-	8,020	
	Oriental Petrochemical (Taiwan) Corporation 2020 First Term Unsecured Privately Placed Corporate Bonds	(Note A)	Financial assets at amortized cost - non-current	0.03	3,000,000	-	-	
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	32,848	100.00	-	
	PET Far Eastern (M) Sdn. Bhd.	(Note A)	Investments accounted for using the equity method	Common stock 5,000	244,877	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)	1,025,106	100.00	-	
	Worldwide Polychem (HK) Ltd.	(Note A)	Investments accounted for using the equity method	2,700	125,414	100.00	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 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)	
	Opas Fund Segregated Portfolio Company	(Note A)	Investments accounted for using the equity method	(Note G)	\$ 1,647	34.00	\$ -	
	Far Eastern Polytex (Vietnam) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	7,288,691	100.00	-	
	Far Eastern New Apparel (Vietnam) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	382,656	100.00	-	
	Magna View Sdn. Bhd.	(Note A)	Investments accounted for using the equity method		3,000	243,108	100.00	-
	Malaysia Garment Manufactures Pte. Ltd.	(Note A)	Investments accounted for using the equity method		30	455,645	37.92	-
	Drive Catalyst SPC	(Note A)	Investments accounted for using the equity method	(Note G)	512	34.00	-	
	APG Polytech USA Holdings, Inc.	(Note A)	Investments accounted for using the equity method		5	14,562,391	100.00	-
	Drive Catalyst SPC-SP Tranche One	(Note A)	Investments accounted for using the equity method		4	119,511	25.00	-
	Drive Catalyst SPC-SP Tranche Three	(Note A)	Investments accounted for using the equity method		4	116,462	25.00	-
	Far Eastern International Garments	(Note A)	Other liabilities - other		59	(12,205)	41.00	-
	Cemtex Apparel Inc.	(Note A)	Other liabilities - other		90	(11,325)	50.00	-
	Opas Fund Segregated Portfolio Tranche B	(Note K)	Financial assets at fair value through profit or loss - current		5	153,366	-	153,366
	Opas Fund Segregated Portfolio Tranche C	(Note K)	Financial assets at fair value through profit or loss - current		6	297,794	-	297,794
APG Polytech USA Holdings, Inc.	Corpus Christi Polymers LLC	(Note N)	Investments accounted for using the equity method	(Note G)	12,399,427	33.33	-	
	APG Polytech, LLC	(Note A)	Investments accounted for using the equity method	(Note G)	2,559,758	100.00	-	
	Phoenix Technologies International, LLC	(Note A)	Investments accounted for using the equity method	(Note G)	130,242	90.00	-	
Phoenix Technologies International, LLC	Perform Technologies, LLC	-	Financial asset at FVTOCI - current	(Note G)	2,327	-	2,327	
Magna View Sdn. Bhd.	PET Far Eastern (M) Sdn. Bhd.	(Note A)	Investments accounted for using the equity method	Common stock	244,877	50.00	-	
				5,000				
				Preferred stock				
				3,000				
Ding Yuan International Investment Co., Ltd.	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method		12,279	427,727	0.37	535,352
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method		5,903	125,181	0.42	146,985
	Everest Textile Corporation	(Note A)	Investments accounted for using the equity method		1,183	7,835	0.23	12,419
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method		27,365	615,443	3.09	459,740
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method		920	39,869	0.03	62,536
	Pacific Liu Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method		18,000	237,374	2.24	-
	Yu Ding Industry Co., Ltd.	(Note A)	Investments accounted for using the equity method		14,964	428,011	13.20	-
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method		88,726	1,141,506	2.64	984,855
								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	31,926	0.12	31,926
Kai Yuan International Investment Co., Ltd.	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method		25,312	935,058	0.75	1,103,625
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method		34,299	1,067,091	1.05	2,332,334
								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	610,414	3.67	545,566
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method		20,672	574,911	1.46	514,738
	Kowloon Cement Corporation	(Note A)	Investments accounted for using the equity method		1,127	452,851	49.00	-
	Far Eastern International Leasing Corporation	(Note A)	Investments accounted for using the equity method		74,970	951,503	16.80	-
	Pacific Liu Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method		18,000	237,575	2.24	-
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method		107,717	1,386,362	3.21	1,195,655
	U-Ming Marine Transport Corporation	(Note C)	Financial asset at FVTOCI - non-current		1,861	58,249	0.22	58,249
								(Note F)
Far Eastern Polychem Industries Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	7,454,873	87.64	-	
	PET Far Eastern (Holding) Ltd.	(Note A)	Investments accounted for using the equity method		35	445,527	8.05	-
	FEDP (Holding) Ltd.	(Note A)	Investments accounted for using the equity method		240	877,286	49.57	-
	Far Eastern Industries (Yangzhou) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	1,321,517	100.00	-	
	Far Eastern Ishizuka Green Pet Corporation	(Note A)	Investments accounted for using the equity method		3,578	1,049,830	90.00	-
	Nippon Parison Co., Ltd.	-	Financial asset at FVTOCI - non-current		4	139,656	10.00	139,656
Far Eastern Construction Co., Ltd.	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method		17,726	560,599	0.53	772,858
	Far Eastern General Contractor Inc.	(Note A)	Investments accounted for using the equity method		147,413	2,065,800	98.95	-
	U-Ming Marine Transport Corporation	(Note C)	Financial asset at FVTOCI - current		1,590	49,760	0.19	49,760

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 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 (Holding) Ltd.	Far Eastern Apparel (Suzhou) Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	\$ 587,938	38.46	\$ -		
	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	3,011,722	100.00	-		
	Far Eastern Innovation Apparel (Suzhou) Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	1,021,996	100.00	-		
	Opas Fund Segregated Portfolio Tranche C	(Note K)	Financial assets at fair value through profit or loss - current		5	266,049	-		266,049
Far Eastern Apparel Co., Ltd.	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method		469	14,969	0.01	20,448	
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method		90	5,913	-	6,120	
	Yu Ding Industry Co., Ltd.	(Note A)	Investments accounted for using the equity method		11	156	0.01	-	
Far Eastern General Contractor Inc.	Far Eastern Technical Consultants Co., Ltd.	(Note A)	Investments accounted for using the equity method		450	9,285	9.00	-	
	U-Ming Marine Transport Corporation	(Note C)	Financial asset at FVTOCI - current		746	23,365	0.09	23,365	
	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	12,143	16.03	12,143	
	Jih Sun Money Market	-	Financial assets at fair value through profit or loss - current		1,484	22,137	-	22,137	
	Capital Money Market Fund	-	Financial assets at fair value through profit or loss - current		2,036	33,051	-	33,051	
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)	(39)	(39)	99.00	-	
An Ho Garment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method		40,818	970,177	1.25	2,775,596	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	239,228	0.18	265,684	
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method		11,204	240,009	1.26	188,227	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method		370	11,467	0.03	9,208	
	Oriental Securities Corporation	(Note A)	Investments accounted for using the equity method		8,373	110,972	1.17	-	
	Yu Ding Industry Co., Ltd.	(Note A)	Investments accounted for using the equity method		17,763	409,666	15.66	-	
	Pacific Liu Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method		9,681	132,995	1.21	-	
	Yuan Ding Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method		5,502	158,652	0.30	-	
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method		22,094	284,427	0.66	245,244	
Yuan Faun Co., Ltd.	Yuan Cheng Human Resources Consultant Corporation	(Note A)	Investments accounted for using the equity method		745	12,305	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		4,682	60,308	0.14	51,968	
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	35,360	
Yuan Tong Investment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method		100,237	2,553,951	3.08	6,816,118	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		51,587	1,539,247	3.64	1,284,505	
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method		49,705	1,589,301	5.61	835,051	
	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method		32,465	1,265,275	0.97	1,415,491	
	Pacific Liu Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method		18,000	236,377	2.24	-	
	Far Eastern Electronic Toll Collection Co., Ltd.	(Note A)	Investments accounted for using the equity method		35,934	473,823	11.98	-	
	Liquid Air Far East Co., Ltd.	(Note A)	Investments accounted for using the equity method		1	30	-	-	
	Sino Belgium (Holding) Ltd.	(Note A)	Other liabilities - other		36	(711,292)	90.88	-	
	Freudenberg Far Eastern Spunweb Co., Ltd.	(Note A)	Investments accounted for using the equity method		2	47	-	-	
	Malaysia Garment Manufactures Pte. Ltd.	(Note A)	Investments accounted for using the equity method		10	156,207	13.00	-	
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method		107,501	1,383,206	3.20	1,193,262	
	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)									

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Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 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)	
	Yuanta Taiwan Top 50 ETF	-	Financial assets at fair value through profit or loss - current	120	\$ 10,788	-	\$ 10,788	
	Cathay FTSE China A50 ETF	-	Financial assets at fair value through profit or loss - current	65	1,361	-	1,361	
	Taiwan Cement Corporation	-	Financial assets at fair value through profit or loss - current	100	4,275	-	4,275	
	Great Wall Enterprise Co., Ltd.	-	Financial assets at fair value through profit or loss - current	276	11,771	-	11,771	
	Standard Foods Corporation	-	Financial assets at fair value through profit or loss - current	50	3,150	-	3,150	
	Taita Chemical Company, Limited	-	Financial assets at fair value through profit or loss - current	240	3,480	-	3,480	
	Tung Ho Steel Enterprise Corp.	-	Financial assets at fair value through profit or loss - current	165	3,696	-	3,696	
	Taiwan Semiconductor Manufacturing Co., Ltd.	-	Financial assets at fair value through profit or loss - current	14	4,382	-	4,382	
	Micro-star International Co., Ltd.	-	Financial assets at fair value through profit or loss - current	50	5,375	-	5,375	
	Elite Material Co., Ltd.	-	Financial assets at fair value through profit or loss - current	35	5,583	-	5,583	
	Sunrex Technology Corporation	-	Financial assets at fair value through profit or loss - current	30	1,203	-	1,203	
	Visual Photonics Epitaxy Co., Ltd.	-	Financial assets at fair value through profit or loss - current	75	6,863	-	6,863	
	Formosa International Hotels Corporation	-	Financial assets at fair value through profit or loss - current	20	3,010	-	3,010	
	Vanguard International Semiconductor Co.	-	Financial assets at fair value through profit or loss - current	90	7,002	-	7,002	
	Hotai Finance Co., Ltd.	-	Financial assets at fair value through profit or loss - current	170	13,872	-	13,872	
Far Eastern Apparel (Suzhou) Co., Ltd.	Suzhou An Ho Apparel Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	52,867	100.00	-	
PET Far Eastern (Holding) Ltd.	Oriental Petrochemical (Shanghai) Corporation	(Note A)	Investments accounted for using the equity method	(Note G)	2,659,939	54.72	-	
	Far Eastern Union Petrochemical (Yangzhou) Corporation	(Note A)	Investments accounted for using the equity method	(Note G)	1,894,329	50.00	-	
	Tong Da Air Industry (Yangzhou) Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	1,166,800	50.00	-	
Oriental Textile (Holding) Ltd.	Far Eastern Industries (Wuxi) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	2,695,984	100.00	-	
	Oriental Industries (Suzhou) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	5,636,586	100.00	-	
	Opas Fund Segregated Portfolio Tranche A	(Note K)	Financial assets at fair value through profit or loss - current	8	279,320	-	279,320	
	Opas Fund Segregated Portfolio Tranche C	(Note K)	Financial assets at fair value through profit or loss - current	4	173,671	-	173,671	
FEDP (Holding) Ltd.	Far Eastern Industries (Suzhou) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	1,551,258	100.00	-	
Far Eastern Polytex (Holding) Ltd.	Wuhan Far Eastern New Material Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	858,822	100.00	-	
	Far Eastern Apparel (Suzhou) Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	940,762	61.54	-	
	Far Eastern New Century (China) Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	3,792,697	100.00	-	
	Far Eastern Yihua Petrochemical (Yangzhou) Corporation	(Note A)	Investments accounted for using the equity method	(Note G)	3,677,597	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)	1,051,372	12.36	-	
	Shanghai Yuan Zi Information Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	60,502	100.00	-	
	Oriental Petrochemical (Shanghai) Corporation	(Note A)	Investments accounted for using the equity method	(Note G)	289,991	6.63	-	
	Yuan Ding Enterprise (Shanghai) Limited	(Note A)	Investments accounted for using the equity method	(Note G)	2,696,082	40.00	-	
Sino Belgium (Holding) Ltd.	Sino Belgium Beer (Suzhou) Ltd.	(Note A)	Other liabilities - other	(Note G)	(639,878)	100.00	-	
	Martens Beers (Shanghai) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	14,273	100.00	-	
Oriental Petrochemical (Shanghai) Corporation	Shanghai Far Eastern Petrochemical Logistic Corporation	(Note A)	Investments accounted for using the equity method	(Note G)	135,817	100.00	-	
Far Eastern Industries (Yangzhou) Ltd.	Harvest Money Market A	-	Financial assets at fair value through profit or loss - current	978	4,097	-	4,097	
Far Eastern Yihua Petrochemical (Yangzhou) Corporation	Harvest Money Market A	-	Financial assets at fair value through profit or loss - current	621,906	2,606,409	-	2,606,409	

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Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 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.	YDT Technology International Co., Ltd.	(Note A)	Investments accounted for using the equity method	13,992	\$ 254,071	100.00	\$ -	119,000 thousand shares pledged or mortgaged as collateral for loans.
	Ding Integrated Marketing Service Co., Ltd.	(Note A)	Investments accounted for using the equity method	21,787	183,938	60.00	-	
	Far Eastern Technical Consultants Co., Ltd.	(Note A)	Investments accounted for using the equity method	4,550	92,674	91.00	-	
	YDC (Virgin Islands) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G) 9,587	17,70	17.70	-	
	Yuanshi Digital Technology Co., Ltd.	(Note A)	Other liabilities - other	1,499	302	1.35	-	
	FET Consulting Engineers Co., Ltd.	(Note A)	Investments accounted for using the equity method	37,000	51,225	100.00	-	
	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	5,329	198,482	0.16	232,329	
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	4,164	102,635	0.13	283,118	
	Yu Yuan Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	129,637	2,227,794	25.02	-	
	Yue Ming Corporation	(Note A)	Investments accounted for using the equity method	104	834	1.00	-	
	Yu Ding Industry Co., Ltd.	(Note A)	Investments accounted for using the equity method	2,939	66,254	2.59	-	
	FEDS Asia Pacific Development Co., Ltd.	(Note A)	Investments accounted for using the equity method	10,650	135,213	5.00	-	
	Far Eastern Electronic Toll Collection Co., Ltd.	(Note A)	Investments accounted for using the equity method	44,796	585,204	14.93	-	
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	8,352	107,615	0.25	92,711	
Yuan Hsin Digital Payment Co., Ltd.	(Note A)	Investments accounted for using the equity method	15,535	93,433	20.00	-		
Ding Hotel Co., Ltd.	(Note A)	Investments accounted for using the equity method	102,509	433,869	98.52	-		
Far Eastern New Century Corporation	(Note D)	Financial assets at fair value through profit or loss - current	779	21,745	-	21,745		
Ding Ding Integrated Marketing Service Co., Ltd.	Yuanshi Digital Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	5	12	-	-	
	Yuan Hsin Digital Payment Co., Ltd.	(Note A)	Investments accounted for using the equity method	11,659	70,118	15.01	-	
	DDIM (Virgin Islands) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G) 23,803	46.13	-		
	Pacific SOGO Department Stores Co., Ltd.	(Note J)	Financial asset at FVTOCI - non-current	1	39	-	39	
	DFE DWS Taiwan Money Market	(Note K)	Financial assets at fair value through profit or loss - current	3,577	42,110	-	42,110	
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)	27,797	53.87	-	
YDC (Virgin Islands) Ltd.	Yuan Ding Integrated Information Service (Shanghai) Inc.	(Note A)	Investments accounted for using the equity method	(Note G)	237	0.46	-	
	Speedy (Shanghai) digital Tech. Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	52,665	100.00	-	
DDIM (Virgin Islands) Ltd.	Yuan Ding Integrated Information Service (Shanghai) Inc.	(Note A)	Investments accounted for using the equity method	(Note G)	51,336	99.54	-	
YDT Technology International Co., Ltd.	Everest Textile Corporation	(Note A)	Investments accounted for using the equity method	130	986	0.03	1,368	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	2,764	95,875	0.20	68,820	
	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	61	2,243	-	2,639	
	YDC (Virgin Islands) Ltd.	(Note A)	Investments accounted for using the equity method	(Note G) 44,579	82.30	-		
	Far Eastern International Bank	(Note A)	Investments accounted for using the equity method	2,937	38,066	0.09	32,602	
	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	103,145	100.00	-	
	Millerful No.1 REIT	-	Financial asset at FVTOCI - non-current	30,000	306,000	-	306,000	
	Subordinated perpetual corporate bonds of Cathy Life Insurance Co., Ltd.	-	Financial assets at amortized cost - non-current	5,000	500,000	-	-	
Far EasTone Telecommunications Co., Ltd.	New Century InfoComm Tech Co., Ltd.	(Note A)	Investments accounted for using the equity method	2,100,000	25,930,824	100.00	-	
	ARCOA Communication Co., Ltd.	(Note A)	Investments accounted for using the equity method	82,762	671,130	61.63	-	
	KGEx.com Co., Ltd.	(Note A)	Investments accounted for using the equity method	68,897	823,848	99.99	-	
	Yuanshi Digital Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	107,004	18,114	96.18	-	
	Yuan Cing Co., Ltd.	(Note A)	Investments accounted for using the equity method	2,000	33,325	100.00	-	
	Far Eastern Info Service (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	1	4,621	100.00	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 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 Bao Fintech Co., Ltd.	(Note A)	Investments accounted for using the equity method	6,000	\$ 55,281	100.00	\$ -	
	FarEasTone Property Insurance Agent Co., Ltd.	(Note A)	Investments accounted for using the equity method	500	28,286	100.00	-	
	Far Eastern Electronic Toll Collection Co., Ltd.	(Note A)	Investments accounted for using the equity method	118,251	1,136,310	39.42	-	
	Yuan Hsin Digital Payment Co., Ltd.	(Note A)	Investments accounted for using the equity method	23,302	140,057	30.00	-	
	Ding Integrated Marketing Service Co., Ltd.	(Note A)	Investments accounted for using the equity method	5,447	45,940	15.00	-	
	App Works Fund II Co., Ltd.	(Note L)	Financial asset at FVTOCI - non-current	7,500	69,109	11.11	69,109	
	CDIB Capital Innovation Accelerator Co., Ltd.	(Note L)	Financial asset at FVTOCI - non-current	9,000	93,821	10.71	93,821	
	LINE Bank Taiwan Limited	-	Financial asset at FVTOCI - non-current	50,000	483,501	5.00	483,501	
ARCOA Communication Co., Ltd.	DataExpress Infotech Co., Ltd.	(Note A)	Investments accounted for using the equity method	12,866	197,706	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	82,794	100.00	-	
	Information Security Service Digital United Inc.	(Note A)	Investments accounted for using the equity method	10,249	94,741	100.00	-	
	Digital United (Cayman) Ltd.	(Note A)	Investments accounted for using the equity method	10,320	180,048	100.00	-	
	Yuanshi Digital Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	750	127	0.67	-	
	Ding Integrated Marketing Service Co., Ltd.	(Note A)	Investments accounted for using the equity method	1,816	15,313	5.00	-	
	Drive Catalyst SPC-SP Tranche One	(Note A)	Investments accounted for using the equity method	4	119,559	25.00	-	
	Drive Catalyst SPC-SP Tranche Three	(Note A)	Investments accounted for using the equity method	4	116,507	25.00	-	
	Prime EcoPower Co., Ltd.	(Note A)	Investments accounted for using the equity method	16,000	132,510	100.00	-	
	Nextlink Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	3,430	412,174	70.00	-	
	Opas Fund Segregated Portfolio Tranche A	(Note K)	Financial assets at fair value through profit or loss - current	13	462,246	-	462,246	
	Opas Fund Segregated Portfolio Tranche B	(Note K)	Financial assets at fair value through profit or loss - current	5	159,525	-	159,525	
	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	16,210	2.50	16,210	
New Diligent Co., Ltd.	Sino Lead Enterprise Limited	(Note A)	Investments accounted for using the equity method	30	293	100.00	-	
	Far East New Diligent Company Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	20,546	100.00	-	
	New Diligent Hong Kong Co., Ltd.	(Note A)	Investments accounted for using the equity method	-	2,578	100.00	-	
DataExpress Infotech Co., Ltd.	Home Master Technology Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	26,490	100.00	-	
Nextlink Technology Co., Ltd.	Microfusion Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	2,600	22,581	100.00	-	
	Nextlink (HK) Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	-	6,806	100.00	-	
Digital United (Cayman) Ltd.	Digital United Information Technology (Shanghai) Ltd.	(Note A)	Other liabilities - other	(Note G)	(1,112)	100.00	-	
	TBCASoft, Inc.	-	Financial asset at FVTOCI - non-current	980	139,316	6.77	139,316	
Nextlink (HK) Technology Co., Ltd.	Nextlink (Shanghai) Technology Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note G)	1,078	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.

(Continued)

- 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.
- L. The investor is the corporate director of the investee.
- M. The investor is the corporate supervisor of the investee.
- N. Joint operation entity.

(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 SIX MONTHS ENDED JUNE 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	-	\$ -	\$ -	\$ -	\$ (587,895)	5,072	\$ 26,608,379
Yuan Ding Investment Co., Ltd.	Asia Cement Corporation	Investments accounted for using the equity method	-	(Note B)	32,458	1,270,042	19,264	892,913	-	-	-	-	(149,283)	51,722	2,013,672
	Far Eastern Department Stores Co., Ltd.	Investments accounted for using the equity method	-	(Note B)	37,652	866,925	60,516	1,420,035	-	-	-	-	(78,461)	98,168	2,208,499
	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 asset at fair value through profit or loss - current	-	-	12,659	140,031	38,454	426,000	51,113	566,180	566,031	149	-	-	-
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	-	-	-	-	(16,499) (Note E)	50,000	483,501
	Yuanshi Digital Technology Co., Ltd.	Investments accounted for using the equity method	Issuance of common stock for cash	(Note A)	90,014	(582,357)	80,000	800,000	-	-	-	-	(199,529)	107,004 (Note F)	18,114

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 NTS100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE SIX MONTHS ENDED JUNE 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	Far Eastern Apparel (Vietnam) Ltd.	(Note A)	Sale	\$ (119,821)	(1)	Based on contract	-	-	\$ -	-	\$ 44,154	1	
	Far Eastern Industries (Shanghai) Ltd.	(Note A)	Sale	(1,377,982)	(7)	Based on contract	-	-	-	-	666,170	12	
	Worldwide Polychem (HK) Ltd.	(Note A)	Sale	(720,611)	(4)	Based on contract	-	-	-	-	664,688	12	
	Oriental Petrochemical (Taiwan) Corporation	(Note A)	Purchase	5,333,662	31	Based on contract	-	-	-	-	(891,318)	(44)	
	Oriental Green Materials Limited	(Note A)	Purchase	552,482	3	Based on contract	-	-	-	-	(86,442)	(4)	
	Freudenberg Far Eastern Spunweb Co., Ltd.	(Note D)	Sale	(184,575)	(1)	Based on contract	-	-	-	-	45,837	1	
	Oriental Union Chemical Corporation	(Note D)	Purchase	436,516	3	Based on contract	-	-	-	-	(66,821)	(3)	
Oriental Petrochemical (Taiwan) Corporation	Far Eastern Polytex (Vietnam) Ltd.	(Note C)	Sale	(2,315,721)	(19)	Based on contract	-	-	-	-	848,206	33	
	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Sale	(230,787)	(2)	Based on contract	-	-	-	-	17,716	1	
	Far Eastern New Century Corporation	(Note B)	Sale	(5,333,662)	(44)	Based on contract	-	-	-	-	891,318	34	
Far Eastern General Contractor Inc.	Far Eastern Construction Co., Ltd.	(Note C)	Revenue from construction contracts	(193,053)	(5)	Based on contract	-	-	-	-	194,439	31	
	Far Eastern Resources Development Co., Ltd.	(Note C)	Revenue from construction contracts	(158,438)	(4)	Based on contract	-	-	-	-	165,379	27	
	Chubei New Century Shopping Mall Co., Ltd.	(Note E)	Revenue from construction contracts	(111,647)	(3)	Based on contract	-	-	-	-	-	-	
	Ya Tung Ready-mixed Concrete Corporation	(Note E)	Purchase	247,403	7	Based on contract	-	-	(88,212)	(12)	(34,827)	(8)	
Far Eastern Fibertech Co., Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Sale	(101,790)	(16)	Based on contract	-	-	-	-	22,177	26	
Oriental Green Materials Limited	Far Eastern New Century Corporation	(Note B)	Sale	(552,482)	(95)	Based on contract	-	-	-	-	86,442	99	
Far Eastern Industries (Shanghai) Ltd.	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note C)	Sale	(165,341)	(2)	Based on contract	-	-	-	-	138,839	5	
	Far Eastern Polychem Industries Ltd.	(Note C)	Sale	(174,953)	(2)	Based on contract	-	-	-	-	30,284	1	
	Oriental Industries (Suzhou) Ltd.	(Note C)	Sale	(163,263)	(2)	Based on contract	-	-	-	-	27,816	1	
	Pet Far Eastern (M) Sdn. Bhd.	(Note C)	Sale	(162,215)	(2)	Based on contract	-	-	-	-	16,988	1	
	Wuhan Far Eastern New Material Ltd.	(Note C)	Sale	(135,677)	(2)	Based on contract	-	-	-	-	287,314	11	
	Far Eastern Polytex (Vietnam) Ltd.	(Note C)	Purchase	150,808	2	Based on contract	-	-	-	-	(111,890)	(4)	
	Far Eastern Fibertech Co., Ltd.	(Note C)	Purchase	101,790	1	Based on contract	-	-	-	-	(22,177)	(1)	
	Far Eastern New Century Corporation	(Note B)	Purchase	1,377,982	17	Based on contract	-	-	-	-	(666,170)	(26)	
	Oriental Petrochemical (Shanghai) Corporation	(Note C)	Purchase	2,266,926	29	Based on contract	-	-	-	-	(214,572)	(8)	
	Oriental Petrochemical (Taiwan) Corporation	(Note C)	Purchase	230,787	3	Based on contract	-	-	-	-	(17,716)	(1)	
Far Eastern Apparel (Vietnam) Ltd.	Far Eastern Apparel (Holding) Ltd.	(Note C)	Sale	(1,039,571)	(87)	Based on contract	-	-	-	-	291,448	78	
	Far Eastern Polytex (Vietnam) Ltd.	(Note C)	Purchase	184,398	17	Based on contract	-	-	-	-	(60,875)	(33)	
	Far Eastern New Century Corporation	(Note B)	Purchase	119,821	11	Based on contract	-	-	-	-	(44,154)	(24)	
Far Eastern New Apparel (Vietnam) Ltd.	Far Eastern Apparel (Holding) Ltd.	(Note C)	Sale	(498,081)	(51)	Based on contract	-	-	-	-	163,927	47	
	Far Eastern Polytex (Vietnam) Ltd.	(Note C)	Purchase	143,000	16	Based on contract	-	-	-	-	(55,052)	(100)	
Far Eastern Polytex (Vietnam) Ltd.	Far Eastern Apparel (Vietnam) Ltd.	(Note C)	Sale	(184,398)	(3)	Based on contract	-	-	-	-	60,875	3	
	Far Eastern New Apparel (Vietnam) Ltd.	(Note C)	Sale	(143,000)	(2)	Based on contract	-	-	-	-	55,052	3	
	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Sale	(150,808)	(2)	Based on contract	-	-	-	-	111,890	6	
	Pet Far Eastern (M) Sdn. Bhd.	(Note C)	Sale	(157,695)	(2)	Based on contract	-	-	-	-	86,980	4	
	Worldwide Polychem (HK) Ltd.	(Note C)	Sale	(625,861)	(10)	Based on contract	-	-	-	-	392,108	20	
	Oriental Petrochemical (Taiwan) Corporation	(Note C)	Purchase	2,315,721	41	Based on contract	-	-	-	-	(848,206)	(80)	

(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 Dyeing & Finishing (Suzhou) Ltd.	Far Eastern Apparel (Holding) Ltd.	(Note C)	Sale	\$ (1,270,860)	(66)	Based on contract	-	-	\$ -	-	\$ 400,858	65	
	Far Eastern Apparel (Suzhou) Co., Ltd.	(Note C)	Sale	(179,232)	(9)	Based on contract	-	-	-	-	80,025	13	
	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Purchase	165,341	10	Based on contract	-	-	-	-	(138,839)	(25)	
Oriental Industries (Suzhou) Ltd.	Oriental Textile (Holding) Ltd.	(Note C)	Sale	(1,057,578)	(40)	Based on contract	-	-	-	-	198,402	18	
	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Purchase	163,263	6	Based on contract	-	-	-	-	(27,816)	(11)	
Oriental Petrochemical (Shanghai) Corporation	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Sale	(2,266,926)	(40)	Based on contract	-	-	-	-	214,572	25	
Far Eastern Apparel (Suzhou) Co., Ltd.	Far Eastern Apparel (Holding) Ltd.	(Note C)	Sale	(165,135)	(16)	Based on contract	-	-	-	-	17,258	6	
	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note C)	Purchase	179,232	19	Based on contract	-	-	-	-	(80,025)	(27)	
Far Eastern Polychem Industries Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Purchase	174,953	78	Based on contract	-	-	-	-	(30,284)	(38)	
Wuhan Far Eastern New Material Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Purchase	135,677	49	Based on contract	-	-	-	-	(287,314)	(96)	
Pet Far Eastern (M) Sdn. Bhd.	Far Eastern Polytex (Vietnam) Ltd.	(Note C)	Purchase	157,695	34	Based on contract	-	-	-	-	(86,980)	(84)	
	Far Eastern Industries (Shanghai) Ltd.	(Note C)	Purchase	162,215	35	Based on contract	-	-	-	-	(16,988)	(16)	
Worldwide Polychem (HK) Ltd.	Far Eastern Polytex (Vietnam) Ltd.	(Note C)	Purchase	625,861	42	Based on contract	-	-	-	-	(392,108)	(37)	
	Far Eastern New Century Corporation	(Note B)	Purchase	720,611	48	Based on contract	-	-	-	-	(664,688)	(63)	
Far Eastern Apparel (Holding) Ltd.	Far Eastern Apparel (Vietnam) Ltd.	(Note C)	Purchase	1,039,571	35	Based on contract	-	-	-	-	(291,448)	(33)	
	Far Eastern New Apparel (Vietnam) Ltd.	(Note C)	Purchase	498,081	17	Based on contract	-	-	-	-	(163,927)	(19)	
	Far Eastern Apparel (Suzhou) Co., Ltd.	(Note C)	Purchase	165,135	5	Based on contract	-	-	-	-	(17,258)	(2)	
	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note C)	Purchase	1,270,860	43	Based on contract	-	-	-	-	(400,858)	(46)	
Oriental Textile (Holding) Ltd.	Oriental Industries (Suzhou) Ltd.	(Note C)	Purchase	1,057,578	94	Based on contract	-	-	-	-	(198,402)	(100)	
Far EasTone Telecommunications Co., Ltd.	ARCOA Communication Co., Ltd.	(Note C)	Cost of telecommunications services, marketing expense and cost of sales	2,996,231	13	Based on contract	-	-	-	-	(711,089)	(8)	
	ARCOA Communication Co., Ltd.	(Note C)	Operating revenue	(157,129)	(1)	Based on contract	-	-	-	-	116,049	2	
	New Century InfoComm Tech Co., Ltd.	(Note C)	Cost of telecommunication services, and cost of sales	1,040,439	6	Based on contract	-	-	-	-	(490,124)	(5)	(Note F)
	FarEasTone Property Insurance Agent Co., Ltd.	(Note C)	Operating revenue	(126,724)	-	Based on contract	-	-	-	-	90,423	2	
New Century InfoComm Tech Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note C)	Operating revenue	(1,040,439)	(22)	Based on contract	-	-	-	-	490,124	36	(Note G)
ARCOA Communication Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note C)	Operating revenue	(2,996,231)	(66)	Based on contract	-	-	-	-	711,089	65	
	Far EasTone Telecommunications Co., Ltd.	(Note C)	Operating cost	157,129	4	Based on contract	-	-	-	-	(116,049)	(11)	
	Home Master Technology Ltd.	(Note C)	Operating revenue	(361,236)	(8)	Based on contract	-	-	-	-	150,246	14	
FarEasTone Property Insurance Agent Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note C)	Operating cost	126,724	86	Based on contract	-	-	-	-	(90,423)	100	
Home Master Technology Ltd.	ARCOA Communication Co., Ltd.	(Note C)	Operating cost	361,236	63	Based on contract	-	-	-	-	(150,246)	(86)	

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)

TABLE 10

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 SIX MONTHS ENDED JUNE 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	Far Eastern Industries (Shanghai) Ltd.	(Note B)	\$ 666,170	5.26	\$ -	-	\$ 276,462	\$ -
	Worldwide Polychem (HK) Ltd.	(Note B)	664,688	2.19	-	-	121,412	-
Oriental Petrochemical (Taiwan) Corporation	Far Eastern New Century Corporation	(Note C)	891,318	11.65	-	-	891,318	-
Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Far Eastern Apparel (Holding) Ltd.	(Note D)	400,858	6.10	-	-	115,757	-
Far Eastern Polytex (Vietnam) Ltd.	Worldwide Polychem (HK) Ltd.	(Note D)	392,108	2.20	-	-	106,816	-
	Far Eastern Industries (Shanghai) Ltd.	(Note D)	111,890	4.39	-	-	42,897	-
	Far Eastern Apparel (Holding) Ltd.	(Note D)	291,448	6.94	-	-	291,448	-
Far Eastern Industries (Shanghai) Ltd.	Wuhan Far Eastern New Material Ltd.	(Note D)	287,314	1.04	-	-	-	-
	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note D)	138,839	2.02	-	-	14,153	-
Oriental Petrochemical (Shanghai) Corporation	Far Eastern Industries (Shanghai) Ltd.	(Note D)	214,572	16.59	-	-	214,572	-
Oriental Industries (Suzhou) Ltd.	Oriental Textile (Holding) Ltd.	(Note D)	198,402	5.88	-	-	198,402	-
Far Eastern General Contractor Inc.	Far Eastern Construction Co., Ltd.	(Note D)	194,439	(Note J)	-	-	63,619	-
	Far Eastern Resources Development Co., Ltd.	(Note D)	165,379	3.83	-	-	3,746	-
Far Eastern New Apparel (Vietnam) Ltd.	Far Eastern Apparel (Holding) Ltd.	(Note D)	163,927	7.60	-	-	140,493	-
Ding Ding Integrated Marketing Service Co., Ltd.	Far Eastern International Bank	(Note E)	134,883	(Note G)	-	-	10,299	-
	Pacific SOGO Department Stores Co., Ltd.	(Note F)	127,292	(Note G)	-	-	15,050	-
Far EasTone Telecommunications Co., Ltd.	New Century InfoComm Tech Co., Ltd.	(Note D)	180,536	(Note H)	-	-	163,658	-
	ARCOA Communication Co., Ltd.	(Note D)	121,403	13.46	-	-	101,503	-
New Century InfoComm Tech Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note D)	545,128	(Note I)	-	-	252,058	-
ARCOA Communication Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note D)	711,089	7.12	-	-	362,970	-
	Home Master Technology Ltd.	(Note D)	150,372	3.50	-	-	75,601	-

(Continued)

- 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.
 - 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 as the receivables from related parties were mainly due to the advance payments made for NCIC's daily operating expenditures and the operating management service charges to NCIC.
 - I. 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.
 - J. The turnover rate was unavailable to calculate due to the requesting payments were based on the contract requirement.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

SIGNIFICANT TRANSACTIONS BETWEEN FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES
FOR THE SIX MONTHS ENDED JUNE 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	Far Eastern Industries (Shanghai) Ltd.	1	Accounts receivable	\$ 666,170	Based on contract	-
		Far Eastern Industries (Shanghai) Ltd.	1	Sales	1,377,982	Based on contract	-
		Worldwide Polychem (HK) Ltd.	1	Accounts receivable	664,688	Based on contract	-
		Worldwide Polychem (HK) Ltd.	1	Sales	720,611	Based on contract	-
		Far Eastern Apparel (Vietnam) Ltd.	1	Sales	119,821	Based on contract	-
1	Oriental Petrochemical (Taiwan) Corporation	Far Eastern New Century Corporation	2	Accounts receivable	891,318	Based on contract	-
		Far Eastern New Century Corporation	2	Sales	5,333,662	Based on contract	-
		Far Eastern Polytex (Vietnam) Ltd.	3	Accounts receivable	848,206	Based on contract	-
		Far Eastern Polytex (Vietnam) Ltd.	3	Sales	2,315,721	Based on contract	-
		Far Eastern Industries (Shanghai) Ltd.	3	Sales	230,787	Based on contract	-
2	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Far Eastern Apparel (Holding) Ltd.	3	Accounts receivable	400,858	Based on contract	-
		Far Eastern Apparel (Holding) Ltd.	3	Sales	1,270,860	Based on contract	-
		Far Eastern Apparel (Suzhou) Co., Ltd.	3	Sales	179,232	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Interest receivables	3,819	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Interest revenue	23,248	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Other receivables	1,167,290	Based on contract	-
3	Far Eastern Polytex (Vietnam) Ltd.	Worldwide Polychem (HK) Ltd.	3	Accounts receivable	392,108	Based on contract	-
		Worldwide Polychem (HK) Ltd.	3	Sales	625,861	Based on contract	-
		Far Eastern Industries (Shanghai) Ltd.	3	Accounts receivable	111,890	Based on contract	-
		Far Eastern Industries (Shanghai) Ltd.	3	Sales	150,808	Based on contract	-
		Far Eastern Apparel (Vietnam) Ltd.	3	Sales	184,398	Based on contract	-
		Far Eastern New Apparel (Vietnam) Ltd.	3	Sales	143,000	Based on contract	-
4	Far Eastern Apparel (Vietnam) Ltd.	Far Eastern Apparel (Holding) Ltd.	3	Accounts receivable	291,448	Based on contract	-
		Far Eastern Apparel (Holding) Ltd.	3	Sales	1,039,571	Based on contract	-
5	Far Eastern Industries (Shanghai) Ltd.	Wuhan Far Eastern New Material Ltd.	3	Accounts receivable	287,314	Based on contract	-
		Wuhan Far Eastern New Material Ltd.	3	Sales	135,677	Based on contract	-
		Far Eastern Dyeing & Finishing (Suzhou) Ltd.	3	Accounts receivable	138,839	Based on contract	-
		Far Eastern Dyeing & Finishing (Suzhou) Ltd.	3	Sales	165,341	Based on contract	-
		Far Eastern Polychem Industries Ltd.	3	Sales	174,953	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Sales	163,263	Based on contract	-
		Pet Far Eastern (M) Sdn. Bhd.	3	Sales	162,215	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)
6	Oriental Petrochemical (Shanghai) Corporation	Far Eastern Industries (Shanghai) Ltd. Far Eastern Industries (Shanghai) Ltd.	3	Accounts receivable	\$ 214,572	Based on contract	-
			3	Sales	2,266,926	Based on contract	-
7	Oriental Industries (Suzhou) Ltd.	Oriental Textile (Holding) Ltd. Oriental Textile (Holding) Ltd. Sino Belgium Beer (Suzhou) Ltd. Sino Belgium Beer (Suzhou) Ltd. Sino Belgium Beer (Suzhou) Ltd.	3	Accounts receivable	198,402	Based on contract	-
			3	Sales	1,057,578	Based on contract	-
			3	Other receivables	712,646	Based on contract	-
			3	Interest receivables	2,247	Based on contract	-
			3	Interest revenue	13,799	Based on contract	-
8	Far Eastern General Contractor Inc.	Far Eastern Construction Co., Ltd. Far Eastern Construction Co., Ltd. Far Eastern Resources Development Co., Ltd. Far Eastern Resources Development Co., Ltd.	3	Accounts receivable	194,439	Based on contract	-
			3	Revenue from construction contracts	193,053	Based on contract	-
			3	Accounts receivable	165,379	Based on contract	-
			3	Revenue from construction contracts	158,438	Based on contract	-
9	Far Eastern New Apparel (Vietnam) Ltd.	Far Eastern Apparel (Holding) Ltd. Far Eastern Apparel (Holding) Ltd.	3	Accounts receivable	163,927	Based on contract	-
			3	Sales	498,081	Based on contract	-
10	Far Eastern Fibertech Co., Ltd.	Far Eastern Industries (Shanghai) Ltd.	3	Sales	101,790	Based on contract	-
11	Oriental Green Materials Limited	Far Eastern New Century Corporation	2	Sales	552,482	Based on contract	-
12	Far Eastern Apparel (Suzhou) Co., Ltd.	Far Eastern Apparel (Holding) Ltd. Oriental Industries (Suzhou) Ltd. Oriental Industries (Suzhou) Ltd. Oriental Industries (Suzhou) Ltd.	3	Sales	165,135	Based on contract	-
			3	Other receivables	663,901	Based on contract	-
			3	Interest receivables	1,723	Based on contract	-
			3	Interest revenue	8,599	Based on contract	-
13	Yuan Tong Investment Co., Ltd.	Sino Belgium (Holding) Ltd. Sino Belgium (Holding) Ltd. Sino Belgium (Holding) Ltd.	3	Other receivables	160,002	Based on contract	-
			3	Interest receivables	229	Based on contract	-
			3	Interest revenue	229	Based on contract	-
14	Far Eastern Investment (Holding) Ltd.	Far Eastern Polytex (Vietnam) Ltd. Far Eastern Polytex (Vietnam) Ltd. Far Eastern Polychem Industries Ltd.	3	Other receivables	592,600	Based on contract	-
			3	Interest revenue	11,110	Based on contract	-
			3	Other receivables	461,404	Based on contract	-
15	Far Eastern Industries (Suzhou) Ltd.	Oriental Industries (Suzhou) Ltd. Oriental Industries (Suzhou) Ltd. Oriental Industries (Suzhou) Ltd.	3	Other receivables	1,226,869	Based on contract	-
			3	Interest receivables	2,658	Based on contract	-
			3	Interest revenue	18,108	Based on contract	-
16	Suzhou An Ho Apparel Ltd.	Oriental Industries (Suzhou) Ltd. Oriental Industries (Suzhou) Ltd. Oriental Industries (Suzhou) Ltd.	3	Other receivables	37,719	Based on contract	-
			3	Interest receivables	568	Based on contract	-
			3	Interest revenue	533	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 Innovation Apparel (Suzhou) Co., Ltd.	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	3	Other receivables	\$ 146,685	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Other receivables	544,830	Based on contract	-
		Far Eastern Dyeing & Finishing (Suzhou) Ltd.	3	Interest receivables	21	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Interest receivables	6,933	Based on contract	-
		Far Eastern Dyeing & Finishing (Suzhou) Ltd.	3	Interest revenue	5,521	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Interest revenue	7,489	Based on contract	-
18	Far Eastern New Century (China) Investment Co., Ltd.	Oriental Petrochemical (Shanghai) Corporation	3	Other receivables	45,548	Based on contract	-
		Oriental Petrochemical (Shanghai) Corporation	3	Interest revenue	514	Based on contract	-
19	Far Eastern Industries (Yangzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	3	Other receivables	293,370	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Interest receivables	5,432	Based on contract	-
		Oriental Industries (Suzhou) Ltd.	3	Interest revenue	5,210	Based on contract	-
20	FETC International Co., Ltd	Far Eastern Electronic Toll Collection Co., Ltd.	3	Interest revenue	206	Based on contract	-
		Far EasTone Telecommunications Co., Ltd.	3	Interest revenue	5	Based on contract	-
21	Yuan Ding Investment Co., Ltd.	Far Eastern Apparel Co., Ltd.	3	Interest revenue	311	Based on contract	-
		Oriental Petrochemical (Taiwan) Corporation	3	Interest revenue	6,917	Based on contract	-
		Oriental Green Materials Limited	3	Interest revenue	57	Based on contract	-
22	Oriental Textile (Holding) Ltd.	Far Eastern Polytex (Vietnam) Ltd.	3	Interest revenue	1,886	Based on contract	-
23	PET Far Eastern (Holding) Ltd.	Oriental Petrochemical (Shanghai) Corporation	3	Other receivables	274,709	Based on contract	-
24	Yuan Ding Co., Ltd.	Ding Ding Hotel Co., Ltd.	3	Operating revenue	191,943	Based on contract	-
25	Far EasTone Telecommunications Co., Ltd.	New Century InfoComm Tech Co., Ltd.	3	Other receivables	180,271	Based on contract	-
		ARCOA Communication Co., Ltd.	3	Operating revenue	157,129	Based on contract	-
		ARCOA Communication Co., Ltd.	3	Accounts receivable	116,049	Based on contract	-
		FarEasTone Property Insurance Agent Co., Ltd	3	Operating revenue	126,724	Based on contract	-
26	ARCOA Communication Co., Ltd.	Home Master Technology Ltd.	3	Operating revenue	361,236	Based on contract	-
		Home Master Technology Ltd.	3	Accounts receivable	150,246	Based on contract	-
		Far EasTone Telecommunications Co., Ltd.	3	Operating revenue	3,005,301	Based on contract	-
		Far EasTone Telecommunications Co., Ltd.	3	Accounts receivable	711,089	Based on contract	-
27	New Century InfoComm Tech Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	3	Other receivables	545,128	Based on contract	-
		Far EasTone Telecommunications Co., Ltd.	3	Operating revenue	1,040,439	Based on contract	-

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.

(Continued)

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 SIX MONTHS ENDED JUNE 30, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of June 30, 2020			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				June 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	\$ 17,338,702	\$ 5,414,051	\$ 1,072,635	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	4,818,060	395,794	67,523	(Note A)
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	1,176,211	1,176,211	81,216	9.17	1,125,533	(419,777)	(38,493)	(Note A)
	Everest Textile Corporation	Taiwan	Chemical fiber production	1,689	1,689	140	0.03	1,348	(372,095)	(112)	(Note A)
	Oriental Securities Corporation	Taiwan	Brokering	159,823	159,823	140,278	19.65	1,933,844	(298,554)	(58,666)	(Note A)
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	810,000	810,000	135,000	16.83	1,918,224	211,569	35,607	(Notes A and E)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	805,598	805,598	87,767	2.62	1,130,080	1,615,119	51,480	(Notes A and K)
	Yuan Ding Investment Co., Ltd.	Taiwan	Investment	100,052	100,052	1,822,822	99.40	38,104,071	1,727,816	1,718,042	Including the adjustments of the difference between individual and consolidated investment properties, and the transactions between subsidiaries \$593 (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	106,213,219	1,457,396	1,462,285	Including the adjustments of the transactions between subsidiaries \$4,889 (Note B)
	Far Eastern Polytex (Holding) Ltd.	Bermuda	Investment	10,382,911	10,382,911	168	100.00	9,272,900	(40,178)	(40,178)	(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	7,537,520	281,304	205,464	(Note B)
	Yuan Tong Investment Co., Ltd.	Taiwan	Investment	5,850,000	5,850,000	739,953	100.00	8,278,518	245,881	250,834	Including the adjustments of the transactions between subsidiaries \$4,953 (Note B)
	Kai Yuan International Investment Co., Ltd.	Taiwan	Investment	999,993	999,993	361,486	100.00	5,404,962	155,638	155,638	(Note B)
	Far Eastern Investment (Holding) Ltd.	Bermuda	Investment and sale of petrochemicals	24,348,011	23,386,997	5,072	100.00	26,608,379	(231,308)	(231,308)	(Note B)
	PET Far Eastern (Holding) Ltd.	Bermuda	Investment	6,626,110	6,626,110	397	91.95	5,080,052	(480,800)	(437,232)	Including the adjustments of the transactions between subsidiaries \$4,864 (Note B)
	Oriental Petrochemical (Taiwan) Corporation	Taiwan	Petrochemical materials production	16,209,038	16,209,038	1,712,218	75.56	8,529,769	(1,668,933)	(1,280,842)	Including the adjustments of the difference between individual and consolidated investment properties, and the transactions between subsidiaries \$(19,796) (Notes B and H)
	Far Eastern Construction Co., Ltd.	Taiwan	Real estate construction and sales	143,450	143,450	223,481	65.11	9,727,331	1,339,141	871,915	(Note B)
	Yuan Ding Co., Ltd.	Taiwan	Real estate leasing and hotel	857,511	857,511	186,929	37.13	3,236,558	(60,613)	(18,176)	(Notes B and I)
	An Ho Garment Co., Ltd.	Taiwan	Garment production and Investment	1,023	1,023	75,704	100.00	2,013,612	80,071	80,123	Including the adjustments of the transactions between subsidiaries \$52 (Note B)
	Ding Yuan International Investment Co., Ltd.	Taiwan	Investment	2,000,062	2,000,062	253,977	100.00	3,009,206	68,849	68,888	Including the adjustments of the transactions between subsidiaries \$39 (Note B)
	FEDP (Holding) Ltd.	Bermuda	Investment	676,315	676,315	244	50.43	892,506	11,579	5,839	(Note B)
	Fu Kwok Knitting & Garment Co., Ltd.	Taiwan	Garment production	9,205	9,205	4,000	100.00	215,333	17,013	17,013	(Note B)
	Ding Ding Hotel Co., Ltd.	Taiwan	Hotel	401,042	401,042	769	0.74	10,344	(370,464)	(2,741)	(Note B)
Far Eastern Textile Ltd.	Taiwan	Textile production	1,000	1,000	100	100.00	1,647	(10)	(10)	(Note B)	
Yuan Ding Investment Co., Ltd.	Asia Cement Corporation	Taiwan	Cement production	2,009,668	1,116,755	51,722	1.54	2,013,672	5,414,051	-	(Note A)
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	1,085,488	1,085,488	70,818	8.00	1,157,512	(419,777)	-	(Note A)
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	2,232,171	812,136	98,168	6.93	2,208,499	395,794	-	(Note A)
	Everest Textile Corporation	Taiwan	Chemical fiber production	470,103	470,103	128,618	25.23	973,004	(372,095)	-	(Note A)
	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	2,723,598	2,723,598	1,066,658	32.73	20,700,095	4,410,993	-	(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	2,782,195	281,304	-	(Note B)
	Far Eastern Apparel (Holding) Ltd.	Bermuda	Investment and sale of textile	2,179,442	2,179,442	111	100.00	3,870,806	132,604	-	(Note B)
	Da Ju Fiber Co., Ltd.	Taiwan	Sale of polychemical products	263,790	263,790	59,558	41.86	2,266,479	17,555	-	(Note A)
	Far Eastern Apparel Co., Ltd.	Taiwan	Sale of textiles, garments, and clothing	387,984	387,984	24,772	100.00	70,271	(44,658)	-	(Note B)
	Yuan Faun Co., Ltd.	Taiwan	Production management consulting	51,671	51,671	5,000	100.00	142,966	4,317	-	(Note B)
	Yue Ming Corporation	Taiwan	Trading	97,852	97,852	4,745	45.50	66,062	182	-	(Note A)
	Yuan Ding Leasing Corporation	Taiwan	Real estate construction and sales	319,380	319,380	36,706	46.20	395,093	13,086	-	(Note A)

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of June 30, 2020			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes	
				June 30, 2020	December 31, 2019	Shares (Note F)	% of Ownership	Carrying Amount				
Far Eastern Investment (Holding) Ltd.	Far Eastern Fibertech Co., Ltd.	Taiwan	Nylon production	\$ 585,000	\$ 585,000	91,000	100.00	\$ 1,071,486	\$ (2,892)	\$ -	(Note B)	
	Oriental Resources Development Co., Ltd.	Taiwan	Medical materials manufacturing	13,475	13,475	1,000	100.00	57,248	25,367	-	(Note B)	
	Liquid Air Far East Co., Ltd.	Taiwan	Industrial gas production and sales	504,806	504,806	86,615	35.00	2,083,011	1,019,589	-	(Note A)	
	Freudenberg Far Eastern Spunweb Co., Ltd.	Taiwan	Production of nonwoven industrial fabrics	144,786	144,786	27,371	29.80	489,066	142,499	-	(Note A)	
	Oriental Securities Corporation	Taiwan	Brokering	255,424	255,424	185,247	25.96	2,660,375	(298,554)	-	(Note A)	
	Yuan Ding Co., Ltd.	Taiwan	Real estate leasing and hotel	188,846	188,846	64,759	12.86	1,136,156	(60,613)	-	(Note B)	
	Far Eastern International Leasing Corporation	Taiwan	Leasing	1,012,057	1,012,057	75,268	16.87	936,563	96,617	-	(Note A)	
	Oriental Textile (Holding) Ltd.	Bermuda	Investment and sale of textile	7,142,602	7,142,602	110	100.00	7,347,644	(183,244)	-	(Note B)	
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	796,491	796,491	119,653	14.92	1,613,921	211,569	-	(Notes A and E)	
	Yu Yuan Investment Co., Ltd.	Taiwan	Investment	673,704	673,704	98,198	18.96	958,801	342,606	-	(Note A)	
	Far Eastern General Contractor Inc.	Taiwan	Real estate construction	14,682	14,682	1,490	1.00	22,405	84,359	-	(Note B)	
	Oriental Petrochemical (Taiwan) Corporation	Taiwan	Petrochemical materials production	779,399	779,399	117,746	5.20	607,019	(1,668,933)	-	(Note B)	
	Oriental Green Materials Limited	Taiwan	waste recycling and processing	647,083	647,083	53,304	100.00	562,844	7,758	-	(Note B)	
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	1,095,981	1,095,981	119,403	3.56	1,536,956	1,615,119	-	(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	32,848	(608)	-	(Note B)
		PET Far Eastern (M) Sdn. Bhd.	Malaysia	Bottle production	MYR 8,000	MYR 8,000	(Note C)	50.00	244,877	11,588	-	(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	1,025,106	(86)	-	(Note B)
		Worldwide Polychem (HK) Ltd.	Hong Kong	Foreign trade	US\$ 3,500	US\$ 3,500	2,700	100.00	125,414	59,073	-	(Note B)
		Opas Fund Segregated Portfolio Company	Cayman Islands	Investment	US\$ 51	US\$ 51	(Note D)	34.00	1,647	29	-	(Note A)
		Far Eastern Polytex (Vietnam) Ltd.	Vietnam	Chemical fiber and Textile production	US\$ 240,000	US\$ 240,000	(Note D)	100.00	7,288,691	327,700	-	(Note B)
		Far Eastern New Apparel (Vietnam) Ltd.	Vietnam	Garment production	US\$ 18,000	US\$ 18,000	(Note D)	100.00	382,656	9,302	-	(Note B)
		Magna View Sdn. Bhd.	Malaysia	Investment	US\$ 3,465	US\$ 3,465	3,000	100.00	243,108	5,794	-	(Note B)
		Malaysia Garment Manufactures Pte. Ltd.	Singapore	Garment production and Investment	US\$ 15,849	US\$ 15,849	30	37.92	455,645	1,041	-	(Note B)
		Drive Catalyst SPC	Cayman Islands	Investment	US\$ 17	US\$ 17	(Note D)	34.00	512	(4)	-	(Note A)
		APG Polytech USA Holdings, Inc.	America	Investment	US\$ 506,467	US\$ 506,467	5	100.00	14,562,391	(322,494)	-	(Note B)
		Drive Catalyst SPC-SP Tranche One	Cayman Islands	Investment	US\$ 4,000	US\$ 4,000	4	25.00	119,511	287	-	(Note A)
		Drive Catalyst SPC-SP Tranche Three	Cayman Islands	Investment	US\$ 4,000	US\$ 4,000	4	25.00	116,462	(5,350)	-	(Note A)
Far Eastern International Garments		Philippines	Garment production	US\$ 1	US\$ 1	59	41.00	(12,205)	-	-	(Note A)	
Cemtex Apparel Inc.	Philippines	Clothing O.E.M.	US\$ 1	US\$ 1	90	50.00	(11,325)	-	-	(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	12,399,427	(99,090)	-	(Note L)	
	APG Polytech, LLC	America	Polychemical products production	US\$ 90,000	US\$ 90,000	(Note D)	100.00	2,559,758	(203,281)	-	(Note B)	
	Phoenix Technologies International, LLC	America	Production and sale of recycled plastic resins and their waste and general industrial waste handling	US\$ 10,000	US\$ 10,000	(Note D)	90.00	130,242	(68,274)	-	(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	244,877	11,588	-	(Note B)	
Ding Yuan International Investment Co., Ltd.	Asia Cement Corporation	Taiwan	Cement production	339,088	337,260	12,279	0.37	427,727	5,414,051	-	(Note A)	
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	110,306	110,306	5,903	0.42	125,181	395,794	-	(Note A)	
	Everest Textile Corporation	Taiwan	Chemical fiber production	34,561	34,561	1,183	0.23	7,835	(372,095)	-	(Note A)	
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	677,665	677,665	27,365	3.09	615,443	(419,777)	-	(Note A)	
	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	38,457	38,457	920	0.03	39,869	4,410,993	-	(Note B)	
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	90,000	90,000	18,000	2.24	237,374	211,569	-	(Notes A and E)	
	Yu Ding Industry Co., Ltd.	Taiwan	Department store operations	95,624	95,624	14,964	13.20	428,011	44,678	-	(Note A)	
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	814,399	814,399	88,726	2.64	1,141,506	1,615,119	-	(Note A)	
Kai Yuan International Investment Co., Ltd.	Asia Cement Corporation	Taiwan	Cement production	732,627	732,627	25,312	0.75	935,058	5,414,051	-	(Note A)	
	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	803,672	793,702	34,299	1.05	1,067,091	4,410,993	-	(Note B)	
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	742,702	742,686	32,474	3.67	610,414	(419,777)	-	(Note A)	
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	519,473	519,473	20,672	1.46	574,911	395,794	-	(Note A)	
	Kowloon Cement Corporation	Hong Kong	Cement production	226,896	226,896	1,127	49.00	452,851	6,515	-	(Note A)	
	Far Eastern International Leasing Corporation	Taiwan	Leasing	1,026,489	1,026,489	74,970	16.80	951,503	96,617	-	(Note A)	
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	90,000	90,000	18,000	2.24	237,575	211,569	-	(Notes A and E)	
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	988,714	988,714	107,717	3.21	1,386,362	1,615,119	-	(Note A)	
Far Eastern Polychem Industries Ltd.	PET Far Eastern (Holding) Ltd.	Bermuda	Investment	US\$ 17,622	US\$ 17,622	35	8.05	445,527	(480,800)	-	(Note B)	
	FEDP (Holding) Ltd.	Bermuda	Investment	US\$ 29,240	US\$ 29,240	240	49.57	877,286	11,579	-	(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	1,049,830	87,314	-	(Note B)	
Far Eastern Construction Co., Ltd.	Asia Cement Corporation	Taiwan	Cement production	216,959	216,959	17,726	0.53	560,599	5,414,051	-	(Note A)	
	Far Eastern General Contractor Inc.	Taiwan	Real estate construction	271,587	271,587	147,413	98.95	2,065,800	84,359	-	(Note B)	

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of June 30, 2020			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				June 30, 2020	December 31, 2019	Shares (Note F)	% of Ownership	Carrying Amount			
Far Eastern Apparel Co., Ltd.	Asia Cement Corporation	Taiwan	Cement production	\$ 16,246	\$ 16,246	469	0.01	\$ 14,969	\$ 5,414,051	\$ -	(Note A)
	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	6,353	6,353	90	-	5,913	4,410,993	-	(Note B)
	Yu Ding Industry Co., Ltd.	Taiwan	Department store operations	29	29	11	0.01	156	44,678	-	(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	9,285	7,154	-	(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	(39)	-	-	(Note B)
An Ho Garment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	748,158	748,158	40,818	1.25	970,177	4,410,993	-	(Note B)
	Asia Cement Corporation	Taiwan	Cement production	206,551	206,551	6,094	0.18	239,228	5,414,051	-	(Note A)
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	287,121	287,121	11,204	1.26	240,009	(419,777)	-	(Note A)
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	10,483	10,483	370	0.03	11,467	395,794	-	(Note A)
	Oriental Securities Corporation	Taiwan	Brokering	119,933	119,933	8,373	1.17	110,972	(298,554)	-	(Note A)
	Yu Ding Industry Co., Ltd.	Taiwan	Department store operations	111,997	111,997	17,763	15.66	409,666	44,678	-	(Note A)
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	67,285	67,285	9,681	1.21	132,995	211,569	-	(Notes A and E)
	Yuan Ding Investment Co., Ltd.	Taiwan	Investment	148,994	148,994	5,502	0.30	158,652	1,727,816	-	(Note B)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	202,798	202,798	22,094	0.66	284,427	1,615,119	-	(Note A)
Yuan Faun Co., Ltd.	Yuan Cheng Human Resources Consultant Corporation	Taiwan	Personnel recruitment	7,214	7,214	745	55.19	12,305	1,672	-	(Note B)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	42,973	42,973	4,682	0.14	60,308	1,615,119	-	(Note A)
Fu Kwok Knitting & Garment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	19,663	19,663	520	0.02	17,735	4,410,993	-	(Note B)
Yuan Tong Investment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	2,246,035	2,246,035	100,237	3.08	2,553,951	4,410,993	-	(Note B)
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	1,450,129	1,391,618	51,587	3.64	1,539,247	395,794	-	(Note A)
	Oriental Union Chemical Corporation	Taiwan	Petrochemical materials production	1,755,017	1,755,017	49,705	5.61	1,589,301	(419,777)	-	(Note A)
	Asia Cement Corporation	Taiwan	Cement production	1,067,775	1,067,775	32,465	0.97	1,265,275	5,414,051	-	(Note A)
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	90,000	90,000	18,000	2.24	236,377	211,569	-	(Notes A and E)
	Far Eastern Electronic Toll Collection Co., Ltd.	Taiwan	Electronic toll collection services	787,104	787,104	35,934	11.98	473,823	222,418	-	(Note B)
	Liquid Air Far East Co., Ltd.	Taiwan	Industrial gas production and sales	20	20	1	-	30	1,019,589	-	(Note A)
	Sino Belgium (Holding) Ltd.	Bermuda	Investment	2,255,510	2,255,510	36	90.88	(711,292)	(15,647)	-	(Note B)
	Freudenberg Far Eastern Spunweb Co., Ltd.	Taiwan	Production of nonwoven industrial fabrics	34	34	2	-	47	142,499	-	(Note A)
	Malaysia Garment Manufactures Pte. Ltd.	Singapore	Garment production and investment	SGD 7,354	SGD 7,354	10	13.00	156,207	1,041	-	(Note B)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	986,735	986,735	107,501	3.20	1,383,206	1,615,119	-	(Note A)
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	254,071	6,329	-	(Note B)
	Ding Ding Integrated Marketing Service Co., Ltd.	Taiwan	Marketing	558,000	558,000	21,787	60.00	183,938	(9,821)	-	(Note B)
	Far Eastern Technical Consultants Co., Ltd.	Taiwan	Real estate development business consulting and management	45,182	45,182	4,550	91.00	92,674	7,154	-	(Note B)
	YDC (Virgin Islands) Ltd.	British Virgin Islands	Investment	US\$ 200	US\$ 200	(Note D)	17.70	9,587	3,478	-	(Note B)
	Yuanshi Digital Technology Co., Ltd. (former name is Hiiir)	Taiwan	Electronic information providing services	566,896	566,896	1,499	1.35	302	(107,247)	-	(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	51,225	(1,685)	-	(Note B)
	Asia Cement Corporation	Taiwan	Cement production	136,037	136,037	5,329	0.16	198,482	5,414,051	-	(Note A)
	Far EasTone Telecommunications Co., Ltd.	Taiwan	Telecommunications	100,412	100,412	4,164	0.13	102,635	4,410,993	-	(Note B)
	Yu Yuan Investment Co., Ltd.	Taiwan	Investment	411,187	411,187	129,637	25.02	2,227,794	342,606	-	(Note A)
	Yue Ming Corporation	Taiwan	Trading	787	787	104	1.00	834	182	-	(Note A)
	Yu Ding Industry Co., Ltd.	Taiwan	Department store operations	22,676	22,676	2,939	2.59	66,254	44,678	-	(Note A)
FEDS Asia Pacific Development Co., Ltd.	Taiwan	Department store operations	100,000	100,000	10,650	5.00	135,213	53,917	-	(Note A)	
Far Eastern Electronic Toll Collection Co., Ltd.	Taiwan	Electronic toll collection services	977,650	977,650	44,796	14.93	585,204	222,418	-	(Note B)	
Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	76,665	76,665	8,352	0.25	107,615	1,615,119	-	(Note A)	
Yuan Hsin Digital Payment Co., Ltd.	Taiwan	Electronic stored value cards	400,000	400,000	15,535	20.00	93,433	(81,638)	-	(Note B)	
Ding Ding Hotel Co., Ltd.	Taiwan	Hotel	2,630,238	2,630,238	102,509	98.52	433,869	(370,464)	-	(Note B)	
Ding Ding Integrated Marketing Service Co., Ltd.	Yuanshi Digital Technology Co., Ltd. (former name is Hiiir)	Taiwan	Electronic information providing services	1,828	1,828	5	-	12	(107,247)	-	(Note B)
	Yuan Hsin Digital Payment Co., Ltd.	Taiwan	Electronic stored value cards	300,200	300,200	11,659	15.01	70,118	(81,638)	-	(Note B)
	DDIM (Virgin Islands) Ltd.	British Virgin Islands	Investment	US\$ 11,000	US\$ 11,000	(Note D)	46.13	23,803	(3,127)	-	(Note B)
FET Consulting Engineers Co., Ltd.	DDIM (Virgin Islands) Ltd.	British Virgin Islands	Investment	384,970	384,970	(Note D)	53.87	27,797	(3,127)	-	(Note B)

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of June 30, 2020			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				June 30, 2020	December 31, 2019	Shares (Note F)	% of Ownership	Carrying Amount			
YDT Technology International Co., Ltd.	Everest Textile Corporation	Taiwan	Chemical fiber production	\$ 2,451	\$ 2,451	130	0.03	\$ 986	\$ (372,095)	\$ -	(Note A)
	Far Eastern Department Stores Co., Ltd.	Taiwan	Department store operations	51,673	51,673	2,764	0.20	95,875	395,794	-	(Note A)
	Asia Cement Corporation	Taiwan	Cement production	862	862	61	-	2,243	5,414,051	-	(Note A)
	YDC (Virgin Islands) Ltd.	British Virgin Islands	Investment	US\$ 930	US\$ 930	(Note D)	82.30	44,579	3,478	-	(Note B)
	Far Eastern International Bank	Taiwan	Deposit, loan and guarantee services	26,960	26,960	2,937	0.09	38,066	1,615,119	-	(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	103,145	(11,989)	-	(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	25,930,824	899,855	-	(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	671,130	74,276	-	(Note B)
	KGEx.com Co., Ltd.	Taiwan	Type II telecommunications services	2,340,472	2,340,472	68,897	99.99	823,848	81,174	-	(Note B)
	Yuanshi Digital Technology Co., Ltd. (former name is Hiiir)	Taiwan	Electronic information providing services	1,686,169	886,169	107,004	96.18	18,114	(107,247)	-	(Note B)
	Yuan Cing Co., Ltd.	Taiwan	Call center services	-	-	2,000	100.00	33,325	8,939	-	(Notes B and J)
	Far Eastern Info Service (Holding) Ltd.	Bermuda	Investment	92,616	92,616	1	100.00	4,621	(81)	-	(Note B)
	Yuan Bao Fintech Co., Ltd.	Taiwan	Type II telecommunications services	60,000	60,000	6,000	100.00	55,281	(4,400)	-	(Note B)
	FarEasTone Property Insurance Agent Co., Ltd.	Taiwan	property insurance service agent	5,000	-	500	100.00	28,286	23,286	-	(Note B)
	Far Eastern Electronic Toll Collection Co., Ltd.	Taiwan	Electronic toll collection services	2,542,396	2,542,396	118,251	39.42	1,136,310	222,418	-	(Note B)
	Yuan Hsin Digital Payment Co., Ltd.	Taiwan	Electronic stored value cards	600,000	600,000	23,302	30.00	140,057	(81,638)	-	(Note B)
Ding Ding Integrated Marketing Service Co., Ltd.	Taiwan	Marketing	139,500	139,500	5,447	15.00	45,940	(9,821)	-	(Note B)	
ARCOA Communication Co., Ltd.	DataExpress Infotech Co., Ltd.	Taiwan	Electronic information providing services	141,750	141,750	12,866	70.00	197,706	24,944	-	(Note B)
New Century InfoComm Tech Co., Ltd.	New Diligent Co., Ltd.	Taiwan	Investment	540,000	540,000	54,000	100.00	82,794	(3,010)	-	(Note B)
	Information Security Service Digital United Inc.	Taiwan	Security and monitoring service via internet	148,777	148,777	10,249	100.00	94,741	(16,777)	-	(Note B)
	Digital United (Cayman) Ltd.	Cayman Islands	Investment	317,446	317,446	10,320	100.00	180,048	40	-	(Note B)
	Yuanshi Digital Technology Co., Ltd. (former name is Hiiir)	Taiwan	Electronic information providing services	20,000	20,000	750	0.67	127	(107,247)	-	(Note B)
	Ding Ding Integrated Marketing Service Co., Ltd.	Taiwan	Marketing	46,500	46,500	1,816	5.00	15,313	(9,821)	-	(Note B)
	Drive Catalyst SPC-SP Tranche One	Cayman Islands	Investment	123,220	123,220	4	25.00	119,559	287	-	(Note A)
	Drive Catalyst SPC-SP Tranche Three	Cayman Islands	Investment	122,300	122,300	4	25.00	116,507	(5,350)	-	(Note A)
	Prime EcoPower Co., Ltd.	Taiwan	Energy technology services	160,000	160,000	16,000	100.00	132,510	(7,938)	-	(Note B)
	Nextlink Technology Co., Ltd.	Taiwan	Electronic information providing services	420,000	420,000	3,430	70.00	412,174	11,793	-	(Note B)
New Diligent Co., Ltd.	Sino Lead Enterprise Limited	Hong Kong	Telecommunication services	125	125	30	100.00	293	(2)	-	(Note B)
	Far East New Diligent Company Ltd.	British Virgin Islands	Investment	330,598	330,598	(Note D)	100.00	20,546	(2,991)	-	(Note B)
	New Diligent Hong Kong Co., Ltd.	Hong Kong	Investment	3,051	3,051	-	100.00	2,578	(131)	-	(Note B)
DataExpress Infotech Co., Ltd.	Linkwell Tech. Co., Ltd.	Taiwan	Electronic information providing services	-	10,000	(Note D)	-	-	1,443	-	(Note B and M)
	Home Master Technology Ltd.	Taiwan	Electronic information providing services	10,000	10,000	(Note D)	100.00	26,490	7,250	-	(Note B)
Nextlink Technology Co., Ltd.	Microfusion Technology Co., Ltd	Taiwan	Electronic information providing services	17,000	17,000	2,600	100.00	22,581	6,119	-	(Note B)
	Nextlink (HK) Technology Co., Ltd	Hong Kong	Electronic information providing services	973	973	-	100.00	6,806	1,388	-	(Note B)

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 \$4,330 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.

(Continued)

- K. The adjustment of the difference between the acquisition cost and net value was included in the investment gain or loss in current period.
- L. Joint operation entity.
- M. 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.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

INVESTMENTS IN MAINLAND CHINA
FOR THE SIX MONTHS ENDED JUNE 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 June 30, 2020	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note B)	Carrying Amount as of June 30, 2020 (Note C)	Accumulated Repatriation of Investment Income as of June 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	\$ 7,880,754	2	\$ 3,700,967	\$ -	\$ -	\$ 3,700,967	\$ 357,067	100.00	\$ 357,067	\$ 8,506,246	\$ 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	857,383	2	1,010,901	-	-	1,010,901	11,536	100.00	11,536	1,528,700	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	995,859	3	-	-	-	-	9,680	100.00	9,680	1,021,996	-	
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, grieve woven fabrics, print woven fabrics, piece dyed woven fabrics and bleached woven fabrics	2,017,843	2	2,018,430	-	-	2,018,430	(73,896)	100.00	(73,896)	2,695,984	313,458	(Notes H and I)
Oriental Petrochemical (Shanghai) Corporation	Manufacture and distribution of PTA and its by-products	7,516,934	2	3,791,007	-	-	3,791,007	(684,953)	61.35	(420,218)	2,949,931	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	1,547,624	2	1,342,854	-	-	1,342,854	100,081	100.00	100,081	3,011,722	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	1,652,803	2	1,765,319	-	-	1,765,319	12,052	100.00	12,052	1,551,258	-	(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	716,860	2	724,110	-	-	724,110	(32,107)	100.00	(32,107)	858,822	-	
Oriental Industries (Suzhou) Ltd.	Production and marketing of polyester chips, partially oriented yarn, fully oriented yarn, and polyester yarn	4,588,502	2	4,957,248	-	-	4,957,248	(63,463)	100.00	(63,463)	5,636,586	-	(Note H)

(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 June 30, 2020	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note B)	Carrying Amount as of June 30, 2020 (Note C)	Accumulated Repatriation of Investment Income as of June 30, 2020	Note
					Outflow	Inflow							
Far Eastern New Century (China) Investment Co., Ltd.	Investment	\$ 4,484,586	2	\$ 4,794,027	\$ -	\$ -	\$ 4,794,027	\$ (9,244)	100.00	\$ (9,244)	\$ 3,792,697	\$ -	
Sino Belgium Beer (Suzhou) Ltd.	Beer brewing	1,597,434	2	1,763,952	-	-	1,763,952	(17,505)	100.00	(17,505)	(639,878)	-	(Note L)
Martens Beers (Shanghai) Ltd.	Beer brewing	312,885	2	231,475	-	-	231,475	(17)	100.00	(17)	14,273	-	(Note L)
Far Eastern Yihua Petrochemical (Yangzhou) Corporation	PA and its by-product production and sale	6,090,995	2	4,181,323	-	-	4,181,323	(404)	60.00	(243)	3,677,597	-	
Far Eastern Industries (Yangzhou) Ltd.	PA and its by-product production	1,294,610	2	1,436,190	-	-	1,436,190	4,138	100.00	4,138	1,321,517	-	
Far Eastern Union Petrochemical (Yangzhou) Corporation	PA and its by-product production	3,420,319	2	1,962,908	-	-	1,962,908	(182,725)	50.00	(91,363)	1,894,329	-	
Shanghai Yuan Zi Information Technology Co., Ltd.	Software development, equipment maintenance and consulting	53,268	3	-	-	-	-	5,640	100.00	5,640	60,502	-	
Shanghai Far Eastern Petrochemical Logistic Corporation	Transportation	79,629	3	-	-	-	-	1,115	100.00	1,115	132,183	-	
Suzhou An Ho Apparel Ltd.	Garment production	4,191	3	-	-	-	-	449	100.00	252	52,673	-	
Yuan Ding Enterprise (Shanghai) Limited	Liquid oxygen, oxygen, nitrogen and hydrogen warehousing	7,390,514	3	-	-	-	-	(46,758)	40.00	(18,703)	2,696,082	-	
Tong Da Air Industry (Yangzhou) Co., Ltd.	Liquid oxygen, oxygen, nitrogen and hydrogen warehousing	1,724,488	2	1,020,489	-	-	1,020,489	58,432	50.00	29,216	1,166,800	-	
Yuan Ding Integrated Information Service (Shanghai) Inc.	Computer software and internet software design and development	631,367	2	598,270	-	-	598,270	(3,142)	100.00	(3,142)	51,573	-	(Note M)
Speedy (Shanghai) digital Tech. Co., Ltd.	Intelligent control equipment and security monitoring products and services	27,406	2	24,220	-	-	24,220	3,553	100.00	3,553	52,665	-	(Note N)
Digital United Information Technology (Shanghai) Ltd.	Research and design of computer systems	91,853	2	91,853	-	-	91,853	(765)	100.00	(765)	(1,112)	-	(Note P)
Nextlink (Shanghai) Technology Co., Ltd	Computer software, data processing and provision of network information services	2,133	2	2,133	-	-	2,133	(312)	70.00	(312)	1,078	-	(Note Q)
Far Eastern Tech-Info Ltd. (Shanghai)	Digital information supply services	177,780	2	196,321	-	-	196,321	(201)	-	(201)	-	-	(Note O)

Investee Company	Accumulated Outward Remittance for Investment in Mainland China as of June 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	\$ 24,880,369	\$ -

(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 and Oriental Industries (Suzhou) Ltd.'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 June 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 June 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 June 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 June 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 June 30, 2020, the accumulated outflow of investment from Taiwan was remitted by Yuan Ding Investment Co., Ltd.
- I. As of June 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 June 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 June 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 June 30, 2020, the accumulated outflow of investment from Taiwan was remitted by a FENC's subsidiary, Yuan Tong Investment Co., Ltd.
- M. As of June 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 June 30, 2020, the accumulated outflow of investment from Taiwan was remitted by a FENC's subsidiary, YDT Technology International Co., Ltd.
- O. As of June 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 June 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 June 30, 2020, the accumulated outflow of investment from Taiwan was remitted by a FENC's subsidiary, Nextlink Technology Co., Ltd.
- R. As of June 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\$838,755 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\$1:29.63 and RMB1:4.191.
- 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\$4.191.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

INVESTMENT IN MAINLAND CHINA - INVESTMENT TYPES
FOR THE SIX MONTHS ENDED JUNE 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 (Note E)				
	Parent company	2010.04.19	No. 09900142680 (Note D)	Far Eastern Polychem Industries Ltd.	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)				
	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.	4,800 754 (Note G)	4,800			
	Parent company	2010.12.29	No. 09900470520 (Note I)	FEDP (Holding) Ltd.	18,224	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	Sino Belgium (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. Sino Belgium (Holding) 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			
Yuan Ding Enterprise (Shanghai) Limited	Parent company	2013.11.08	No. 10200399280	Far Eastern Polytex (Holding) Ltd. Far Eastern New Century (China) Investment Co., Ltd.	1,000	1,000			
	Parent company	2019.01.18	No. 10800015840 (Note S)	Far Eastern Polytex (Holding) Ltd. Far Eastern New Century (China) Investment Co., Ltd.	82,340	82,340			
	Parent company	2019.11.26	No. 10800217150	Far Eastern Polytex (Holding) Ltd. Far Eastern New Century (China) Investment Co., Ltd.	32,000	32,000			
Tong Da Air Industry (Yangzhou) Co., Ltd.	Parent company	2014.09.05	No. 10300203670 (Note P)	PET Far Eastern (Holding) 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.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

**INFORMATION OF MAJOR SHAREHOLDERS
JUNE 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.