Stock Code: 1457

Yi Jinn Industrial Corp., Limited and its subsidiaries

Consolidated Financial Statements and Independent Auditors' Report

Year 2020 and 2019

(For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English for the original Chinese version prepared and used in the Republic of China. In the event of and discrepancy between the English version and the original Chinese version or and differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail)

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Representation letter

The entities that are required to be included in the consolidated financial statements of Yi Jinn Industrial Corporation Limited as of and for the year ended December 31, 2020, under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standard 10, "Consolidated Financial Statements". In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Yi Jinn Industrial Corporation Limited and Subsidiaries do not prepare a separate set of combined financial statements.

Sincerely yours,

Yi Jinn Industrial Corporation Limited

Chan, Zheng-Tian

March 25, 2021

Independent auditor's report

To the board of directors

Yi Jinn Industrial Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Yi Jinn Industrial Co., Ltd. and its subsidiaries (the "Group"), which comprise the consolidated balance sheets as of December 31, 2020 and 2019, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years ends December 31, 2020 and 2019, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements represents fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards(IFRSs), International Accounting Standards(IASs), IFRIC Interpretations (IFRIC), and SIC Interpretations(SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the audit of the Consolidated Financial Statements section of out report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China and we have fulfilled out other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in out audit of the consolidated financial statements for the year ended December 31, 2020. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and un forming out opinion thereon, and we do not provide a separate opinion on these matters. Key audit matters for the Group's consolidated financial statements for the year ended December 31, 2020 are stated as follows:

1. Revenue recognition

   Please refer to Note 4 (16) "revenue recognition" and for more details please refer to Note 6 (18) "revenue from contracts with customers" of the consolidated financial statement.

Description of the key audit matters:

The revenue from polyester yarn, polyester processing silk, Tetoron and plain weave fabric products is the main source of operating revenue of Yi Jinn Industrial Co., Ltd., and the risk is in the authenticity of revenue recognition. Because the operating revenue is highly affected by the economic fluctuations, the test of revenue recognition is determined as one of the key audit items for the accountant to audit the financial reports of Yi Jinn Industrial Co., Ltd.

How the matter was addressed in our audit:

Our principal audit procedures included: evaluating the controls on the cycle of sales and payment collection; reviewing and adjusting the record of sales system and general ledger; spot checking whether the management has obtained the vouchers sufficient to prove that the control of commodities has been transferred to the buyers so as to examine the sales transaction before and after the end of the reporting date, and thus to determine whether the revenues have been appropriately recognised during the period and whether the revenue recognition policies have been performed in accordance with related communique.

2. Inventory valuation

For accounting policies related to inventory evaluation, please refer to Note 4 (8) Inventory Recognition in the consolidated financial report; For the uncertainty of accounting estimates and assumptions in inventory evaluation, please refer to Note 5 (2) of the consolidated financial report for details; For the description of inventory evaluation, please refer to Note 6 (6) inventory of consolidated financial report.

Description to the key audit matters:

Due to the fluctuation of international raw material prices and market supply and demand, the Group's inventory price and sales volume may fluctuate sharply, resulting in the risk that the inventory cost may exceed its net realizable value Therefore, we determined that the assessment of inventory valuation is a key audit matter.

How the matter was addressed in our audit:

Our principal audit procedures included: understand the management’s inventory management and evaluation policies and whether such policies were performed in actual inventory management and evaluation; carry out the audit procedure to compare the net realizable value adopted by the management with the latest inventory sales price, and evaluate the rationality of the net realizable value of inventory; implement sampling procedure to check the correctness of stock age statement and evaluate the adequacy of inventory allowance of the Group on the financial reporting date.

3. Accounts receivable valuation

Please refer to Note 4 (7) “Financial Instrument” of the consolidated financial report for details of the accounting policies for the evaluation of accounts receivable; please refer to Note 5 (1) of the consolidated financial report for the uncertainty of accounting estimates and assumptions in the evaluation of accounts receivable; please refer to Note 6 (4) of the consolidated financial report for details of the evaluation of accounts receivable.

Description of the key audit matters:

The Group has a large number of clients in different regions and the financial status of the clients will affect the collection risk of accounts receivable. The judgment of the Group's management on the possibility of the collection of accounts receivable involves subjective judgment. Therefore, the evaluation of accounts receivable is one of the important evaluation items in the audit of the financial report of the Group.

How the matter was addressed in our audit:

Our principal audit procedures included: Obtain the evaluation policy of expected credit loss of accounts receivable, understand the recent changes of industrial environment, customer credit status and historical collection records of previous years, so as to evaluate the management's assumption of expected credit loss of accounts receivable; analyse and test the correctness of the aging analysis table of accounts receivable and spot check the collection data after the due date, so as to evaluate the rationality of the amount of provision for the expected credit loss of accounts receivable of the Group and the appropriateness of the disclosure items.

Other Matter

We have also audited the parent company only financial statements of Yi Jinn Industrial Corp., Limited as of and for the years ended December 31, 2020 and 2019 on which we have issued an unmodified opinion.

Responsibilities of Management and those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statement in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operation, or has no realistic alternative but to do so.

Those charged with governance (the Audit Committee) are responsible for overseeing the Group’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement

resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material disclosure in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities for business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit, and form our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to affect our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2020 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonable be expected to outweigh the public interest benefits of such communication.

KPMG

Auditors:		CHANG, SHU-YING CHIH, SHIH-CHIN
The reference number of the FSC approval Letter:	:	No. Taiwan-Financial-Securities-VI-0940100754 No. Financial-Supervisory-Securities-auditing-1020000737

March 25, 2021

Yi Jinn Industrial Co., Ltd. and Subsidiaries

Consolidated Balance Sheets

December 31, 2020 and 2019

In Thousands of New Taiwan Dollars

		December 31, 2020		December 31, 2019	
	Assets	**Amount**	**%**	**Amount**	**%**
	Current Assets:				
1100	Cash and cash equivalent (Note 6(1))	$ 479,716	3	513,740	3
1110	Financial assets at fair value through profit or loss –current (Note 6 (2))	594,350	3	167,238	1
1120	Financial asset at fair value through other comprehensive income – current (Note 6 (3))	3	-	3	-
1150	Notes receivable, net (Note 6 (4) (18))	74,855	-	132,460	1
1170	Account receivable, net (Note 6 (4) (18))	416,911	3	462,841	3
1220	Current tax assets	5,703	-	-	-
1310	Inventories – manufacturing (Note 6 (5) and 9)	671,658	4	930,830	5
1410	Prepayments (Note 9)	77,652	-	35,560	-
1461	Non-current assets held for sale (Note 6 (6), 8 and 9)	-	-	1,366,362	8
1476	Other financial assets – current (Note 6 (6) and 8)	268,773	2	354,546	2
1479	Other current assets – other (Note 6 (14))	34,182	-	18,137	-
	Total current assets	2,623,803	15	3,981,717	23
	Non-current assets				
1510	Non-current financial assets at fair value through profit or loss (Note 6 (2))	88,867	1	93,655	1
1517	Non-current financial assets at fair value through other comprehensive income (Note 6 (3))	504,094	3	571,693	3
1550	Investments accounted for using equity method	26,491	-	27,825	-
1600	Property, plant and equipment (Note 6 (9), 8 and 9)	3,436,768	19	3,482,794	19
1760	Investment property, net (Note 6 (10) and 8)	10,703,563	60	9,434,118	51
1840	Deferred tax assets (Note 6 (15))	70,234	-	74,972	-
1980	Other non-current financial assets – non-current (Note 6 (6) (7) and 8)	10,988	-	48,570	-
1990	Other non-current assets – other(Note 6 (11) (14) and 9)	316,006	2	502,500	3
	Total non-current assets	15,157,011	85	14,236,127	77
	Total	**$ 17,780,814**	**100**	**18,217,844**	**100**

Yi Jinn Industrial Co., Ltd. and Subsidiaries
Consolidated Balance Sheets
December 31, 2020 and 2019

In Thousands of New Taiwan Dollars

	Liabilities and equity	December 31, 2020 Amount	%	December 31, 2019 Amount	%
	Current liabilities：				
2100	Short-term loans (Note6 (12))	$ 1,353,920	8	2,161,401	12
2130	Contract liability – current (Note 6 (18))	38,456	-	7,124	-
2150	Notes Payable	52,441	-	48,303	-
2171	Accounts payable	217,907	1	221,401	1
2200	Other payable (Note 6 (10) (19))	143,041	1	167,351	1
2230	Tax liability of the period	15,899	-	6,615	-
2320	Long-term liabilities – current portion (Note 6 (13))	439,932	2	945,146	5
2399	Other current liabilities – other (Note 6 (6))	7,495	-	313,276	2
	Total current liabilities	2,269,091	12	3,870,617	21
	Non-current liabilities:				
2540	Long-term loans (Note 6 (13))	7,387,362	42	6,638,418	36
2570	Deferred income tax liabilities (Note 6 (15))	227,114	1	226,996	1
2645	Guarantee deposits (Note 9)	134,049	1	72,391	-
	Total non-current liabilities	7,748,525	44	6,937,805	37
	Total liabilities	10,017,616	56	10,808,422	58
	Equity attributable to shareholders of the parent (Note 6 (3) and (16))				
3110	Common stock	3,016,476	17	3,016,476	18
3200	Capital surplus	458,206	3	419,079	2
3300	Retained earnings	1,401,974	8	1,043,639	6
3400	Other equity	65,111	-	(20,939)	-
3500	Treasury Stock	(325,463)	(2)	(324,680)	(2)
		4,616,304	26	4,133,575	24
36XX	Non-controlling interests (Note 6 (8))	3,146,894	18	3,275,847	18
	Total equity	7,763,198	44	7,409,422	42
	Total liabilities and equity	$ 17,780,814	100	18,217,844	100

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

Chairman: Chan, Zheng-Tian Managerial Officer: Weng, Mao-Cheng Accounting Supervisor: Lai, Yu-Min

Yi Jinn Industrial Co., Ltd. and Subsidiaries

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2020 and 2019

In Thousands of New Taiwan Dollars

		Year 2020 Amount	%	Year 2019 Amount	%
4110	**Operating revenue (Note 6 (14) (18))**	$ 2,731,362	101	4,107,453	100
4170	Less: sales returns	13,659	1	18,959	-
4190	Sales allowance	10,488	-	17,021	-
	Net operating revenue	2,707,215	100	4,071,473	100
5110	**Cost of goods sold (Note 6 (5) (14))**	2,501,874	92	3,516,265	86
	Gross Profit	205,341	8	555,208	14
	Operating expenses (Note 6 (5) (19) and 7)				
6100	Selling expenses	112,196	4	112,346	3
6200	Administrative expenses	109,712	4	123,858	3
	Net operating expenses	221,908	8	236,204	6
	Other income and expenses (Note 6 (6) 20) and 13)				
6511	Loss of disposal investment property	(48,642)	(2)	-	-
6514	Disposal of non-current assets held for sale	970,540	36	380,968	9
	Other income and expenses	921,898	34	380,968	9
	Net operating profit	905,331	34	699,972	17
	Non-operating income and expenses (Note 6 (5) (7) (10) (21) and 7):				
7100	Interest income	1,375	-	2,348	-
7010	Other income	68,798	3	25,132	-
7020	Other gains and losses	(35,130)	(1)	122,446	3
7050	Financial costs	(128,753)	(5)	(140,520)	(3)
7055	Impairment loss	-	-	(58,741)	(1)
7060	Share of profit or loss of associates and joint ventures accounted for using equity method	(1,334)	-	10	-
	Total non-operating revenue and expenses	(95,044)	(3)	(49,325)	(1)
	Profit before tax from continuing operations	810,287	31	650,647	16
7950	**Less income tax expense (Note 6 (15))**	177,966	7	34,918	1
8000	**Net income from continuing operation**	632,321	24	615,729	15
	Loss from discontinued operation (Note 6 (4) (6)):				
8100	New loss from discontinued operation	(75,635)	(3)	(45,044)	(1)
	Net income	556,686	21	570,685	14
8300	**Other comprehensive income**				
8310	**Components of other comprehensive income that will not be reclassified to profit or loss (Note 6 (16))**				
8316	Unrealized gains (losses) from investment in equity instrument measured at fair value through other comprehensive income	114,054	4	(42,451)	(1)
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
		114,054	4	(42,451)	(1)
8300	**Other comprehensive income, net**	114,054	4	(42,451)	(1)
	Total comprehensive income	$ 670,740	25	528,234	13
	Profit, attributable to:				
	Profit (loss), attributable to owners of parent	$ 644,257	24	230,303	6
8620	Profit(loss), attributable to non-controlling interests	(87,571)	(3)	340,382	8
		$ 556,686	21	570,685	14
	Comprehensive income attributable to:				
	Comprehensive income, attributable to owners of parent	$ 746,033	28	201,491	5
	Comprehensive income, attributable to non-controlling interests	(75,293)	(3)	326,743	8
		$ 670,740	25	528,234	13
	Earnings(loss) per share (Note 6 (6) (17))				
	Basic earnings per share				
	From continuing operations	$	3.23		1.22
	From discontinuing operations		(0.34)		(0.20)
		$	2.89		1.02
	Diluted earnings per share				
	From continuing operations	$	3.22		1.22
	From discontinuing operations		(0.34)		(0.20)
		$	2.88		1.02

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

Chairman: Chan, Zheng-Tian Managerial Officer: Weng, Mao-Cheng Accounting Supervisor: Lai, Yu-Min

Yi Jinn Industrial Co., Ltd. and Subsidiaries

Consolidated Statement of Change in Equity

For the years ended December 31, 2020 and 2019

In Thousands of New Taiwan Dollars

	Equity attributable to shareholders of the Parent										
	Share capital		Retained earnings				Other equity items				
	Common stock	capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	total	Unrealized gain Or losses on FVTOCI Financial assets	Treasury stock	Total equity attributable to owners of parent	Non-controlling interests	total equity
Balance at January 1, 2019	$ 3,016,476	367,960	139,741	4,425	1,034,855	1,179,021	7,873	(298,476)	4,272,854	2,944,591	7,217,445
Net income for the year	-	-	-	-	230,303	230,303	-	-	230,303	340,382	570,685
Other comprehensive income	-	-	-	-	-	-	(28,812)	-	(28,812)	(13,639)	(42,451)
Total comprehensive income	-	-	-	-	230,303	230,303	(28,812)	-	201,491	326,743	528,234
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	49,538	-	(49,538)	-	-	-	-	-	-
Cash dividends of common stock	-	-	-	-	(361,977)	(361,977)	-	-	(361,977)	-	(361,977)
Reversal of special reserve	-	-	-	(4,425)	4,425	-	-	-	-	-	-
Subsidiary purchase parent’s shares as treasury stock	-	-	-	-	-	-	-	(26,204)	(26,204)	(34,606)	(60,810)
Dividends to subsidiary in adjusting capital surplus	-	41,356	-	-	-	-	-	-	41,356	50,088	91,444
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	1,409	-	-	-	-	-	-	1,409	(1,409)	-
Changes in ownership interests in subsidiaries	-	8,354	-	-	(3,708)	(3,708)	-	-	4,646	(4,646)	-
Cash Dividends contributes by subsidiaries	-	-	-	-	-	-	-	-	-	(89,824)	(89,824)
Increase/ Decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	84,910	84,910
Balance at December 31, 2019	3,016,476	419,079	189,279	-	854,360	1,043,639	(20,939)	(324,680)	4,133,575	3,275,847	7,409,422
Net income of the year	-	-	-	-	644,257	644,257	-	-	644,257	(87,571)	556,686
Other comprehensive income	-	-	-	-	-	-	101,776	-	101,776	12,278	114,054
Total comprehensive income	-	-	-	-	644,257	644,257	101,776	-	746,033	(75,293)	670,740
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	23,030	-	(23,030)	-	-	-	-	-	-
Special reserve	-	-	-	20,939	(20,939)	-	-	-	-	-	-
Cash dividends of common stock	-	-	-	-	(301,648)	(301,648)	-	-	(301,648)	-	(301,648)
Subsidiary purchase parent’s shares as treasury stock	-	-	-	-	-	-	-	(783)	(783)	(864)	(1,647)
Dividends to subsidiary in adjusting capital surplus	-	37,779	-	-	-	-	-	-	37,779	-	37,779
Cash Dividends contributes by subsidiaries	-	-	-	-	-	-	-	-	-	(75,217)	(75,217)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	5,871	-	-	-	-	-	-	5,871	(5,871)	-
Changes in ownership interests in subsidiaries	-	(4,523)	-	-	-	-	-	-	(4,523)	4,523	-
Increase/ Decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	23,769	23,769
Investments in equity instruments measured at fair value through other comprehensive income	-	-	-	-	15,726	15,726	(15,726)	-	-	-	-
Balance at December 31, 2020	**$ 3,016,476**	**458,206**	**212,309**	**20,939**	**1,168,726**	**1,401,974**	**65,111**	**(325,463)**	**4,616,304**	**3,146,894**	**7,763,198**

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

Chairman: Chan, Zheng-Tian **Managerial Officer: Weng, Mao-Cheng** **Accounting Supervisor: Lai, Yu-Min**

Yi Jinn Industrial Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
For the years ended December 31, 2020 and 2019
In Thousands of New Taiwan Dollars

		Year 2020	Year 2019
Cash flow from operating activities:			
Income from continuing operation before income tax	$	810,287	650,647
Loss from discontinued operation		(75,635)	(45,044)
Net income before income tax		734,652	605,603
Adjustment for：			
Income and expense			
Depreciation expense		142,898	160,448
Amortization expense		1,514	4,603
Expected credit losses recognized on investments in debt instruments		(378)	58,741
Interest expense		128,753	140,520
Interest income		(1,375)	(2,348)
Dividend income		(56,963)	(18,965)
Share of profit(loss) of associates and joint ventures accounted for using equity		1,334	(10)
Loss on disposal of property, plant and equipment		5,406	(3,402)
Acquisitions of investment property loss		48,642	-
Disposal of non-current assets held for sale		(970,540)	(380,968)
Impairment loss on non-financial assets		45,262	(90,000)
Valuation gain on financial assets		(66,740)	(49,554)
Loss of determination of lease		22	13,056
Rental income		(897)	(959)
Total income and expense		(723,062)	(168,838)
Changes in operating assets and liabilities:			
Net changes in operating assets:			
Financial assets at fair value through profit or loss, mandatorily measure at fair value		(368,201)	(54,212)
Note receivable		57,605	92,913
Account receivable		46,308	(3,468)
Inventories		259,172	19,631
Prepayment		(42,092)	23,057
Other current assets		(16,159)	(5,020)
Other financial assets		(36,461)	4,814
Total Net changes in operating assets		(99,828)	77,715
Net changes in operating liabilities:			
Contract liabilities		31,332	(19,699)
Note payable		4,138	(5,986)
Account payable		(3,494)	(225,335)
Other payable		(27,129)	(22,338)
Other current liabilities		(3,944)	5,374
Total net changes in operating liabilities		903	(267,984)
Total Net changes in operating assets and liabilities		(98,925)	(190,269)
Total adjustment		(821,987)	(359,107)
Cash generated by operating activities		(87,335)	246,496
Interest received		1,375	2,348
Dividend received		56,963	18,965
Interest paid		(125,934)	(142,621)
Income taxes paid		(169,529)	(66,256)
Net cash generated by operating activities		(324,460)	58,932

Yi Jinn Industrial Co., Ltd. and Subsidiaries

Consolidated Statements of Cash Flows

For the years ended December 31, 2020 and 2019

In Thousands of New Taiwan Dollars

	Year 2020	Year 2019
Cash flows from investing activities:		
Disposal of investments accounted for using equity method	10,451	-
Acquisition of Fair value through profit or loss financial assets. FVTPL financial assets	-	(10,030)
Disposal of Fair value through profit or loss financial assets. FVTPL financial assets	-	66,890
Disposal of non-current assets held for sale	3,071,132	492,508
Acquisition of property, plant and equipment	(113,087)	(117,788)
disposal of property, plant and equipment	12,793	13,710
Acquisition of investment property	(1,867,673)	(1,262,870)
Increase/Decrease in other financial assets	3,621	(2)
Increase in other noncurrent asset	(7,744)	(384,395)
Net cash flows from investing activities	1,109,493	(1,201,977)
Cash flows from financing activities:		
Increase (decrease) in short-term loans	(807,481)	711,504
Proceeds for long-term debt	2,617,480	2,485,300
Repayments of long-term debt	(2,373,750)	(1,590,448)
Increase in deposits received	61,658	32,030
Cash dividends paid	(263,869)	(270,533)
Cash Dividends contributes by subsidiaries	(75,217)	(89,824)
Cost of treasury stock acquired	(1,647)	(60,810)
Increase in non-controlling interests	23,769	50,000
Disposal of subsidiaries shares (without losing control)	-	34,910
Net cash flows from financing activities	(819,057)	1,302,129
Net increase in cash and cash equivalents	(34,024)	159,084
Cash and cash equivalents at beginning of period	513,740	354,656
Cash and cash equivalents at end of period	$ 479,716	513,740

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

Chairman: Chan, Zheng-Tian Managerial Officer: Weng, Mao-Cheng Accounting Supervisor: Lai, Yu-Min

Yi Jinn Industrial Corp., Ltd
Notes to Consolidated Company Financial Statements
For the years ended December 31, 2020 and 2019
(Amount in Thousands of New Taiwan Dollars, unless specified otherwise)

I. Company history

Yi Jinn Industrial Corp., Ltd (The "Company") has been officially listed in the Taiwan Stock Exchange on October 20, 1994. The registered address of the consolidated company is 7th Floor, No.607, Ruiguang Rd., Neihu Dist., Taipei City. The 2020 consolidated financial statement includes the Company and its subsidiaries (hereafter as the consolidated company). The main scope of business of the consolidated company is, as follows:

1. Manufacturing, processing and trading business of all kinds of artificial and natural fibre and its false twist.
2. Manufacturing, processing and trading business of all kinds of bulk continuous filament, nylon stretch yarn, Tetoron of synthetic fibre, fabrics of male or female ready-to-wear and its dyeing and finishing.
3. Import and export trading business of raw materials, materials and final products of items mentioned in two preceding paragraphs.
4. Commissioning construction enterprises to build public housing and commercial buildings for lease and sale.
5. Commission construction enterprise to develop industrial area approved by industrial supervisory authority.
6. Real estate trading and leasing business.

Other main business scope of consolidated and parent only company, please refer to Note 4(3).

II. Date and procedures of authorization of financial statements for issuance

The accompanying consolidated financial statements were approved and authorized for issue by the board of directors on March 25, 2021.

III. Newly issued or revised standards and interpretationss

1. Impact of adoption of newly issued and amended standards and interpretations endorsed by the Financial Supervisory Commission (FSC).

   The Company started to adopt the following amendments to the IFRSs from January 1, 2020, which did not have a significant effect on the Company's consolidated financial reports.

   - Amendments to IFRS 3, "Definition of Business"
   - Amendments to IFRS 9, IAS 39 and IFRS 7, "Interest Benchmark Reform"
   - Amendments to IAS 1 and IAS 8 "Definition of Significant"
   - Amendments to IFRS 16 "COVID-19 Related Rent Concessions"

2. The impact of not adopting the international financial reporting standards endorsed by the FSC

   The Company evaluates that the following amendments to IFRS standards, effective from January 1, 2021, will not have a significant impact on the parent company only financial reporting..

   - Amendments to IFRS 4, "Extension of the Temporary Exemption from Applying IFRS 9"
   - Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, "Interest Rate Benchmark Reform-Phase 2"

3. Newly issued and amended standards and interpretations not yet endorsed by the FSC.

   The IFRSs issued and amended by IASB but not yet endorsed by the FSC, which may be related to the consolidated company, are as follows:

Newly issued or Amended Standards	Main Amended Content	Effective Date Issued by IASB
Amendment to IAS 1, "Classification of Liabilities as Current or Non-current"	The amendment is to improve the consistency of the standards, to assist the enterprise to determine the debts of uncertain settlement day or other liabilities of the balance sheet to fall under current (may be due within one year) or non-current. The amendment also stated that the enterprise may transfer liability to equity in classification.	January 1, 2023

The consolidated company is still evaluating the effect on the company's financial status and operating result by the abovementioned standards and interpretation, further related effects may be disclosed when the evaluation completed.

The consolidated company expects that other newly issued and amended standards not yet endorsed by the FSC did not result in significant impact on the consolidated statements.

IV. Summary of significant accounting policies

The summary of significant accounting policies is as follows. The following accounting policy is applied in this consolidated financial statement, unless otherwise stated.

1. Statement of Compliance

   The accompanying consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuer and the IFRSs endorsed by the FSC, as well as the IFRSs, IASs, interpretations and announcements of interpretation endorsed and issued into effect by the FSC (hereinafter referred to as "IFRSs endorsed by the FSC")

2. Basis of preparation

   (1) Basis of measurement

   The accompanying consolidated financial statements have been prepared on the historical cost basis except for the significant items of balance sheet as below:

   i. Financial Asset measured at fair value through income and loss; and

   ii. Financial Asset measured at fair value through other comprehensive income and loss

   (2) Functional currency and presentation currency

   The functional currency is the currency for the economic environment in which the consolidated company operates. The consolidated financial statement is in our functional currency and presented in New Taiwan Dollars. All of the information provided in this financial statement is presented in Thousands of New Taiwan Dollars.

3. Basis of consolidation

   (1) Basis of preparing the consolidated financial statement

   The consolidated financial statements incorporate the financial statements of the Company and the individual entities it controls (i.e. its subsidiaries). The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its control over the investee.

   The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Transactions and balances, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. The comprehensive income from subsidiaries is allocated to the Company and its non-controlling interest, even if the non-controlling interests have a deficit balance.

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

Changes in the consolidated company's ownership interests in subsidiaries that do not result in the loss of control over its subsidiaries are accounted for as equity transactions. 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 shareholders of the Company.

(2) Subsidiaries included in the consolidated financial statement

List of the subsidiaries included in the consolidated financial statement:

Name of the investment company	Name of the subsidiaries	Scope of Business	Percentage of shareholding December 31, 2020	Percentage of shareholding December 31, 2019	Explanations
The company	Yi Tong Fiber Co., Ltd.	Real Estate Rental or trading	46.05%	46.05%	Note
The company	Xin Mao Investment Co., Ltd.	Investment	35.33%	35.33%	Note
The company	Kwang Ming Silk Mill Co., Ltd.	Cotton filament, artificial fibre and others manufacturing, processing and trading business	38.53%	38.53%	Note
The company	Hung Chou Fiber Industry Co., Ltd	Synthetic fibres, plastic filament manufacturing, processing and trading business	27.70%	27.70%	Note
The company	Da Tian International Co., Ltd.	Real Estate Rental or trading	33.33%	33.33%	-
The company	Da Yi International Development Co., Ltd.	Real Estate Rental or trading	61.25%	61.25%	-
Yi Tong Fiber Co., Ltd.	Kwang Ming Silk Mill Co., Ltd.	Cotton filament, artificial fibre and others manufacturing, processing and trading business	8.03%	8.03%	Note
Yi Tong Fiber Co., Ltd.	Xin Mao Investment Co., Ltd.	Investment	12.15%	12.15%	Note
Yi Tong Fiber Co., Ltd.	Hung Chou Fiber Industry Co., Ltd	Synthetic fibres, plastic filament manufacturing, processing and trading business	7.57%	7.57%	Note
Yi Tong Fiber Co., Ltd.	Da Tian International Co., Ltd.	Real Estate Rental or trading	25.00%	25.00%	Note
Yi Tong Fiber Co., Ltd.	Da Yi International Development Co., Ltd.	Real Estate Rental or trading	1.00%	- %	-
Xin Mao Investment Co., Ltd.	Yi Tong Fiber Co., Ltd.	Real Estate Rental or trading	1.50%	1.50%	Note
Xin Mao Investment Co., Ltd.	Hung Chou Fiber Industry Co., Ltd	Synthetic fibres, plastic filament manufacturing, processing and trading business	0.12%	0.12%	Note
Xin Mao Investment Co., Ltd.	Kwang Ming Silk Mill Co., Ltd.	Cotton filament, artificial fibre and others manufacturing, processing and trading business	0.12%	- %	Note
Kwang Ming Silk Mill Co., Ltd.	Hung Chou Fiber Industry Co., Ltd	Synthetic fibres, plastic filament manufacturing, processing and trading business	5.30%	5.30%	Note
Kwang Ming Silk Mill Co., Ltd.	Da Yi International Development Co., Ltd.	Real Estate Rental or trading	10.06%	10.06%	-
Kwang Ming Silk Mill Co., Ltd.	Yi Tong Fiber Co., Ltd.	Real Estate Rental or trading	0.76%	- %	Note
Da Tian International Co., Ltd.	Da Yi International Development Co., Ltd.	Real Estate Rental or trading	4.00%	5.00%	-
Hung Chou Fiber Industry Co., Ltd	Da Yi International Development Co., Ltd.	Real Estate Rental or trading	6.19%	6.19%	-

Note: The consolidated company does not directly or indirectly hold over 50% of the shares, but has substantial control over the company, therefore the company is regarded as a subsidiary.

(3) Subsidiaries not included in the consolidated financial statement: N/A

4. Currency

Transactions in foreign currencies

Foreign currency transactions are translated into functional currencies at the exchange rate on the transaction date. At the end of each reporting period (hereinafter referred to as the "reporting date), monetary items denominated in foreign currencies are retranslated into the functional currency at the rates prevailing at that date. Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated into the functional currency at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured at historical cost in foreign currencies are translated at the rates of exchange prevailing at the dates of the transactions.

Exchange differences arising, if any, are recognized in profit or loss, but are recognized as other comprehensive income in the following circumstances:

(1) Designated as equity instrument at fair value through other comprehensive income;
(2) Designated as net investment of the operation in overseas and effective hedging in financial liability; or
(3) Qualified cash flow is within the effective range of hedging

5. Classification of current and non-current assets and liabilities

Assets meeting one of the following criteria are classified as current assets, and all other assets not classified to the current assets are classified as non-current assets:

(1) Assets expected to be converted to cash or intended to be sold or consumed in its normal business cycle;
(2) Assets held for trading purpose;
(3) Assets expected to be converted to cash within one year from the end of the reporting date; or
(4) Assets as cash or cash relevant, but the assets with other restrictions (used for exchange or to settle liabilities at least 12 months after the reporting period) shall be excluded.

Liabilities meeting one of the following criteria as current liabilities, and all other liabilities not classified to the current liabilities are classified as non-current liabilities:

(1) Liabilities expected to be settled with in one normal operating period;
(2) Liabilities held for trading purposes;
(3) Liabilities expected to be settled within one year from the end of the reporting date; or
(4) Liabilities that have not the right to defer the due date to the 12 months after the reporting date, unconditionally. The condition of liabilities may be settled by the issuing of equity instrument at the choice of the counter party of the transaction, which will not affect the classification.

6. Cash and cash equivalent

Cash includes cash in hand and cash deposit. Cash equivalent refers to short-term and highly liquid investments that are readily convertible to fixed amounts of cash and with low risk of value change. Time deposits that meet the above definition and are held for the purpose of meeting short-term cash commitments rather than investment or other purposes are recognized in cash equivalents..

7. Financial instruments

Account receivable and the bond issued are recognized when it happens. All of the other financial assets are recognized when the Company becomes one of the parties to a financial instrument contract. Financial assets that are not measured at the fair value (except the account receivable as part of the significant financial composition) or original financial liabilities are measured at the fair value plus the transaction cost directly attributable to their acquisition or issuance. Account receivable not as part of the significant financial composition shall be measured by the price of transaction.

(1) Financial Assets

The financial assets purchased or sold in regular ways are recognized and derecognized on a trade date or settlement date basis for which financial assets were classified in the same way, respectively.

At the original recognition, the financial assets are classified into: financial assets measured at amortised cost, investment in equity instruments measured at fair value through other comprehensive income or financial assets measured at fair value through profit or loss.

The consolidated company reclassified the affected financial assets from the first day of next reporting date only when it changes its management mode of financial assets.

i. Financial assets at amortised cost

The financial assets that fall under the following criteria and not designated to be measured at fair value are measured at amortised cost:

- Financial assets are held under the management mode for the purpose of receiving cash flow from the contract.
- Cash flow on the certain date under the contract of financial assets is solely for paying the principal and the interest of principal outstanding.

These assets are subsequently measured at amortised cost calculated by the original recognized amount plus or minus the accumulated amortisation calculated by the effective interest method, and after adjusting any impairment loss. Interest income, foreign exchange gains and losses and impairment losses are recognised as profit and loss. At derecognition, the profit or loss shall be recognized in profit and loss.

ii. Financial assets measured at fair value through other comprehensive income

On initial recognition, the consolidated company may irrevocably select to recognize the subsequent changes in fair value of equity instrument investment not held for trading in other comprehensive profits and losses. The above selection is based on the item by item basis.

Investments in equity instruments are subsequently measured at fair value. Dividends income is recognized in profit or loss unless it clearly represents a recovery of part of the cost of the investment. Other net income or loss are recognized as other comprehensive income and not reclassified into profit and loss.

Dividend income of the equity investment is recognised on the date the Company has the right to obtain the dividends (usually the ex-dividend date).

iii. Financial assets at fair value through profit or loss

Financial assets that are not measured at amortised cost or at fair value through other comprehensive income are measured at fair value. At the time of original recognition, in order to eliminate or significantly reduce the accounting mismatch, the consolidated company may irrevocably designate financial assets that meet the conditions of measuring at amortised cost or at fair value through other comprehensive profit and loss as financial assets measured at fair value through profit and loss.

Such assets are subsequently measured at fair value and their net income or loss (including any dividend and interest income) is recognised as profit and loss.

iv. Impairment loss on financial assets

The consolidated company recognised the expected credit loss of the financial assets measured at amortised cost (including cash and cash equivalent, notes receivable, accounts receivable, other receivables, refundable deposit and other financial assets) as the allowance for loss.

The allowance for loss of the financial assets meeting the following circumstances are measured at the amount of the expected credit loss within 12 months and the rest are measured at expected credit loss during the lifetime:

- The credit risk of the debt securities on the reporting date is determined to be low, and
- The credit risk of other debt securities and bank deposits (that is, the risk of default during the expected life of financial instruments) has not increased significantly since the original recognition.

The allowance for loss of accounts receivable is measured by the amount of expected credit loss during the lifetime.

When measuring if the credit risk is significantly increased after the initial recognition, the consolidated company may consider from reasonable and verifiable information (that can be acquired without excessive cost or effort), including qualitative and quantitative information, and analysis made based on the historical experience, credit evaluation and forward-looking information of the company.

If the payment of contract is due over 90 days, the expected credit loss of the company is increased significantly.

If the payment of contract is due over 180 days or the borrower is unlikely to perform its credit obligation to repay the company with full amount, the company assumed that the financial assets are in breach of contract.

Expected credit losses are the weighted estimate of the ratio of credit loss during the lifetime of the financial instrument. Credit loss is measured under the current value of the cash shortfall, which is the difference between the cash inflow according to the contract and the cash inflow expected. The expected credit loss is discounted under the effective interest rate of the financial asset.

The company estimates the credit loss of financial asset at amortised cost and debt securities at fair value through other comprehensive income on each reporting date. When one or more of the matters that may affected the expected future cash flow of the financial assets occurred, the financial asset is in credit loss. The evidence of credit loss of financial assets includes observable data on the following matters:

- The borrower or issuer is under significant financial difficulties;
- Breach of contract, like lag or due over 180 days;
- Due to economic or contractual reasons with related to the financial difficulties of the borrower, the company offers the borrower certain concession that originally will not be considered.
- The borrower will possibly file in bankruptcy or other financial reorganization; or
- The active market of the financial asset may disappear due to the financial difficulties.

The impairment loss of the financial assets at amortised cost is deducted from the book value of the assets.

When the company cannot reasonably expect to recover the whole or part of the financial assets, it will directly reduce the total amount of the financial assets. For company accounts, the company analyses the time point and amount of write-off on the basis of whether it reasonably expects to be recoverable. The expected write-off amount will not be reversed significantly. However, the financial assets already written off still can be enforced in order to fulfil the procedure of recovering overdue amount of the Company.

v. Derecognition of financial assets

The company will only derecognize the financial assets when the contractual rights from the cash flow of the assets are terminated, or the financial assets have been transferred and almost all the risks and rewards of the ownership of the assets have been transferred to other enterprises, or almost all the risks and rewards of the ownership have not been transferred or retained and the control of the financial assets has not been retained.

If the company enters into a transaction of transferring financial assets and retains all or almost all the risks and rewards of the ownership of the transferred assets, it will continue to be recognized in the balance sheet.

(2) Financial Liability and equity instrument

i. Classification of debt and equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

ii. Transaction of equity

Equity instruments represent the contract of residual interest after the deduction of assets from the liability. The amount of equity instrument is recognised based on the acquired amount less the direct issuing cost.

iii. Treasury Stock

When the company buys back the equity instrument recognised, the consideration it paid (including the directly attributable cost)is recognized as the reduction of the equity. Shares bought back by the company is categorised as the treasury stock. The amount collected for further sale or reissuing of treasury stock is recognized as increase in equity, and the balance or loss of the transaction is recognized as capital surplus or retained earnings (if the capital surplus is not insufficient for offset).

iv. Financial Liabilities

Financial liabilities are subsequently measured at amortised cost under effective interest. Interest expense and exchange income (loss) are recognized in profit and loss. Upon derecognition, any income or loss shall be recognized in income and loss.

v. Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or expire. When the terms of financial liabilities are amended and there is a significant difference in the cash flow of the amended liabilities, the original financial liabilities are derecognized and new financial liabilities are recognized at fair value on the basis of the amended terms.

When the financial liabilities are derecognised, the difference between the carrying amount and the total consideration paid or payable (including any non-cash assets transferred or liabilities assumed) is recognised in profit and loss.

vi. Offsetting of financial assets and liabilities

Financial assets and financial liabilities can only be offset and expressed in net amount in the balance sheet when the company has the right to offset legally and intends to deliver the assets with net amount or realize the assets and settle the liabilities simultaneously.

8. Inventories

Inventories are measured by the cost and the net realizable value, whichever is lower. The cost includes the acquisition, manufacturing or processing costs and other costs incurred in making it available for use, and is calculated by the weighted average method. The cost of finished goods and work in progress inventory includes the manufacturing cost apportioned according to the normal production capacity in an appropriate proportion.

Net realizable value refers to the balance of the estimated selling price under normal operation minus the estimated cost still to incur upon completion and the estimated cost for sale.

9. Non-current assets held for sale and discontinued operations

(1) Non-current assets held for sale

Non-current assets or disposal groups composed of assets and liabilities are classified as being held for sale when it is highly likely that their carrying amount will be recovered through sale rather than continuous use. The asset or components of the disposal group shall be re measured in accordance with the accounting policies of the company before the original classification to be sold. After classified as to be sold, it is measured on the basis of the lower of its carrying amount and fair value minus cost to sell. The impairment loss of any disposal group is first allocated to goodwill, and then to the remaining assets and liabilities on a pro rata basis. However, the loss is not allocated to assets that are not within the scope of IAS 36: Impairment. The above items shall continue to be measured in accordance with the accounting policies of the company. The impairment loss originally classified as to be sold and the profits and losses arising from subsequent re-measurement are recognized as profits and losses, but the recovered profits shall not exceed the recognized cumulative impairment loss.

Depreciation or amortization shall not be recognized for property, plant and equipment held for sale. When an associated enterprise recognized by the equity method is classified as to be sold, the equity method shall be discontinued.

(2) Discontinued operations

The discontinued operations refer to the compositions of the Company that are disposed or held for sale and:

i. Single business line or operating region
ii. Part of a single integrated plan for a single major business line or operating region
iii. Subsidiaries acquired for resale.

Operating operations are categorised discontinued operations at the earlier stage of disposal or meeting the criteria for held for sale.

10. Investing affiliated enterprise

Affiliated enterprise refers to a company that has significant influence on the financial and operating policies of the consolidated company, but is not the controller or joint controller.

The consolidated company adopts the equity method to deal with the rights and interests in the affiliated enterprises. Under the equity method, the original acquisition is recognized at cost, and the investment cost includes the transaction cost. The carrying amount of an investment in an affiliated enterprise includes the goodwill recognized at the time of the original investment, less any accumulated impairment losses.

The consolidated financial statement includes the amount of profit and loss and other comprehensive profit and loss of each investment affiliated enterprise recognized by the consolidated company according to the proportion of equity after adjustment consistent with the consolidated company's accounting policies from the date of significant influence to the date of loss of significant influence. When the non-profit equity change and the equity change of other comprehensive profit and loss occurs in the affiliated enterprise, which does not affect the shareholding ratio of the consolidated company, the consolidated company will recognize the equity change under the shares of the affiliated enterprise attributable to the consolidated company as capital reserve according to the shareholding ratio.

The unrealized gains or loss from the transactions between the consolidated company and the affiliated enterprise are recognized in the financial statement only within the scope of the rights and interests of non-related party investors in affiliated enterprises.

When the loss share of the affiliated enterprise recognized by the consolidated company in proportion is equal to or more than its rights and interests in the affiliated enterprise, the consolidated company shall stop recognizing its losses, and recognize additional losses and related liabilities only within the scope of legal obligations, presumptive obligations or payments made on behalf of the invested company.

11. Investment property

Investment property refers to the property held for rent or asset appreciation, or both, rather than for normal business sale, production, provision of goods or services, or for administrative purposes. The original investment property is measured by cost, and subsequently is measured by cost less accumulated depreciation and accumulated impairment. The depreciation method, service life and residual value of investment property are subject to the provisions of real estate, plant and equipment.

Profit or loss from disposal of investment property (calculated in the difference of net disposal amount and the book value) are recognized in profit and loss.

Rental income of the investment property during the leasing period is recognized as operating income under the straight-line method and the leasing incentives are recognized as part of the leasing revenue.

The estimated service life in the current and the comparative period is as follows::

Building and Structures	3~ 50 Years

12. Property, plant and equipment

(1) Recognition and measurement

Property, plant and equipment are measured by the cost (including the cost of loans in capital) deducted the accumulative depreciation and all of the accumulative impairment.

If the significant part of property, plant and equipment is with different service life, it is regarded as the individual items (major components) of property, plant and equipment.

The profit or loss from disposal of property, plant and equipment are recognised as profit and loss.

(2) Subsequent expenditure

Subsequent expenditure is capitalized only when its future economic benefits are likely to flow into the company.

(3) Depreciation

Depreciation is calculated by the assets cost less the residual value and is recognized in profit or loss within the estimated service life each component using the straight-line method

No depreciation is recognized for land.

The estimated service life of current and the comparative period is as follows:

Building and Structure	2～55 Years
Machinery and Equipment	1～15 Years
Utilities Equipment	2～20 Years
Transportation Equipment	3～10 Years
Office Equipment	1～11 Years
Rental Assets	3～20 Years
Other Facilities	3～50 Years

The company reviews the method of depreciation, service life and residual value at every reporting date and makes appropriate adjustment if necessary.

(4) Reclassification to investment property

If the property changes the purpose of its property from self-use to investment, the carrying amount of the property is reclassified as investment property when the use of property changes.

13. Leasing

(1) Determination of leasing

The consolidated company determines whether the contract is leasing or includes leasing on the day of conclusion of contract. If the contract can be determined to obtain the control of an asset within the period of time to receive the consideration, then it is considered as leasing or including leasing. The consolidated company evaluates whether the contract is leasing by the following:

i. The contract involves the use of an identified asset, which is explicitly specified in the contract or implicitly specified when it is available for use, and which can distinguish or represent substantially all production capacity. If the supplier has a material right to replace the asset, the asset is not an identified asset; and

ii. The client has the right to obtain almost all the economic benefits from the use of the identified assets during the whole use period; and

iii. In either of following conditions, the client obtains the right to control the use of the identified assets :

- The client has the right to dominate the use mode and purpose of the identified assets during the whole use period.

- The use and usage purpose of the asset were decided beforehand, and:
  - The client has the right to operate the assets with the duration in whole and the provider have no right in changing such operation instruction; or
  - The way in which the client designs the asset has determined in advance the use mode and purpose of the asset during its whole use period.

On the establishment date of the lease or when re-evaluating whether the lease is included in the contract, the consolidated company allocates the consideration in the contract to individual lease components on a relatively separate price basis.

(2) The company as lessee

The consolidated company recognised the right-of-use asset and the leasing liability on the date the lease starts. The right-to-use assets are originally measured at cost, which includes the original measured amount of lease liabilities, adjustment of any lease payments paid on or before the lease start date, addition of the original direct costs incurred and the estimated costs for dismantling, removing and restoring the target assets, and deduction of any lease incentives received.

The depreciation of the right-of-use asset is recognized from the beginning of the lease to the expiry of the service life of the right-of-use assets or when the lease terminates, which is earlier, by the straight-line-method. In addition, the consolidated company shall evaluate the impairment of the right-of-use assets and handle all of the impairment loss occurred and adjust the right-of-use asset when re-measurement of leasing liabilities occurs.

The initial measurement of the leasing liability is on the present value of the lease payment payable from the commencement of lease. If the implied interest rate of the lease is easy to determine, the discount rate shall be the interest rate. If it is not easy to determine, the incremental borrowing rate of the company shall be used. Generally speaking, the company adopts its incremental loan interest rate as the discount rate.

The leasing payment measured under the leasing liability includes:

i. Fixed payment, including the substantial fixed payment;
ii. Variable lease payment depends on an index or a rate are included in the initial measurement of the lease liability;
iii. Amounts expected to be payable by the lessee under residual value; and
iv. The exercise amount of purchase option or termination option or the penalty to be paid when it is reasonably determined that the purchase option or lease termination option will be exercised.

The lease liability is subsequently re-measured to reflect changes in:

i. An index or a rate used to determine the payment;
ii. The amounts expected to be payable under residual value guaranteed;
iii. The assessment of a purchase option;
iv. Estimation on extension or termination option to change in the rental duration;
v. Lease objectives, scope or other terms.

The lease liability is adjusted in the book value of the right-of-use assets when the above-stated change in index or rate, residual value guaranteed, and assessment of purchase, extension and termination. When the book value of right-of-use assets deducted to zero, the remaining balance shall be recognised in profit or loss.

For a lease modification that reduces the scope of the lease, the carrying amount of the right-to-use asset is reduced to reflect the partial or full termination of the lease, and the difference between it and the re-measured amount of the lease liability is recognized in profit or loss.

The consolidated company represents the right-of-use assets and leasing liability disqualified the definition of the investment property in single item on the balance sheet.

For short-term leasing of machinery equipment and office equipment or lease of subjects with low value, the consolidated company selects to not recognise them as right-of-use asset and leasing liability but to recognise the leasing payment as expenses within the duration of leasing under straight-line-basis.

(3) The company as lessor

For the transactions with the consolidated company as lessor, a lease is classified as finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise a lease is classified as an operating lease. In the evaluation, the company considers whether the lease term covers the main part of the economic life of the target asset and other relevant specific indicators.

If the consolidated company is an intermediate lessor, it shall account the head lease and a sublease separately, and the head lease is classified as right-of-use asset assessed subtle transaction. If the head lease is a short-term lease and the recognition exemption is applicable, the sublease transaction should be classified as an operating lease.

If the agreement consists of leasing and non-leasing parts, the consolidated company allocates the consideration in the contract in accordance with IFRS 15.

For operating leases, the consolidated company adopts a straight-line basis to recognize the lease payments received as rental income during the lease term.

14. Impairment of non-financial assets

The consolidated company reviews its book value of non-financial assets for indications of impairment at the end of each report date. If any indication of impairment exists, the asset's recoverable amount is estimated.

For the purpose of impairment test, a group of assets with cash inflow mostly independent of other individual assets or asset groups is regarded as the smallest identifiable asset group.

The recoverable amount is the higher of the fair value of an individual asset or cash generating unit less disposal costs and its value in use. When evaluating the value in use, the estimated future cash flow is converted to the present value at the pre-tax discount rate, which should reflect the current market assessment of the time value of money and the specific risk of the asset or cash generating unit.

The impairment loss is recognized when the carrying amount of an individual asset or cash generating unit exceeds its recoverable amount.

The impairment loss is recognized immediately in profit and loss, and the carrying amount of the amortization goodwill of the cash generating unit is reduced first, and then the carrying amount of each asset is reduced in proportion to the carrying amount of other assets in the unit. For non-financial assets other than goodwill, they can only be reversed within the range not exceeding the carrying amount (less depreciation or amortization) determined when the impairment loss of the asset was not recognized in the previous year.

15. Provision for liabilities

The recognition of provision for liabilities is due to current obligations incurred due to past events, which makes it possible for the consolidated company to flow resources with economic benefits to discharge the obligation in the future, and the amount of such obligation can be estimated reliably. The provision for liabilities is to discount the pre-tax discount rate reflecting the current market's time value of currency and the specific risk assessment of liabilities, and the discounted amortization is recognized as interest expense.

16. Income recognition

1. Income from contracts with customers

Income is measured according to the consideration expected to be obtained by transferring goods or services. The consolidated company recognizes the income when the control over goods or services is transferred to customers and the performance obligations are met.The description of the main income of the consolidated company as follows:

(1) Sales of goods

The consolidated company recognizes income when the control over the products is transferred. The transfer of control over the product means that the product has been delivered to the customer, and the customer can completely determine the sales channel and price of the product, and there is no un-performed obligation that will affect the customer's acceptance of the product. Delivery occurs when the product is delivered to a specific place, the risk of obsolescence and loss has been transferred to the customer, the customer has accepted the product according to the sales contract, the acceptance terms have expired, or the company has objective evidence that all acceptance conditions have been met.

The consolidated company recognises receivables from the time of goods delivery as the consolidated company has the right to receive the price of transaction, unconditionally.

(2)Composition of finance

The consolidated company expected that the time between transferring the goods or services to the clients and the time of customer payment for the goods or services should be within a year. Therefore, the consolidated company does not make any adjustment on the time value of currency for the price of transaction.

17. Government grants

The consolidated company recognizes the government grants subject to the attached conditions as other income when it can receive the government subsidy related to the company's operation. Other assets related subsidies will be recognized by the consolidated company as asset reduction according to fair value when it can reasonably believe that it will comply with the conditions attached to the government grants and can receive the government grants. These assets shall be recognized as the loss and profit on a systematic basis. The government grants for compensation for the expenses or losses incurred by the consolidated company is recognized as profit and loss based on the systematic basis in the same period of the recognition of related expenses.

18. Employees' benefits

(1) Defined benefit plans

The allocation obligation of defined benefit pension plans is recognized as expenses while the employees are under service duration.

(2) Short-term employee benefit

Short-term employee benefit is recognized as expense while the service is provided. If the consolidated company has the current legal or constructive payment obligation due to the past service provided by the employees, and the obligation can be estimated reliably, the amount shall be recognized as a liability.

19. Income tax

Income tax consists of current tax and deferred tax. Except for expenses related to business merger or recognized directly in equity or other comprehensive income, all current and deferred taxes are recognized in profit or loss.

Current tax comprises the expected tax payables or receivables on the taxable profits (losses) for the year and adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, the following temporarily differences not recognized as deferred tax:

(1) The initial recognition of an asset or liability other than in a business combination which, at the time of the transaction, does not affect accounting profit or taxable profit;
(2) Temporarily differences associated with investment in subsidiaries and affiliated enterprise, but only to the extent that the consolidated company is able to control the timing of the reversal of the differences and it is probable that the reversal will not occur in the foreseeable future; and
(3) Taxable temporary differences arising from the original recognition of goodwill.

Deferred taxes shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities may be offset against each other if the following criteria are met:
(1) The consolidated company has the legal right to offset the current income tax assets and current income tax liabilities; and
(2) The taxing of deferred tax assets and liabilities fulfil one of the below scenarios:
  i. Levied by the same taxing authority; or
  ii. Levied by different taxing authorities, but where each such authority intends to settle tax assets and liabilities (where such amounts are significant) on a net basis every year of the period of expected asset realization or debt liquidation, or where the timing of asset realization and debt liquidation is matched.

A deferred tax asset should be recognized for the carry-forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profit will be available against which the unused tax losses, unused tax credits, and deductible temporary differences can be utilized. Such unused tax losses, unused tax credits, and deductible temporary differences shall also be re-evaluated every year on the financial reporting date, and adjusted based on the probability that future taxable profit will be available against which the unused tax losses, unused tax credits and deductible temporary differences can be utilized.

20. Earnings per share

The consolidated company discloses the basic and diluted earnings per share attributed to the common stock equity owners of the company. The basic earnings per share of the consolidated company is calculated by dividing the profit and loss attributable to the common equity interest holders of the company by the weighted average number of common shares outstanding in the current period. Diluted earnings per share is calculated by adjusting the profit and loss attributable to the company's common equity interest holders and the weighted average number of outstanding common shares, respectively, for the impact of all potential diluted common shares. The dilutive potential common stock includes the compensation to the employees in form of shares.

21. Segment information

The operating departments are integral parts of the consolidated company and are engaged in business activities that may earn income and incur expenses (including income and expenses related to transactions between other components in the consolidated company). The operating results of all operating departments are regularly reviewed by the major operating decision makers of the consolidated company to make decisions on the allocation of resources to the department and evaluate its performance. Each operating department has its own financial information.

V. Critical accounting judgements and key sources of estimation and uncertainty

The preparation of the consolidated financial statements in conformity with the with the preparation standards and the international financial reporting standards approved by the FSC, requires management to make judgment, estimates, and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The management continues to monitor the accounting estimates and assumptions. The management recognizes any changes in accounting estimates during the period and the impact of those changes in accounting estimates in the next periods.

Information on accounting policies consist of critical accounting judgments and significant impact on the amount recognized the consolidated financial statements are as follows:

1. The determination of actual control over the subsidiaries

The consolidated company held less than 50% of the voting right of Yi Tong Fiber Co., Ltd., Xin Mao Investment Co., Ltd., Da Tian International Co., Ltd., Kwang Ming Silk Mill Co., Ltd., Hung Chou Fiber Industry Co., Ltd. However, considering that the remaining equity of the merged company is very dispersed, the participation of other shareholders in the previous shareholders' meeting shows that the merged company has the actual ability to lead the related activities unilaterally, and there is no evidence that there is an agreement between other shareholders to make collective decisions, so the consolidated company regards the above-mentioned companies as subsidiaries.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment with the next fiscal year, and reflected the impact of COVID-19 pandemic, as follows:

1. Impairment loss of account receivable

   The impairment loss of the account receivable of the consolidated company is estimated by the basis of default risk and the expected rate of loss as assumption. The consolidated company consider the historical experience, the current market and with prospective to determine the input and assumption chosen for calculating impairment. For relevant assumption and input, please refer to Note 6 (4).

2. Valuation on inventories

   As the inventory must be measured at the lower of cost and net realizable value, the consolidated company assesses the amount of inventory due to normal wear and tear, obsolescence or no market sales value on the reporting date, and offsets the inventory cost to net realizable value. The net realizable value of the inventory is mainly determined based on assumptions of future demand within a specific time horizon, so major changes may occur due to rapid industrial changes. For the estimation on valuation on inventories please refer to Note 6(5).

3. Recognition of deferred income tax assets

   Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which those deferred tax assets can be utilized. Assessment of the realization of the deferred tax assets requires the consolidated company's subjective judgment and estimate, including the future revenue growth and profitability, tax holidays, the amount of tax credits can be utilized and feasible tax planning strategies. Any changes in the global economic environment, the industry trends and relevant laws and regulations could result in significant adjustments to the deferred tax assets. For the recognition of deferred income tax assets please refer to Note 6(15).

Valuation procedure

The consolidated company's accounting policies and disclosure include fair value measurement of its financial and non-financial assets and liabilities. The consolidated company has established relevant internal control system for fair value measurement, and regularly reviews and adjusts major unobservable input values. If the input value used to measure the fair value is the information from an external third party (such as a broker or a pricing service provider), the evaluation team will evaluate the evidence provided by the third party in support of the input value to determine that the evaluation and its fair value classification are in line with the IFRS.

The company used the fair value that can be observed in the market to measure the value of assets and liabilities. The levels of fair value are is classified as follows based on the input value of evaluation technology use:

1. Level 1: Quoted prices (unadjusted) in active markets for identified assets or liabilities.
2. Level 2: inputs, other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or directly (derived from prices).
3. Level 3: inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

Transfer within levels

If there is fact or condition for transfer within levels, the consolidated company shall and recognise the transfer at the report date.

Further information on the assumption used in fair value

Further information on the assumption used in fair value, please refer to the following notes:

1. Note 6(22), financial instrument

VI. Contents of Significant Accounts

1. Cash and cash equivalent

	December 31, 2020	December 31, 2019
Cash on Hand	$ 476	530
Check Deposit	225,711	228,454
Demand Deposit	180,332	215,170
Foreign Currency Deposit	73,197	16,586
Time Deposit	-	53,000
Cash and Cash Equivalent stated on Consolidated statement of cash flow	$ 479,716	513,740

For the disclosure of interest rate risk and the sensitivity analysis of the financial assets and liability, please refer to Note 6 (22)

2. Financial Assets at fair value through income or loss

	December 31, 2020	December 31, 2019
Mandatorily as current financial asset at fair value through profit or loss,		
Beneficiary Certificate	$ 4,123	4,018
Shares of domestic companies listed the exchange and OTC	590,227	163,220
Designation as non-current asset at fair value through profit or loss\		
Shares of domestic companies not listed the exchange and OTC	88,867	93,655
Total	$ 683,217	260,893

Financial Asset at fair value through profit or loss of the consolidated company are not provided as pledge endorsement by the date of December 31, 2020 and 2019.

3. Financial Assets at fair value through other comprehensive income

	December 31, 2020	December 31, 2019
Equity instruments at fair value through other comprehensive income		
Current:		
Shares of domestic companies listed the exchange and OTC: China Man-made Fibre Co., Ltd.	$ 3	3
Equity instruments at fair value through other comprehensive income		
Non-current:		
Shares of domestic companies not listed the exchange and OTC		
COCONA. INC.	44,087	48,343
Taiwan Incubator SME Development Corporation	17,868	24,223
Taiwan Filament Weaving Development Co., Ltd.	10,369	7,635
Kuanz Ho Securities Co., Ltd.	142,892	82,055
Ho Chi Tang Investment Co., Ltd.	7,814	8,830
Nice Plaza Co., Ltd.	177,150	311,662
Yamai (Hong Kong) Limited	49,869	35,126
Cheering Knitting Industrial Co., Ltd.	464	532
The First Leasing Corporation	37,413	39,600
KHH Arena Corporation	14,803	11,615
I Jinn Industrial Co., Ltd.	1,365	2,072
Subtotal	504,094	571,693
Total	$ 504,097	571,696

(1) The equity instrument of the consolidated company are for strategic investment and not for the purpose of trading therefor designated as measured at fair value through comprehensive income or loss.

(2) Due to the change in investment strategy of the consolidated company in 2020, the consolidated company sold the share of domestic companies that not listed the exchange and OTC at fair value through other comprehensive income. The fair value and tax are NT$182,200 thousands and NT$547 thousands, respectively. The accumulated benefit from disposal is NT$32,553 thousand, among which, NT$15,726 thousand is transferred from other interests to retained earnings and NT$16,827 thousand to non-controlling interests. Until December 31, 2020 the remaining amount receivable is NT$171,202 thousand and listed as other receivables and all the amount has been received on January 29, 2021.

(3) For information regarding credit risk and market risk, please refer to Note 6(22)

(4) Financial assets at fair value through comprehensive income of the consolidated company are not provided as pledge endorsement by the date of December 31, 2020 and 2019.

4. Note receivable and account receivable

		December 31, 2020	December 31, 2019
Note Receivable-From operating	$	74,855	132,460
Account receivable – Amortized cost		418,529	464,837
Overdue Receivable (Listed as other non-current assets)		16,112	16,112
Less: Allowance loss		(17,730)	(18,108)
	$	491,766	595,301

(1) The consolidated company adopts a simplified method to estimate the expected credit loss for all notes receivable and accounts receivable, that is, to measure the expected credit loss during the life time. For this purpose, these notes receivable and accounts receivable are grouped according to the common credit risk characteristics representing the customer's ability to pay all amounts due according to the contract terms, and have been included in the forward-looking information. An analysis of the company's expected credit losses on notes and accounts receivable is as follows

	December 31, 2020			
		Accounts receivable book value	Forecast weighted average credit loss ratio	Lifetime allowance forecast credit loss
Not overdue	$	491,010	0%~0.03%	-
Past due under 90 days		756	0%~39.5%	-
Past due over 180 days		17,730	100%	17,730
	$	509,496		17,730

	December 31, 2019			
		Accounts receivable book value	Forecast weighted average credit loss ratio	Lifetime allowance forecast credit loss
Not overdue	$	578,865	0%~0.01%	12
Past due under 90 days		14,512	0%~50%	11
Past due over 90 days and under 180 days		2,622	4.94%~100%	675
Past due over 180 days		17,410	100%	17,410
	$	613,409		18,108

(2) The change in impairment loss of note receivable and account receivable of the consolidated company, as follows:

		Year 2020	Year 2019
Opening balance	$	18,108	58,811
Reversal of Impairment loss(Listed under income(loss) from discontinued operations)		(378)	-
The amount cannot be received and be write-off of the year		-	(40,703)
Ending balance	$	17,730	18,108

(3) The note receivable and account receivable of the consolidated company are not provided as pledge endorsement as of the date of December 31, 2020 and 2019.

(4) For other information on credit risk, please refer to Note 6(22).

5. Inventories

		December 31, 2020	December 31, 2019
Finished goods	$	535,071	748,293
Work in Process		96,658	112,172
Raw material		110,495	117,893
Materials		44,850	53,445
Less: Allowance Loss		(115,416)	(100,973)
	$	**671,658**	**930,830**

(1) Allowance for inventory valuation losses

		Year 2020	Year 2019
Opening balance	$	100,973	78,622
Listed as inventory valuation losses		14,443	22,351
Ending balance	**$**	**115,416**	**100,973**

(2) The consolidated company recognised the allowance for inventory valuation losses of NT$14,443 thousand and NT$22,351 thousand at December 31, 2020 and 2019 respectively due to the inventories write off to the net realizable value. The impacts due to the fact as the actual production capacity is lower than the actual production capacity were NT$4,186 thousand and NT$0, respectively.

(3) By the time of December 31, 2020 and 2019, the inventories of consolidated company were not provided as pledge endorsement.

(4) The consolidated company receive the government grants on the salaries and operating capital of manufacturing industry affected by COVID-19, the relevant terms as no unpaid leaves, unemployment and salary reduction and other acts damaged the employees' equity and dismiss and shut down is prohibited. The salaries grant received by the consolidated company is NT$28,271 thousand and listed as inventories reduction and operating expense reduction in 2020, and the consolidated company received operating capital grants of NT$2,390 thousand listed as other profit and loss. For details, please refer to Note 6(21).

6. Non-current asset and discontinued operations

(1) Discontinued operations:

The consolidated company's board of directors dated October 31, 2019 decided to terminate the factory in Tainan of Department of processing yarn to terminate the continuous loss to reduce the operation loss of the company.

The operating result of discontinued operation is as follows:

Operational result of discontinued operations:		**Year 2020**	**Year 2019**
Operating income	$	102,410	787,556
Operating cost		(166,953)	(805,037)
Gross loss from operations		(64,543)	(17,481)
Operating expense		(10,250)	(32,521)
New loss from operation		(74,793)	(50,002)
Non-operating income and expense		(842)	4,958
Net loss before tax		(75,635)	(45,044)
Income tax expense		-	-
Net loss from discontinued operation (attributable to parent company)	**$**	**(75,635)**	**(45,044)**
Primary loss per share (NT$)	**$**	**(0.34)**	**(0.20)**
Diluted loss per share (NT$)	**$**	**(0.34)**	**(0.20)**
Net cash flow from discontinued operation			
Net cash flow from operating activities	$	215,058	12,266
Net cash flow from in vesting activities		-	(15,882)
Net cash flow	**$**	**215,058**	**(3,616)**

(2) Assets held for sale:
The details of the amount of assets held for sale on the date of December 31, 2020 and 2019 as follows:

		December 31, 2020	**December 31, 2019**
Property, plant and equipment	$	-	602,081
Investment property		-	764,281
Total	**$**	**-**	**1,366,362**

i. The board of directors of the consolidated company dated November 30, 2018 approved to sell part of the land and structure of Guanyin District, Taoyuan and the trading contracts were completed by November 30, 2018 with the price of NT$654,500 thousand (with the related tax expense deducted already). By the date of December 31, 2018, the advance payment was NT$65,580 thousand (before tax), and such land and structure was recognised as non-current asset held for sale and with the deferred income tax liability of NT$8,289 thousand transferred to the noncurrent liability held for sale (listed as other current liability). The trading procedure was completed by February 28, 2019, and disposal benefit of NT$380,968 thousand was recognised after considering the discount factor. Until December 31, 2020 and 2019, the down payment receivable was NT$42,117 thousand and NT$93,443 thousand, respectively, which were recognised as other receivables and other financial assets-non-current.

ii. The change in assets held for sale of the consolidated company, as follows:

		Year 2020	Year 2019
Opening balance	$	1,366,362	246,110
Transferred-in		691,267	1,390,815
Disposal		(2,057,629)	(270,563)
Ending balance	$	-	1,366,362

The board of directors of consolidated company approved to sell the land and structure of DaYing District, Tainan City with several instalments on July 31, 2019, October 31, 2019 and June 3, 2020. The advance payment received is NT$301,837 thousand (recognised as other current liabilities) on December 31, 2019, the procedure of real estate settlement was completed in 2020 and the recognised benefits from disposal of noncurrent assets held for sale was NT$970,540 thousand. The description on significant contractual information and the significant disposal information is shown in Note 9(1) and Note 13, respectively. Until December 31, 2020, the above-mentioned price has been received in full amount.

There is no indication on impairment by lower of the book value of non-current assets held for sale and the fair value less the selling cost by the day of December 31, 2019.

7. Other financial assets - current

		December 31, 2020	December 31, 2019
Other receivable – Transfer of shares (Note 6 (3)	$	242,560	58,741
Other receivable – real estate receipts (Note 6 (6))		42,117	51,326
Other receivable – business tax refund		27,166	1,315
Restricted assets		-	296,844
Other		15,671	5,061
Less: Allowance loss		(58,741)	(58,741)
	$	268,773	354,546

(1) The consolidated company dispose all of its shares in subsidiaries Yi Jinn (Cayman) International Holdings Co., Ltd. and Yi Jinn Textile incorporate, and lost the control over these subsidiaries on December 21, 2017. The price for disposal is NT$777,489 thousands (RMB174,717 thousand) and received payment was NT$164,165 thousand (RMB37,667 thousand) on the date of December 31, 2017. The consolidated company under-estimated the expense on transferring plants in December, 2018, which resulted in recognised loss of NT$13,416 thousand. The price of transferring shares receivable is NT$ 58,741 thousand (RMB11,844 thousand) until December 31, 2019. The consolidated company has negotiated with the debtor about repayment of transferring shares in May, 2019. However, the debtor may not repay the price within short term due to the impact of US-China trade war and Mainland China restriction on the P2P. The consolidated company agreed the debtor to extend the debt to December 31, 2020. Under the conservatism principle, the consolidated company recognised the outstanding amount as expected credit impairment loss in 2019 and continued to collect the debts. As the region of the debtor was impacted seriously under COVID-19 in 2020, the duration of collecting the price is delayed and until the reviewing date there are no further negotiation progress.

(2) Except the impairment loss recognised, there are no significant changes in credit risk other financial assets and no concern on impairment loss.

(3) Information on other credit risk, please refer to Note 6(22).

8. Subsidiaries with significant non-controlling equity

Non-controlling equity of subsidiaries of significance to the consolidated company as follows:

Name of subsidiaries	Main place of business Country of company registration	Ratio of ownership interest and voting rights of non-controlling interest December 31, 2020	December 31, 2019
Hung Chou Fibre Industrial Co., Ltd.	Taiwan	59.31%	59.43%
Kwang Ming Silk Mill Co., Ltd.	Taiwan	53.32%	53.44%
Yi Tong Fibre Co., Ltd.	Taiwan	51.69%	52.45%

The above stated summary financial information is prepared under the IFRSs endorsed by the FSC and reflects the adjustment of the fair value at the day of acquisition and the difference in accounting policies and the amount in the financial information as not deducted from the amount of transaction within the inter-companies:

(1) Financial summary of Hung Chou Fibre Industrial Co., Ltd.

	December 31, 2020	December 31, 2019
Current Assets	$ 776,336	792,781
Non-current Assets	3,537,605	3,525,238
Current Liabilities	(897,704)	(849,240)
Non-current Liabilities	(798,890)	(702,522)
Net assets	$ 2,617,347	2,766,257
End of period book value of non-controlling interest	$ 1,552,349	1,644,222

	Year 2020	Year 2019
Operating income	$ 1,558,963	2,947,365
Net income(loss) for the period	$ (157,713)	61,372
Other comprehensive income	2,734	(857)
Total comprehensive income	$ (154,979)	60,515
Belongs to Net profit(loss) in non-controlling interest	$ (93,495)	36,473
Belongs to the Total comprehensive income in non-controlling interest	$ (91,873)	35,964

	Year 2020	Year 2019
Cash flow in operating activities	$ (39,246)	5,974
Cash flow in investing activities	(70,073)	(565,982)
Cash flow in financing activities	131,078	539,227
Increase (Decrease) in Cash and Cash equivalent	$ 21,759	(20,781)

(2) Financial summary of Kwang Ming Silk Mill Co., Ltd.

	December 31, 2020	December 31, 2019
Current assets	$ 548,711	543,532
Non-current assets	2,586,091	2,433,384
Current Liabilities	(261,840)	(130,780)
Non-current liabilities	(1,114,548)	(987,767)
Net assets	$ 1,758,414	1,858,369
End of period book value of non-controlling interest	$ 937,340	947,627

	Year 2020	Year 2019
Operating income	$ 591,738	845,034
Net income(loss) for the period	$ (19,190)	336,496
Other comprehensive income	145	(46)
Total comprehensive income	$ (19,045)	336,450
Belongs to the Net Profit (Loss) in non-controlling interest	$ (10,464)	179,823
Belongs to the Total comprehensive income in non-controlling interest	$ (10,287)	179,799

	Year 2020	Year 2019
Cash flow from operating activities	$ (63,341)	(24,593)
Cash flow from investing activities	(211,711)	(136,333)
Cash flow from financing activities	167,043	254,142
Increase (Decrease) in Cash and Cash relevant	$ (108,009)	93,216
Dividends paid in non-controlling interests	$ (43,144)	56,217

(3) Financial summary of Yi Tong Fibre Co., Ltd.

	December 31, 2020	December 31, 2019
Current assets	$ 240,937	55,438
Non-current assets	3,509,408	3,568,977
Current liability	(178,634)	(205,470)
Non-current liability	(1,751,088)	(1,630,895)
Net assets	$ 1,820,623	1,788,050
End of period book value of non-controlling interest	$ 446,895	406,914

	Year 2020	Year 2019
Operating income	$ 79,320	78,989
Net income(loss)	$ 55,693	122,602
Other comprehensive income(loss)	21,145	(15,034)
Total comprehensive income(loss)	$ 76,838	107,568
Belongs to net profit(loss) of non-controlling interest	$ 28,951	64,305
Belongs to total comprehensive income(loss) of non-controlling interest	$ 39,881	56,419

		Year 2020	Year 2019
Cash flow from operating activities	$	91,480	99,240
Cash flow from investing activities		(137,275)	(496,785)
Cash flow from financing activities		54,797	387,677
Increase (Decrease) in Cash and Cash relevant	$	9,002	(9,868)
Dividends paid for non-controlling interest	$	(23,215)	(23,217)

9. Property, plant and equipment

The cost, depreciation and change in impairment loss of the property, plant and equipment of 2020 and 2019 of the consolidate company, as follows:

	Land	Building and Structure	Machinery and Equipment	Utilities Equipment	Transportation Equipment	Office Equipment	Rental Assets	Unfinished construction and equipment pending acceptance	Total
Cost or deemed cost:									
Balance at January 1, 2020	$ 2,682,354	797,029	3,998,883	299,774	44,359	280,891	18,446	51,674	8,173,410
Addition	-	85	2,286	8,232	4,985	792	-	96,707	113,087
Disposal/retired	(202)	(237)	(88,948)	-	(8,412)	(3,720)	(30)	-	(101,549)
Reclassification	-	-	40,132	-	-	14,712	-	(56,104)	(1,260)
Reclassified as other non-current asset	-	-	-	-	-	-	-	(56,403)	(56,403)
Reclassified as non-current assets held for sale	-	(798)	-	-	-	-	-	-	(798)
Balance at December 31, 2020	$ 2,682,152	796,079	3,952,353	308,006	40,932	292,675	18,416	35,874	8,126,487
Balance at January 1, 2019	$ 2,684,491	932,192	3,990,263	360,755	48,412	281,525	92,322	2,301	8,392,261
Addition	42,982	66	13,336	3,898	5,223	2,910	-	49,373	117,788
Disposal/retired	(8,090)	-	(4,716)	-	(9,276)	(520)	-	-	(22,602)
Reclassified as non-current asset	(482,528)	(142,917)	-	(64,879)	-	(3,024)	(73,876)	-	(767,224)
Transferred from investment property	445,499	7,688	-	-	-	-	-	-	453,187
Balance at December 31, 2019	$ 2,682,354	797,029	3,998,883	299,774	44,359	280,891	18,446	51,674	8,173,410
Depreciation and impairment loss:									
Balance at January 1, 2020	$ -	414,796	3,678,043	272,605	36,472	270,254	18,446	-	4,690,616
Depreciation	-	16,325	57,220	3,479	2,086	4,054	-	-	83,164
Disposal/retired	-	(84)	(71,637)	-	(7,895)	(3,704)	(30)	-	(83,350)
Reclassified as non-current assets held for sale	-	(711)	-	-	-	-	-	-	(711)
Balance at December 31, 2020	$ -	430,326	3,663,626	276,084	30,663	270,604	18,416	-	4,689,719
Balance at January 1, 2019	$ -	435,994	3,613,566	297,910	40,688	269,278	84,557	-	4,741,993
Depreciation	-	15,770	69,193	5,969	2,860	3,992	1,095	-	98,879
Disposal/retired	-	-	(4,716)	-	(7,076)	(502)	-	-	(12,294)
Reclassified as non-current assets held for sale	-	(39,696)	-	(31,274)	-	(2,514)	(67,206)	-	(140,690)
Transferred from investment property	-	2,728	-	-	-	-	-	-	2,728
Balance at December 31, 2019	$ -	414,796	3,678,043	272,605	36,472	270,254	18,446	-	4,690,616
Book Value:									
December 31, 2020	$ 2,682,152	365,753	288,727	31,922	10,269	22,071	-	35,874	3,436,768
January 1, 2019	$ 2,684,491	496,198	376,697	62,845	7,724	12,247	7,765	2,301	3,650,268
December 31, 2019	$ 2,682,354	382,233	320,840	27,169	7,887	10,637	-	51,674	3,482,794

(1) For the property, plant and equipment transferred to assets held for sale by the consolidated company on year 2020 and 2019, please refer to Note 6(6) for related description.

(2) For the details for bank deposit and endorsement for funding on the date December 31, 2020 and 2019, please refer to Note 8.

10. Investment property

The Investment property as the office building rented to third parties for operating rental owned by the company. The rental period of investment property is five to ten years and part of the contracts allow the lessee to have options on extension.

The change in investment property of the consolidated company as follows:

		Land and land revaluation increment	Building and Structure	Total
Cost or deemed cost:				
Balance at January 1, 2020	$	7,110,318	2,776,346	9,886,664
Addition		1,216,512	651,161	1,867,673
Disposal		-	(61,696)	(61,696)
Transferred from advance real estate payment		173,613	72,977	246,590
Reclassified as non-current assets held for sale		(655,131)	(38,380)	(693,511)
Reclassification		170,056	(170,056)	-
Balance at December 31, 2020	**$**	**8,015,368**	**3,230,352**	**11,245,720**
Balance at January 1, 2019	$	7,512,869	2,373,146	9,886,015
Addition		530,094	732,776	1,262,870
Transferred from advance real estate payment		11,060	39,680	50,740
Reclassified as non-current assets held for sale		(498,206)	(361,568)	(859,774)
Reclassified as property, plant and equipment		(445,499)	(7,688)	(453,187)
Balance at December 31, 2019	**$**	**7,110,318**	**2,776,346**	**9,886,664**
Depreciation and Impairment Loss:				
Balance at January 1, 2020	$	4,077	448,469	452,546
Depreciation		-	59,734	59,734
Impairment Loss		45,262	-	45,262
Disposal		-	(13,054)	(13,054)
Reclassified as non-current assets held for sale		-	(2,331)	(2,331)
Balance at December 31, 2020	**$**	**49,339**	**492,818**	**542,157**
Balance at January 1, 2019	$	94,077	485,121	579,198
Depreciation		-	61,569	61,569
Reclassified as property, plant and equipment		-	(2,728)	(2,728)
Reclassified as non-current assets held for sale		-	(95,493)	(95,493)
Reversal of Impairment Loss		(90,000)	-	(90,000)
Balance at December 31, 2019	**$**	**4,077**	**448,469**	**452,546**
Book Value:				
December 31, 2020	**$**	**7,966,029**	**2,737,534**	**10,703,563**
January 1, 2019	**$**	**7,418,792**	**1,888,025**	**9,306,817**
December 31, 2019	**$**	**7,106,241**	**2,327,877**	**9,434,118**

(1) Investment property consists of various property and plant for leasing to others. The consolidated company create pledge of part of the land in Changhua, which hold by CHANG, ZHEN TIAN and others. To the consolidated company and the land is used to for rent temporarily.

(2) The investment property held by the consolidated company is appraised by the market value and the appraisal report of the closed area and the fair value were NT14,481,964 thousand and NT$10,856,163 thousand of the date December 31, 2020 and 2019, respectively.

(3) The significant purchase and disposal of investment property of the consolidated company on the date of December 31, 2020, please refer to Note 13.

(4) The contract of joint construction contract of Yucheng section, Nangang was signed with Farglory Construction Co., Ltd. on January 29, 2019, obtained the construction license on April 10, 2020, and under construction.

(5) The consolidated company assessed the investment property in Huantan and Dachun, Changhua on the conditions of using and the value impairment loss, and listed the impairment loss of NT$45,262 thousand in 2020.

(6) Investment property is at fair value by the basis of market price of surrounding area as the level 2. The fair value of the land in Guanyin District, Taoyuan is NT$ 97 thousand per 3.3 square meters at the year 2019. The consolidated company assess on the impairment of the above-mentioned investment property, listed as recovery benefit of NT$90,000 thousand in 2019.

(7) The consolidated company transfer the investment property to non-current asset held for sale at the year 2020 and 2019, related description please refer to Note 6(6).

(8) The consolidated company deconstruct the structure of No.148 ZhenXin Rd, East District, Taichung City in 2020. The retirement loss is NT$48,642 thousand and the expense on deconstruction is NT$20,000 thousand and listed separately under other income and expenses and other income and loss. The amount of deconstruction of NT$16,600 thousand is unpaid at December 31, 2020 and listed as other payable.

(9) The investment property used for long-term loan and endorsement of funding, please refer to Note 8.

11. Other non-current assets

		December 31, 2020	December 31, 2019
Advance real estate payment	$	295,486	419,011
Other		20,520	83,489
	$	**316,006**	**502,500**

The information on significant real estate prepayment on the date of December 31, 2020 and 2019 of the consolidated company is stated in Note 9.

12. Short-term loans

The details of short-term loans of the consolidated company as follows:

	December 31, 2020	December 31, 2019
Unsecured loan from bank	$ 520,000	1,044,302
Secured loan from bank	557,500	811,507
Loan from letter of credit	276,420	305,592
Total	$ 1,353,920	2,161,401
Unused facilities	$ 1,384,775	1,191,486
Interest rate collars	0.58%~1.40%	1.08%~1.55%

The asset created for bank deposit endorsement pledge of the consolidated company, please refer to Note 8.

13. Long-term loans

Details, terms and conditions of long loan of the consolidated company, as follows:

	December 31, 2020			
	Currency	Interest rate collars	Year overdue	Amount
Secured loan from bank	New Taiwan Dollars	1.08%~1.78%	2021~2040	$ 7,827,294
Less: Parts overdue within one year				(439,932)
Total				$ 7,387,362
Interest rate collars				$ 68,000

	December 31, 2019			
	Currency	Interest rate collars	Year overdue	Amount
Secured loan from bank	New Taiwan Dollars	1.35%~1.98%	2021~2039	$ 7,583,564
Less: Parts overdue within one year				(945,146)
Total				$ 6,638,418
Interest rate collars				$ 30,000

Collaterals for bank loans

For the asset created for bank deposit endorsement pledge of the consolidated company, please refer to Note 8.

14. Operating lease

The consolidated company leases its investment real estate. Because it does not transfer almost all the risks and rewards belonging to the ownership of the target assets, these lease contracts are classified as operating leases. Please refer to note 6 (10) investment real estate for details.

The undiscounted amount of rental payment due after the report date as follows:

		December 31, 2020	December 31, 2019
Less than a year	$	206,828	155,200
One to two year		173,418	128,032
Two to three year		139,076	96,762
Three to four year		126,249	61,594
Four to five year		64,387	48,617
More than five years		118,507	129,229
Total amount of undiscounted lease	$	828,465	619,434

The above-stated leasing contract is recognised as rental income, in accordance of IFRS 16 the lease payment is recognised as rental income under the duration of lease by the straight-line-basis.

		December 31, 2020	December 31, 2019
Lease receivable – current (listed under other current assets)	$	229	343
Long-Term Receivable (listed under other non-current assets)		4,786	3,797
	$	5,015	4,140

The rental income from investment property and renting assets of the year 2020 and 2019 was NT$158,578 thousand and NT$185,155 thousand, respectively. The termination loss of the rental contract of the year 2020 and 2019 as NT$22 thousand and NT13,056 thousand. The maintenance expense (listed as operating cost) of renting investment property and renting assets as follows:

		Year 2020	Year 2019
Creating rental income	$	67,741	68,115

15. Income tax

(1) Income tax expense

The details of income tax expense of the consolidated of 2020 and 2019, as follows:

		Year 2020	Year 2019
Current income tax expense			
Created with the period	$	2,323	5,362
Surtax on undistributed retained earnings		14,693	9,512
Land Value increment tax		158,525	31,860
Over-estimate (under-estimate) of income tax for the past years.		(2,431)	546
		173,110	47,280
Deferred income tax expense			
Reverse and occur of temporary difference		4,856	(12,362)
Income tax expense	$	177,966	34,918

The adjustment of relationship between income tax expense and net income before tax of the consolidated company of the year 2020 and 2019, as follows

	Year 2020	Year 2019
Income before tax	$ 810,287	650,647
Income tax calculated by the tax rate enacted by the region of the company	$ 162,057	172,910
Impairment loss	9,052	-
Dividend income	(11,393)	(21,713)
Land	158,525	23,573
Tax-free income of land sold	(222,658)	(117,032)
Surtax on undistributed retained earnings	14,693	9,512
Under-estimate of income tax of prior period	(2,431)	546
Bad debt(reverse) loss	(5)	11,748
Valuation gain on financial assets	(13,348)	(14,957)
Recognition of unrecognized tax loss of the prior period	(26)	(45,492)
Unrecognized tax loss of the deferred income tax assets	57,950	11,882
Unrecognized temporarily difference	7,958	-
Income basic tax	-	2,901
Other	17,592	1,040
Total	$ 177,966	34,918

(2) Deferred income tax assets and liabilities

i. Unrecognised deferred income tax assets

The unrecognised deferred income tax assets of the consolidated company, as follows:

	December 31, 2020	December 31, 2019
Bad Debts loss	$ 12,133	12,133
Deferred interest	9,778	-
Loss carryforwards	266,563	214,745
Other	24,712	15,726
	$ 313,186	242,604

ii. Recognised deferred income tax assets

The change in deferred income tax assets of the year 2020 and 2019, as follows:

	Loss carryforwards	Other	Total
Deferred income tax assets:			
Balance at January 1, 2020	$ 63,778	11,194	74,972
Debit income statement	-	(4,738)	(4,738)
Balance at December 31, 2020	$ 63,778	6,456	70,234
Balance at January 1, 2019	$ 63,778	10,363	74,141
Credit income statement	-	831	831
December 31, 2019	$ 63,778	11,194	74,972

		Land Value Increment Tax	Other	Total
Deferred income tax liabilities:				
Balance at January 1, 2020	$	(226,293)	(703)	(226,996)
Debit income statement		-	(118)	(118)
Balance at December 31, 2020	**$**	**(226,293)**	**(821)**	**(227,114)**
Balance at January 1, 2019	$	(215,867)	(3,248)	(219,115)
Credit income statement		699	2,545	3,244
December 31, 2019	**$**	**(226,293)**	**(703)**	**(226,996)**

According to the provisions of the Income Tax Law, the loss of the previous ten years is deducted from the net profit of the current year after being approved by the tax collection authority, and then the income tax is accounted. These are not recognized as deferred income tax assets because the consolidated company may not have sufficient tax income for the temporary difference.

The unrecognised deferred income tax asset, the loss from income tax and the duration for deduction of the consolidated company until December 31, 2020, as follows:

Year of Loss		Loss before deduction	Last deduction year
Year 2011	$	145,300	Year 2021
Year 2012		265,682	Year 2022
Year 2013		342,551	Year 2023
Year 2014		282,482	Year 2024
Year 2015		253,230	Year 2025
Year 2016		46,191	Year 2026
Year 2017		19	Year 2027
Year 2018		14,218	Year 2028
Year 2019		12,286	Year 2029
Year 2020		289,749	Year 2030
	$	**1,651,708**	

If the actual taxable income is higher or lower than expected, might be shown a reverse or listed as deferred asset and as the income tax expense or income in the period of reversal or listed.

iii. The tax authorities have completed examination of income tax returns of the Company and subsidiaries in 2018.

16. Capital and other equity

As of December 31, 2020 and 2019, the authorized share of common stock of the Company amounted to NT$5,600,000 thousand with a par value of NT$10 per share of which 560,000 thousand shares. 301,648 thousand shares were issued and all issued shares were paid up upon issuance.

(1) Capital Surplus

The components of capital surplus were as follows:

		December 31, 2020	December 31, 2019
Share premium	$	178,238	178,238
Treasury stock		252,773	214,994
Recognise changes in all equity in Subsidiaries		8,170	12,693
Difference between consideration and carrying amount of Subsidiaries acquired or disposed		7,280	1,409
Other		11,745	11,745
	$	458,206	419,079

According to the Company Act, Capital Surplus is used to make up the loss and distribute the realised capital surplus to the shareholders with their original ratio of shareholding in form of new shares or cash. The realised capital surplus is including the additional paid-in capital in excess of par-issued stock and the income of gift received. According to the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers", the distribution capital of capital surplus may not exceed 10% of the total capital every year.

(2) Retained earnings

According to the Article of Incorporation, the retained earnings of the annual final account shall be used for tax payment, to make up the loss of the past years and to reserve 10% for the legal reserve, but it is not restricted if the legal reserve exceed the capital of the Company. The company may allocate the special reserve depending on the need of operating and legal restriction; if there are still earnings, they can be added to the undistributed earnings at the opening balance and distributed by the proposal of board of directors and the approval from the shareholders' meeting..

The bonus policy of the Company is to cope with the current and future development plan, considering the investment environment, capital needed and the competition within the country and overseas. For the interest of shareholders and the development of the company, not more than 10% of the cash dividend will be distributed and the rest will be distributed with share dividend when the shareholders approved to distribute shareholders' dividends and bonuses.

i. Legal Reserve

Legal reserve may be distributed when there is no loss of the company and approved by the shareholders' meeting. The legal reserve may be distributed in form of new shares and cash, and only when the legal reserve exceeds 25% of the total capital.

ii. Special Reserve

In accordance with No. Financial-Supervisiory-Securities-Development-1010012865 issued by FSC on April 6, 2012, when distributing retained earnings, the company shall list the difference between the net value of other shareholders' equity deduction and the balance of special reserve and shall listed the special reserve from the current profit and loss and the undistributed earnings from the previous period. For the amount of other shareholders' equity deduction of aforementioned, shall listed with the undistributed earnings from the previous period and may not be distributed. If there is other shareholders' equity deduction reversal, then the company may distribute the reversal part of the other shareholders' equity deduction.

According to the resolution of the regular meeting of shareholders on the date of June 11, 2020 and June 6, 2019, the special surplus reserve of NT$20,939 thousand and NT$4,425 thousand were respectively recognized in the surplus distribution proposal.

iii. Earning distribution

The Earning distribution of July 1, 2019 to December 31, 2019 and January 1, 2019 to June 30, 2019 is approved by the shareholders' meeting and board of directors on June 11, 2020 and August 12, 2019, respectively. The amount of owners' dividend distribution as follows:

		January to June, 2019		July to December, 2019	
		Dividend rate(yuan)	Amount	Dividend rate(yuan)	Amount
Dividends to common stockholder:					
Cash	$	0.50	150,824	0.50	150,824

The earning distribution of January 1, 2020 to June 30, 2020 is approved by the board of directors on August 11, 2020. The amount of owners' dividend distribution is as follows:

		January to June, 2020	
		Dividend rate(yuan)	Amount
Dividends to common stockholder:			
Cash	$	0.50	150,824

The information regards to the above-stated earning distribution is available on MOPS.

(3) Treasury Stock

The following table shows the treasury stock of the company holds by the reinvesting subsidiaries (Xin Mao Investment Co., Ltd. and Yi Tong Fiber Co., Ltd.) on the date December 31, 2019 and 2020.

		December 31, 2020	December 31, 2019
Subsidiary holding parent company shares (Thousands of shares)		78,465	78,305
Acquisition cost	$	729,809	728,162
Stock market price	$	1,294,671	1,123,675
Amount of treasury stock	$	325,463	324,680

(4) Other equity (Net amount after tax)

		Unrealized gains or losses on fair value through other comprehensive income financial assets.
Balance at January 1, 2020	$	(20,939)
Unrealized gains or losses on fair value through other comprehensive income financial assets.		91,053
Unrealized gains or losses on fair value through other comprehensive income financial assets of Associates & Joint Ventures Accounted for Using Equity Method		10,723
Share of Profit or Loss on fair value through other comprehensive income financial assets of Associates & Joint Ventures Accounted for Using Equity Method		(15,726)
Balance at December 31, 2020	$	65,111
Balance at January 1, 2019	$	7,873
Unrealized gains or losses on fair value through other comprehensive income financial assets.		(26,453)
Unrealized gains or losses on fair value through other comprehensive income financial assets of Associates & Joint Ventures Accounted for Using Equity Method		(2,359)
Balance at December 31, 2019	$	(20,939)

(5) Non-controlling equity

		Year 2020	Year 2019
Opening balance	$	3,275,847	2,944,591
Net income (loss) of the year		(87,571)	340,382
Unrealized gains or losses on fair value through other comprehensive income financial assets		12,278	(13,639)
Cash dividend paid to the subsidiaries		-	50,088
Recognise changes in all equity in Subsidiaries		4,523	(4,646)
Subsidiaries distribute cash dividends to non-controlling equity		(75,217)	(89,824)
Subsidiaries buy shares of parent as treasury stock		(864)	(34,606)
Increased in non-controlling equity		23,769	84,910
Difference of carrying value of acquired or disposed shareholding of the subsidiaries		(5,871)	(1,409)
Ending balance	**$**	**3,146,894**	**3,275,847**

17. Earnings (loss) per share

The calculation on basic earnings per share and diluted earnings per share of the consolidated company, as follows:

		Year 2020	Year 2019
Basic earnings per share			
Net profit from continuous operations of the company	$	719,892	275,347
Net loss from discontinued operations		(75,635)	(45,044)
	$	**644,257**	**230,303**
Weighted average number of common shares outstanding (thousands of shares)		223,209	225,676
From continuous operations	$	3.23	1.22
From discontinued operations		(0.34)	(0.20)
	$	**2.89**	**1.02**

		Year 2020	Year 2019
Diluted earnings per share			
Net profit from continuous operations of the company	$	719,892	275,347
Net loss from discontinued operations		(75,635)	(45,044)
	$	**644,257**	**230,303**
Weighted average number of common shares outstanding (thousands of shares)		223,209	225,676
Influence on dilutive potential common share			
Influence of employees' stock compensation (thousands of shares)		433	591
Weighted average number of dilutive potential common share outstanding (thousands of shares)		223,642	226,267
From continuous operations	$	3.22	1.22
From discontinued operations		(0.34)	(0.20)
	$	**2.88**	**1.02**

18. Revenue from contracts with customers

(1) Disaggregation of revenue

		Year 2020	
	Department of textile	Department of leasing	Total
Main region market:			
Taiwan	$ 1,471,967	158,578	1,630,545
Asia	786,477	-	786,477
America	148,777	-	148,777
Europe	74,985	-	74,985
Africa	66,431	-	66,431
	$ 2,548,637	158,578	2,707,215
Main Products:			
Product sold-polyester yarn	$ 1,006,632	-	1,006,632
Product sold-polyester chip	367,706	-	367,706
Product sold-polyester textured yarn	633,175	-	633,175
Product sold-woven fabric	529,568	-	529,568
Rental income	-	158,578	158,578
Other	11,556	-	11,556
	$ 2,548,637	158,578	2,707,215

		Year 2019	
	Department of textile	Department of leasing	Total
Main region market:			
Taiwan	$ 2,648,097	185,155	2,833,252
Asia	916,791	-	916,791
America	195,292	-	195,292
Europe	61,910	-	61,910
Africa	64,228	-	64,228
	$ 3,886,318	185,155	4,071,473
Main Products			
Product sold-polyester yarn	$ 1,866,975	-	1,866,975
Product sold-polyester chip	346,480	-	346,480
Product sold-polyester textured yarn	1,026,881	-	1,026,881
Product sold-woven fabric	622,762	-	622,762
Rental income	-	185,155	185,155
Other	23,220	-	23,220
	$ 3,886,318	185,155	4,071,473

(2) Contract balance

		December 31, 2020	December 31, 2019	January 1, 2019
Note and Account receivable (including overdue receivable)	$	509,496	613,409	743,557
Less: Impairment loss		(17,730)	(18,108)	(58,811)
Total	$	491,766	595,301	684,746
Contract liabilities	$	38,456	7,124	26,823

The disclosure of note receivable and account receivable and its impairment loss, please refer to Note 6(4).

The contract liabilities of January 1, 2020 and 2019 is listed as the amount of revenue of opening balance of the year 2020 and 2019 as NT$7,124 thousand and NT$23,281 thousand, respectively.

19. Employees' Compensation and directors' remuneration

As stated in the Article of Incorporation, if the company gained in profit, the company shall appropriate no less than 0.5% as the employees' compensation and not more than 2% as the directors' remuneration. If the company has accumulated losses, the profit earned shall be reserved to make up the losses. Recipients entitled to receive shares or cash distributed as employee remunerations include employees of controlled companies and subordinate companies meeting certain requirements. The remuneration to the directors may only in form of cash.

The Company estimated the compensation to employees were NT$4,758 thousand and NT$4,992 thousand in 2020 and 2019, respectively, and the remuneration to Directors was NT$8,204 thousand and NT$4,942 thousand in 2020 and 2019, respectively. The amount was estimated using the profits before tax and before net of the remuneration in each period to multiply a designated percentage specified in the Articles of Incorporation. The distribution was recorded as operating costs or operating expenses of 2020 and 2019.

The compensation to the employees in 2019 and 2018 were NT$4,992 thousand and NT$11,963 thousand, respectively, and the remuneration to the directors were NT$4,942 thousand and NT$8,086 thousand, respectively. There is no difference between the actual distribution and the amount stated on the financial statement. For relevant information, please log on to MOPS hosted by TWSE for inquiry.

20. Other income and expenses

The composition of net value of other income and expenses of the consolidated company of the year 2020 and 2019, as follows:

		Year 2020	Year 2019
Loss of disposal investment property	$	(48,642)	-
Disposal of asset interest held for sale		970,540	380,968
	$	921,898	380,968

21. Non-operating income and expenses

(1) Interest income

The composition of interest income of the consolidated company of the year 2020 and 2019, as follows:

		Year 2020	Year 2019
Interest from bank deposit	$	108	1,001
Interest income from financial asset at amortized cost		1,267	1,347
Total of interest income	$	1,375	2,348

(2) Other income

The composition of other income of the consolidated company of the year 2020 and 2019, as follows:

		Year 2020	Year 2019
Dividend income	$	56,963	18,965
Other		13,316	11,163
Less: Other income belongs to discontinued operations		(1,481)	(4,996)
	$	68,798	25,132

(3) Other gains and losses

The composition of other gains and losses of the consolidated company of the year 2020 and 2019, as follows:

		Year 2020	Year 2019
Gains and losses of disposal property, plant and equipment	$	(5,406)	3,402
Gains and losses of currency exchange		(23,332)	2,045
Loss from lease termination		(22)	(13,056)
Net income at fair value through income or loss financial assets		66,740	49,954
Impairment(loss) reversal		(45,262)	90,000
Income from government grants		2,390	-
Other		(32,561)	(9,937)
Add: other loss from discontinued operations		2,323	38
	$	(35,130)	122,446

(4) Financial Cost

The composition of other financial cost of the consolidated company of the year 2020 and 2019, as follows:

		Year 2020	Year 2019
Interest expense of bank deposit	$	128,229	140,382
Interest expense of imputed interest		524	22
Interest expense of owners		-	116
	$	128,753	140,520

22. Financial instruments

(1) Credit risk

i. Credit risk exposure

The maximum credit risk exposure of the Group's financial assets is equal to their carrying amount.

ii. Concentration of credit risk

The consolidated company's account receivable from the customers and securities investment are the main source of credit risk. The customers or the counterpart of the financial instruments failed to perform the obligations of the contract and result in risk of financial impairment.

iii. Credit risk of account receivable

The information on credit risk of note receivable and account receivable, please refer to Note 6 (4).

The related composition of financial assets at amortised (including other receivable),

please refer to Note 6(5).
The aforementioned are financial asset at low credit risk and as impairment loss of the 12-month expected credit losses (The description of determine low credit risk of the consolidated company, please refer to Note 4(7)).

(2) Liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments but excluding the impact of netting agreements.

	Carrying value	Contractual cash flow	Within 6 months	6 to 12 months	1 to 2 year	2 to 5 year	Over 5 years
December 31, 2020							
Floating interest rate instruments	$ 9,181,214	9,688,893	1,318,643	570,063	1,112,867	2,785,672	3,901,648
Non-interest-bearing liability	547,438	547,438	418,871	4,121	5,854	108,548	10,044
	$ 9,728,652	**10,236,331**	**1,737,514**	**574,184**	**1,118,721**	**2,894,220**	**3,911,692**
December 31, 2019							
Floating interest rate instruments	$ 9,744,965	10,409,507	1,716,245	1,140,501	2,697,711	1,679,537	3,175,513
Non-interest-bearing liability	509,446	509,446	418,762	2,627	60,320	11,834	15,903
	$ 10,254,411	**10,918,953**	**2,135,007**	**1,143,128**	**2,758,031**	**1,691,371**	**3,191,416**

The consolidated company does not expect that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

(3) Currency risk

i. Risk exposure

The consolidate company’s financial assets and financial liability exposed to significant. Currency risks were as follows:

	December 31, 2020			December 31, 2019		
	Foreign currency	Exchange rate	New Taiwan Dollars	Foreign currency	Exchange rate	New Taiwan Dollars
Financial Assets						
Monetary assets						
US Dollars	$ 13,509	28.48	384,736	10,058	29.98	301,539

ii. Sensitivity analysis

The consolidated company’s exposure to foreign currency risk arose from cash and cash equivalents, account receivables, other receivables, loans and borrowings, accounts payable and other payables that were denominated in foreign currencies. A 1% appreciation or depreciation of the TWD against the USD as of December 31, 2020 and 2019 would have increased or decreased the net income after tax from the years ended December 21, 2020 and 2019 by NT$3,847 thousand and NT$3,015 thousand, respectively. The analysis was performed on the same basis for both periods.

iii. Foreign exchange gain and loss on monetary item

The information on foreign exchange gain(loss) on monetary items is disclosed by the consolidated company in summary. For the December 31, 2020 and 2019, foreign exchange gains (losses) (including realised and unrealised abortions) amounted to NT$(23,332) thousand and NT$2,045 thousand.

(4) Interest rate risk

Please refer to the note on liquidity risk management for the interest rate exposure of the consolidated company's financial assets and liabilities.

The following sensitivity analysis is based on the risk exposure to interest rates on derivative and non-derivative financial instruments on the reporting date. Regarding assets with variable interest rates, the analysis is on the basis of the assumption that the amount of assets outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the increment or decrement by 1% when reporting to the management internally, which also represents the management's assessment of the reasonable interest rate change.

If the interest rate had increased or decreased by 1%, the consolidated company's net income before tax world have decreased or increased by NT$89,220 thousand and NT$94,511 thousands for the years ended December 31, 2020 and 2019, respectively, with all other variable factors remaining constant. This is mainly due to the consolidated company's borrowing and time deposit at floating rates.

(5) Other price risk

The impact to the comprehensive income and loss if the stock price on reporting date changes (The analysis was performed on the same basis for both periods, and if the other variables remain unchanged), as follow

	Year 2020		Year 2019	
Stock price on reporting date	**Amount of comprehensive income or loss after tax**	**Post-tax profit or loss**	**Amount of comprehensive income or loss after tax**	**Post-tax profit or loss**
Increased by 5%	$ 25,205	33,955	28,585	12,844
Decreased by 5%	$ (25,205)	(33,955)	(28,585)	(12,844)

(6) Fair Value and carrying amount

i. Categories and fair value of financial instruments

The fair value of financial assets and liabilities at fair value through profit or loss and financial assets at fair value through other comprehensive income is measured on a recurring basis. The carrying amount and fair value of the consolidated company's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

	December 31, 20201				
		Fair Value			
	Carrying amount	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	$ 594,350	594,350	-	-	594,350
Financial assets at fair value through profit or loss, mandatorily	88,867	-	88,867	-	88,867
Subtotal	683,217	594,350	88,867	-	683,217
Financial assets at fair value through other comprehensive income					
Stocks listed on domestic market	$ 3	3	-	-	3
Unquoted equity instruments at fair value measured	504,094	-	-	504,094	504,094
Subtotal	504,097	3	-	504,094	504,097
Total	$ 1,187,314	594,353	88,867	504,094	1,187,314

	December 31, 2019				
		Fair Value			
	Carrying amount	Level 1	Carrying amount	Level 1	Carrying amount
Financial assets at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at fair value through profit or loss	$ 167,238	167,238	-	-	167,238
Financial assets at fair value through profit or loss, mandatorily	93,655	-	93,655	-	93,655
Subtotal	260,893	167,238	93,655	-	260,893
Financial assets at fair value through other comprehensive income					
Stocks listed on domestic market	$ 3	3	-	-	3
Unquoted equity instruments at fair value	571,693	-	-	571,693	571,693
Subtotal	571,696	3	-	571,693	571,696
Total	$ 832,589	167,241	93,655	571,693	832,589

ii. Valuation techniques and assumptions not used in fair value

The consolidated company estimated the instrument of not used in fair value in the method and the assumptions as follows:

(i) Financial assets at amortised cost

If there is an open quotation in the active market, the market price shall be the fair value; if there is no market price for reference, the evaluation method is used to estimate or use the quotation of the counterparties.

(ii) Financial asset and liabilities at amortised cost

If there is quotation information of the transaction or market maker, the latest transaction price and quotation data shall be used as the basis for evaluating the fair value. If there is no market value for reference, the evaluation method is adopted. The fair value is estimated based on the discounted value of cash flow.

iii. Valuation techniques and assumptions used in fair value determination of financial instrument at fair value

Financial instruments traded in active markets are based on quoted market prices. The quoted price of a financial instrument obtained from main exchanges and on-the-run bonds from Taipei Exchange can be used as a basis to determine the fair value of the listed companies' equity instrument and debt instrument of the quoted price in an active market.

If public quotation of financial assets may be obtained from exchange, brokers, underwriters, industry association, pricing service agencies or competent authorities in a timely and frequent manner, and the prices represent actual and frequent fair market transactions, then the financial instrument consider as active market quoted publicly. If the above criteria are not met, the market is regarded as inactive. Generally, significant difference between the buying and selling prices, significant increase in such price difference or the rear transactions are indicators of an inactive market.

The financial instruments held by the company are classified as follows according to the evaluation sources used to determine the fair value:

- Financial instruments with active markets: Shares of listed company, the fair value based on quoted market prices.
- Financial instruments with no active markets: The fair value is estimated using

the market comparable company method. The main assumption is based on the net value multiplier derived from the market quotation of the comparable listed (counter) company of the investor. This estimate has been adjusted for the discount effect of the lack of market liquidity of the equity securities.

iv. Transfer between level 1 and level 2

In September 11, 2019, the shares of Yi Hsin textile Co., Ltd. is on listed of OTC and as quoted market prices in active market, therefore the fair vale transferred from level 3 to level 2 from the date of December 31, 2019.

v. Reconciliation of Level 3 fair values

		Fair value through profit or loss	Fair value through other comprehensive income
		Fair value through profit or loss, designated (designated at initial recognition)	**Unquoted equity instruments**
January 1, 2020	$	-	571,693
Total income or loss			
Recognized as other comprehensive income or loss		-	114,054
Disposal		-	(181,653)
December 31, 2020	**$**	**-**	**504,094**
January 1, 2019	$	102,558	614,144
Total income or loss			
Recognized as income or loss		47,259	-
Recognized as other comprehensive income		-	(42,451)
Purchase		10,728	-
Disposal		(66,890)	-
Transferred from level 3		(93,655)	-
December 31, 2019	**$**	**-**	**571,693**

Above stated total income or loss is recognised as "other income and loss" and "unrealised gains or losses at fair value through other comprehensive income financial asset". The total income or loss related to the assets held by the date of December 31, 2020 and 2019, as follows:

		Year 2020	Year 2019
Total income or loss			
Recognized as other comprehensive income or loss (listed under the "unrealized gains or losses at fair value through other comprehensive income")	**$**	**87,765**	**(42,451)**

vi. Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The fair value measured at level 3 of the consolidated company are financial assets measured at fair value through profit and loss – equity securities investment and financial assets at fair value through other comprehensive income – equity securities investment.

For fair value measurements categorised within level 3 of the fair value hierarchy quantitative information about significant unobservable inputs used in the fair value measurement, as follows:

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets at fair value through other comprehensive income equity investments without an active market	Comparative listed company	·Multiplier of price-to-earnings ratio (as of December 31, 2019 was 14.81) ·Market illiquidity discount rate (as of December 31, 2019 was 25%)	The estimated fair value would increase(decrease) if ·the multiplier was higher (lower) ·the market illiquidity discount were lower(higher)
Financial assets at fair value through other comprehensive income equity investments without an active market	Net asset value method	·Net asset value	N/A
Financial assets at fair value through other comprehensive income equity investments without an active market	Comparative listed company	·Multiplier of price-to-earnings ratio (as of December 31, 2020 and 2019 were 0.67~2.13 and 0.75~5.88, respectively) ·Market illiquidity discount rate (as of December 31, 2020 and 2019 were 30% and 25%, respectively)	·The estimated fair value would increase(decrease) if ·the multiplier were higher (lower) ·the market illiquidity discount were lower(higher)

vii. Fair value measurements in Level 3 – sensitivity analysis of reasonably possible alternative assumptions

The consolidated company's measurement of the fair value of financial instruments is reasonable, but the use of different evaluation models or evaluation parameters may result in different evaluation results.

For fair value measurements in Level 3, changing one or more of the assumptions would have the following effects on profit or loss and other comprehensive income:

	Input	Assumptions	Other comprehensive income: Favorable	Other comprehensive income: Unfavorable
December 31, 2020				
Financial assets fair value through other comprehensive income				
Equity investments without an active market	Price-to-book multiple	±1%	$ 5,041	(5,041)
	Liquidity discount	±1%	$ 17,847	(17,847)
December 31, 2019				
Financial assets fair value through other comprehensive income				
Equity investments without an active market	Price-to-book multiple	±1%	$ 5,051	(5,051)
	Liquidity discount	±1%	$ 6,734	(6,734)

The favourable and unfavourable effects represent the changes in fair value, and fair value is based on a variety of unobservable inputs calculated using a valuation technique.

If the fair value of the financial assets impacted by one or more input, the above table just represent the impact changed by single inputs and not consider of the relevant and the variability of inputs.

23. Financial risk management

(1) Overview

The consolidated company is exposed to the following risks arising from financial instruments:

i. Credit risk

ii. Liquidity risk

iii. Market risk

This note discloses information about the consolidated company’s exposure to the aforementioned risks, and its goals, policies, and procedures regarding the measurement and management of these risks. For additional quantitative disclosures of these risks, please refer to the notes regarding each risk disclosed throughout the financial report.

(2) Risk management framework

The consolidated company’s risk management policies are established to identify and analyse the risk faced by the consolidated company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the consolidated company’s activities. The consolidated company, through its training and management standard and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

(3) Credit risk

Credit risk is the risk of financial loss to the consolidated company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the consolidated company receivables from customers and investment securities.

i. Trade and other receivables

As the consolidated company has a large customer base, and does not significantly concentrate on trading with a single customer and the sales area is scattered, there is no concern of significant concentration in the credit risk of account receivable. To reduce the credit risk, the consolidated company regularly and continuously evaluates on the clients’ financial status and as in practice the consolidated company has not request collateral from our clients.

ii. Investments

The credit risk exposure in the bank deposits, fixed income investment and other financial instruments is measured and monitored by the consolidated company’s finance department. Since those who transact with the consolidated company are banks and other external parties with food credit standing, there are no non-compliance issues, and therefore there is no significant credit risk.

(4) Liquidity risk

The consolidated company aims to maintain the level of its cash and cash equivalents for the operating of the consolidated company and reduce the impact of rise and fall of cash flows. The management personnel of the consolidated company monitoring the use of short-term bank facilities and ensure the terms and condition of loan contract is complied.

The bank funding is one of the main sources of liquidity to the consolidated company. The consolidated company has unused short-term bank facilities of NT$1,384,775 thousand and NT$1,191,486 thousand on December 31, 2020 and 2019, respectively.

(5) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, and equity prices will affect the consolidated company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptance parameters and optimize the return on investment.

i. Currency risk

The consolidated company is exposed to currency risk on sales and purchase transactions that are denominated in a currency other than the respective functional currencies of the consolidated company, primarily TWD. The currencies used in these transactions are the TWD and USD.

With regard to monetary assets and liabilities denominated in a foreign currency, when a short-term risk exposure exists, the consolidated company relies on immediate foreign exchange transactions to ensure the net exposure to foreign exchange risk is maintained at an acceptance level.

ii. Interest rate risk

The consolidated company maintained in a combination of fixed interest rate and floating interest rate and make the interest rate perspective and the existing risk preference in consistency to ensure the hedging strategy for cost efficient.

iii. Other market price risk

The equity price risk of the consolidated company is caused by the investment in listed OTC equity securities. The equity investment is not held for trading, but a strategic investment. The consolidated company is not involved in the investment of aforementioned transaction. The management personnel of the company manage the risk by holding different risk investment combination.

24. Capital management

The consolidated company is to maintain a strong capital base so as to maintain investors compensation and the interest of other stakeholder to maintain the best capital structure to reduce the funds cost.

To maintain or adjust the structure, the consolidated company may adjust the dividends to the shareholders and return the capital to the shareholders by capital reduction, issuing new shares and selling assets to settle the liability.

The consolidated company is using debt ratio as basis to control the capital. The ratio is calculated by the net liability divided by total capital. The net liability as the liability listed on the balance sheet and less the cash and cash equivalent. Total amount of capital is the composition of all of the equity (capital stock, capital surplus, retained earnings and other equity) add the net liability.

The capital management strategy of 2020 is consistent with that of 2019, that is to maintain the certain debt ratio in order for funding with the reasonable cost.

The debt ratios on December 31, 2020 and 2019 are as follows:

	December 31, 2020	December 31, 2019
Total liability	$ 10,017,616	10,808,422
Less: cash and cash equivalent	479,716	513,740
Net liability	9,537,900	10,294,682
Total amount of equity	7,763,198	7,409,422
Adjusted capital	**$ 17,301,098**	**17,704,104**
Debt ratio	**55.13%**	**58.15%**

VII. Transactions with related parties

1. Name and relationship with the related parties

   The followings are entities that have had transactions with related party during the periods covered in the consolidated financial statements:

Name of the related party	Relationship with the consolidated company
CHANG, CHENG-TIAN	The chairman of the company
Jin Xian Welfare and Charity Foundation	Same chairman as the company

2. Significant transactions with the related parties

   (1) Funding to the related parties

   The subsidiaries finance from other related parties for the need of operation. The credit funded is NT$20,000 thousand without interest and as unsecured funding on the December 31, 2019. Until December 31, 2019, the above-mentioned payment is settled.

	Interest expense
	Year 2019
Key management of the subsidiaries	$ 116

   The consolidated company funding from the related parties and each of the subsidiaries allocate interest of 1.6% as agreed by both parties, and as unsecured funding.

   (2) Others

   The consolidated company donates to Jin Xian Welfare and Charity Foundation NT$1,500 thousand and NT$2,300 thousand as of Year 2020 and 2019.

3. Personnel transaction from key management

	Year 2020	Year 2019
Short-term employee benefits	$ 30,831	28,819
Post-employment benefits	135	133
	$ 30,966	28,952

VIII. Assets pledged as collaterals

The composition of the carrying value pledge for endorsement, as follows:

Pledged assets	object	December 31, 2020	December 31, 2019
Other financial asset - current	Short-term rental	$ -	3,370
Other financial asset – non-current	Long-term rental	5,706	5,704
Property, plant and equipment\	Long-term and short-term rental	2,425,745	2,758,266
Investment property	〃	9,849,972	9,176,341
Non-current assets held for sale	〃	-	1,136,227
		$ 12,281,423	13,079,908

IX. Major contingent liabilities and unrecognized contractual commitments

1. Significant unrecognized contractual commitments:

(1) The letter of credit that were issued but not used as of the date of December 31, 2020 and 2019:

	December 31, 2020	December 31, 2019
New Taiwan Dollars	$ 228,293	292,086
US Dollars	$ 2,370	1,247
Japanese Yen	$ 29,425	2,843

(2) The Note received for the guarantee of the sales payment of the consolidated company were NT$29,735 thousand and NT$3,604 thousand on the date of December 31, 2020 and 2019, respectively.

(3) The amount of contract signed for purchase the investment property and the floor are ratio of the consolidated company were NT$1,419,348 thousand and NT$2,349,534 thousand on the date of December 31, 2020 and 2019, respectively, and paid NT$285,415 thousand and NT$ 410,947 thousand according to the contract (listed as other noncurrent assets-other).

(4) The land joint development of the consolidated company with Farglory construction Co., Ltd. is approved by the board of director on the January 29, 2019 and with the expected allocation ratio of 64.00%. The allocated land and housing will be used as headquarter and for lease or sell to increase rental income and increase in capital. The consolidated company received the deposit for joint develop were NT$99,000 thousand and NT$33,000 thousand on the date of December 31, 2020 and 2019.

(5) The unrecognized commitments of the consolidated company as follows

	December 31, 2020	December 31, 2019
Contract signed (before tax)		
Purchase of raw material	$ 49,950	-
Purchase of Equipment	$ -	23,693
Non-current assets held for sale	$ -	2,213,605
Payment paid or received		
Purchase of raw material(Note1)	$ 14,985	-
Purchase of equipment(Note2)	$ -	20,164
Non-current assets held for sale	$ -	293,474

Note 1: Recognised as inventories and prepayment account

Note 2: Recognised as property, plant and equipment and other non-current assets.

2. Contingent liabilities

The consolidated company issued the guarantee notes submitted for the purpose of purchasing raw material and loans amounted NT$1,401,211 thousand and NT$1,544,211 thousand on the date of December 31, 2020 and 2019, respectively.

X. Loss due to major disasters: N/A

XI. Significant subsequent events: N/A

XII. Other

The employee benefits expenses, depreciation and amortization, categorized by function, were as follows:

By function / By nature	Year 2020				Year 2019			
	Operating costs	Operating expenses	Discontinued operation	Total	Operating costs	Operating expenses	Discontinued operation	Total
Employee benefit								
Salary	118,499	58,180	5,441	182,120	153,169	92,612	61,244	307,025
Labor and health insurance	14,533	17,819	253	32,605	14,374	5,253	5,439	25,066
pension	7,270	2,277	135	9,682	6,888	2,506	2,194	11,588
Remuneration of directors		18,391		18,391			13,322	13,322
Other	8,678	2,340	154	11,172	10,552	3,154	2,690	16,396
Depreciation	133,001	9,417	480	142,898	101,422	8,898	50,128	160,448
Amortization	570	-	944	1,514	241	123	4,239	4,603

XIII. Additional disclosure

1. Information on major transactions

   The following is the information on significant transactions required by the "Regulations Governing the Preparation of the Financial Reports by Securities Issuers" for the consolidated company for the years ended December 31, 2020:

(1) Loans extended to other parties:

Unit: Thousands of New Taiwan Dollars

No.	Name of lender	Name of borrower	Financial statement account	Related party	Highest balance of financing to other parties during the period	Endling balance	Amount actually drawn	Range of interest rates	Purposes of fund financing for the borrowers	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Financing limit for each borrowing company	Maximum financing limit for the lender
													Item	Value		
1	Yi Tong Fiber Co., Ltd.	Da Yi International Development Co., Ltd.	Other Receivable	Yes	10,000	-	10,000	1.8%	2	-	Operational capital	-		-	177,060	265,589

Note 1: The nature of the loans as follows:
  (1) With business transactions.
  (2) With the necessity of short-term loan.

Note 2: The amount of loan funding shall not exceed 30% of the total capital received of the company and ceiling to individual borrowers shall not exceed 20% of the total capital received of the company.

Note 3: Write-off by the time preparing the consolidated financial statement

(2) Endorsement and guarantees for others: N/A

(3) Securities hold at the end of the period (excluding investing in subsidiaries, affiliated enterprise and joint ventures):

Unit: Thousands of New Taiwan Dollars

Name of holder	Nature and name Of security	Relationship With the security issuer	Account Name	Ending Balance				Maximum investment in 2020	Remark
				Number of shares	Book value	Holding percentage	Market value		
Yi Jinn Industrial Corp., Limited.	Shares of Cheng Shin Rubber Industry Co., Ltd.	None	Fair value through profit or loss financial assets – current	790,000	34,799	0.02 %	34,799	0.02%	
"	Shares of Zig Sheng Industrial Co., Ltd.	"	"	3,543,000	39,682	0.64 %	39,682	0.64%	
"	Shares of Asia Cement Corporation	"	"	2,050,000	88,560	0.06 %	88,560	0.06%	
"	Shares of Far Eastern New Century Corporation	"	"	1,800,000	52,110	0.03 %	52,110	0.03%	
"	Shares of Taiwan Cement	"	"	2,049,000	88,517	0.03 %	88,517	0.03%	

	Corporation								
"	Shares of Universal Textile Co., Ltd.	"	"	2,530,000	29,474	1.94 %	29,474	1.94%	
"	Shares of Hua Nan Financial Holding Co., Ltd.	"	"	1,851,220	33,785	0.01 %	33,785	0.01%	
Yi Jinn Industrial Corp., Limited.	Shares of Taiwan Taffeta Fabric Co., Ltd.	None	Fair value through profit or loss financial assets – current	484,000	4,327	0.37 %	4,327	0.37%	
"	Shares of First Financial Holding Co., Ltd.	"	"	1,236,000	26,389	0.01 %	26,389	0.01%	
"	Taishin Strategy Senior Total Return High Yield Bond Fund Inc USD B	"	"	100,000	1,018	- %	1,018	- %	
"	Franklin Templeton Sino Am AI Hi-Tech Fund-USD	"	"	300,000	3,105	- %	3,105	- %	
"	Ho Chi Tang Investment Co., Ltd.	"	Fair value through other comprehensive income financial assets - non-current	2,430,530	7,196	14.75 %	7,196	14.75%	
"	Shares of Kuanz Ho Securities	The company as the legal entity director	"	6,866,506	142,892	15.58 %	142,892	15.58%	
"	Shares of COCONA.INC.	None	"	3,225,018	44,087	12.77 %	44,087	12.77%	
"	Shares of YaMai (Hong Kong) Limited	"	"	11,700,000	49,869	10.17 %	49,869	10.17%	
"	Shares of Nice Plaza Co., Ltd.	The company as the legal entity director	"	15,000,000	177,150	8.68 %	177,150	8.68%	
Yi Tong Fiber Co., Ltd.	Shares of Cheng Shin Rubber Industry Co., Ltd.	None	Fair value through income or loss financial assets - current	800,000	35,240	0.02 %	35,240	0.02%	
"	Shares of Yi Jinn Industrial Corp., Limited.	Ultimate parent entity	Fair value through other comprehensive income financial assets - non-current	57,954,410	956,248	19.21 %	956,248	19.21%	
"	Shares of KHH Arena Corporation	None	"	1,000,000	14,803	0.40 %	14,803	0.40%	
"	Xin Mao Investment Co., Ltd.	Subsidiaries of parent company	"	2,050,000	39,168	12.15 %	39,168	12.15%	
"	Shares of Taiwan Incubator SME Development Corporation	The company as the legal entity director	"	2,425,280	17,868	3.44 %	17,868	3.44%	
"	Shares of The First Leasing Corporation	"	"	3,072,325	37,413	13.97 %	37,413	13.97%	
Da Tian International Co., Ltd.	Shares of Zig Sheng Industrial CO., LTD.	None	Fair value through income or loss financial assets - current	1,007,000	11,278	0.18 %	11,278	0.18%	
"	Shares of Yi Shin Textile Co., Ltd.	"	Fair value through income or loss financial assets non-current	1,200,000	43,392	2.78 %	43,392	2.78%	
Xin Mao Investment Co., Ltd.	Shares of Yi Jinn Industrial Corp., Limited.	Ultimate parent entity	Fair value through income or loss financial assets - current	20,510,470	338,423	6.80 %	338,423	6.80%	Note
"	Shares of Hung Chou Fiber Industry Co., Ltd	Subsidiaries of parent company	"	152,000	1,376	0.12 %	1,376	0.12%	
"	Shares of Kwang Ming Silk Mill Co., Ltd.	"	"	50,000	1,255	0.12 %	1,255	0.12%	
"	Shares of Yi Shin Textile Co., Ltd.	None	Fair value through income or loss financial assets non-current	1,257,600	45,475	2.91 %	45,475	2.91%	
"	Shares of Yi Tong Fiber Co., Ltd.	Subsidiaries of parent company	Fair value through other comprehensive income financial assets - non-current	1,325,601	16,948	1.50 %	16,948	1.50%	
"	Shares of Ho Chi Tang Investment Co., Ltd.	None	"	150,000	618	0.91 %	618	0.91%	
"	Shares of Cheering Knitting industrial Co., Ltd.	"	"	25,400	464	0.58 %	464	0.58%	
"	Shares of I Jinn Industrial Co., Ltd.	"	"	105,000	1,365	0.60 %	1,365	0.60%	
Kwang Ming Silk Mill Co., Ltd.	Shares of Cheng Shin Rubber Industry Co., Ltd.	"	Fair value through profit or loss financial assets – current	451,000	19,866	0.01 %	19,866	0.01%	
"	Shares of Formosa Chemicals & Fibre Corporation	"	"	401,000	33,965	0.01 %	33,965	0.01%	
"	Shares of Taiwan Cement Corporation	"	"	1,100,000	47,520	0.02 %	47,520	0.02%	
"	Shares of Far Eastern New Century Corporation	"	"	500,000	14,475	0.01 %	14,475	0.01%	
"	Shares of Asia Cement Corporation	"	"	700,000	30,240	0.21 %	30,240	0.21%	
"	Shares of Yi Tong Fiber Co., Ltd.	Subsidiaries of parent company	Fair value through other comprehensive income financial assets - non-current	670,680	8,583	0.76 %	8,583	0.76%	
Hung Chou Fiber Industry Co., Ltd	Shares of China Man-made Fiber Co., Ltd.	None	Fair value through other comprehensive income financial assets - non-current	278	3	- %	3	- %	
"	Shares of Taiwan Filament Weaving Development Co., Ltd.	"	Fair value through other comprehensive income financial assets - non-current	2,175,660	10,369	3.57 %	10,369	3.57%	

Note: Pledged for 13,500,000 shares.

(4) Accumulative amount of buy in or sold out of single securities that exceed Three hundred thousand New Taiwan Dollars or 20% of the total capital received: N/A

(5) The amount of acquired properties exceeds Three hundred thousand New Taiwan Dollars or 20% of the total capital received:

Unit: Thousands of New Taiwan Dollars

Company of Acquired real estate	Name of property	Date of Occurrence of the fact	Amount of Transactions	Condition of payment	Trading parties	Relationship	If the transaction parties is related parties, the information of previous transfer				Price determination Acquired real estate	Purpose of acquired and condition of using property	Other Occurrence of the fact
							owners	The relationship with the issuer	The date transferred	Amount			
The Company	Land and building of Gongjian Section, Xizhi District, New Taipei City	July 26, 2018	956,545	239,136	Kuo Yang Construction Co., Ltd.	None	-	-	-	-	Appraisal Report	Owner-occupied or rent	
The Company	Land and building of Haotian Section, Xizhi District, New Taipei City	November 28, 2019	442,695	442,695 (Note)	Farglory Land Development Co., Ltd. And Farglory International Investment Co., Ltd.	None	-	-	-	-	Appraisal Report	Owner-occupied or rent	
The Company	Land and building of Haotian Section, Xizhi District, New Taipei City	August 30, 2019	364,952	364,952 (Note)	Farglory Land Development Co., Ltd. And Farglory International Investment Co., Ltd.	None	-	-	-	-	Appraisal Report	Owner-occupied or rent	
The Company	Land and building of Haotian Section, Xizhi District, New Taipei City	August 30, 2019	72,109	72,109 (Note)	Farglory Land Development Co., Ltd. And Farglory International Investment Co., Ltd.	None	-	-	-	-	Appraisal Report	Owner-occupied or rent	
The Company	Land and building of No.228, Xinhu 2nd Road, Neihu District, Taipei City	September 20, 2019	538,464	538,464 (Note)	CHEN, YONG-HONG	None	-	-	-	-	Appraisal Report	Owner-occupied or rent	
The company	Land and building of Haotian Section, Xizhi District, New Taipei City	December 30, 2020	462,803	46,279	Farglory Land Development Co., Ltd. And Farglory International Investment Co., Ltd.	None	-	-	-	-	Appraisal Report	Owner-occupied or rent	
Yi Tong Fiber Co., Ltd.	Yixian Rd., Xinyi Dist.,Two short paragraphs154-166 Land and buildings	January 4, 2019	224,594	224,594 (Note)	United Daily News Co., Ltd	None	-	-	-	-	Appraisal Report	Owner-occupied or rent	

Note: The ownership is transferred at the year 2020.

(6) The amount of disposal properties exceeds Three hundred thousand New Taiwan Dollars or 20% of the total capital received:

Unit: Thousands of New Taiwan Dollars

Company of disposing property	Name of the assets	Date of occurrence of the fact	Acquired date	Book Value	Amount of Transactions	Condition of Receiving	Income and loss from disposal (Note)	Parties of transaction	relationship	Purpose of disposal	Price determination and supporting evidence	Other matters agreed
The Company	Land and Building of Da Ying Section, Sinshih District, Tainan City	July 31, 2019	February 28, 2011	422,540	619,817	619,817	185,293	Fubon Multimedia Technology Co., Ltd.	Third Parties	Revitalizing and use of assets	Appraisal Report	
The Company	Land and Building of Da Ying Section, Sinshih District, Tainan City	October 31, 2019	February 28, 2011	314,607	531,189	531,189	212,727	XIE, HOND-DE	Third Parties	"	"	
The Company	Land and Building of Da Ying Section, Sinshih District, Tainan City	October 31, 2019	February 28, 2011	314,607	531,189	531,189	212,727	ZHANG, XIU	Third Parties	"	"	
The Company	Land and Building of Da Ying Section, Sinshih District, Tainan City	October 31, 2019	February 28, 2011	314,608	531,188	531,188	212,726	LIN, KUN-HAI	Third Parties	"	"	
The Company	Land and Building of Section four, Zhongxiao East Road	May 14, 2020	December 21, 2017	502,964	534,699	534,699	25,954	Wan Hai Lines Limited	Third Parties	"	"	
The Company	Land and Building of Da Ying Section, Sinshih District, Tainan City	June 3, 2020	February 28, 2011	125,490	314,472	314,472	160,000	ZHOU, MING-HE	Third Parties	"	"	

Note: Net value including deduction from related tax.

(7) The amount of purchase or sell exceed One Hundred Million New Taiwan Dollars or 20% of the capital received:

Unit: Thousands of New Taiwan Dollars

Company of Purchase or Sales	Name of Trading Subject	Relationship	Trading Status				Situation and reasons in difference of trading conditions with normal tradings		Note, Account receivable (payable)		Remark
			Purchase or Sales	Amount	Ration to the total purchase or sales	Credit Period	Unit Price	Credit Period	Balance	Ratio to the total Note, Account receivable (payable)	
Hung Chou Fiber Industry Co., Ltd	Kwang Ming Silk Mill Co., Ltd.	associate(s)	Sales	238,884	15.32%	Credit on 15 days	The sales price to the related parties are set by the quotation of the price of the raw material and were not significantly different from those sales to third parties	15 Days	33,301	25.87%	
Kwang Ming Silk Mill Co., Ltd.	Hung Chou Fiber Industry Co., Ltd	associate(s)	Purchase	238,884	53%	〃	〃	〃	(33,301)	85%	

Note: The purchase and sole of entity of the consolidated company is write-offed when the time of preparing consolidated financial statement.

(8) Account receivable from the related parties exceed One Hundred Million New Taiwan Dollars or 20% of the Capital received: N/A

(9) Financial derivative transactions: NA

(10) Business relationship and significant intercompany transactions:

NO	Name of company	Name of counter-party	Existing relationship with counter-party	Transaction details			
				Account name	amount	Trasing terms	Percentage of the total consolidated revenue or total assets
0	Yi Jinn Industrial Corp., Limited.	Kwang Ming Silk Mill Co., Ltd.	1	Disposal of property, plant and equipment	44,360	No significant differences	0.25%
1	Kwang Ming Silk Mill Co., Ltd.	Yi Jinn Industrial Corp., Limited.	2	Note receivable	18,365	No significant differences	0.10%
2	Hung Chou Fiber Industry Co., Ltd	Kwang Ming Silk Mill Co., Ltd.	3	Sale income	238,884	No significant differences	8.82%
2	Hung Chou Fiber Industry Co., Ltd	Kwang Ming Silk Mill Co., Ltd.	3	Rental income	24,000	No significant differences	0.89%
2	Hung Chou Fiber Industry Co., Ltd	Kwang Ming Silk Mill Co., Ltd.	3	Note receivable	33,301	No significant differences	0.19%

Note 1: the number indication as follows:

1. 0 as Parent Company.
2. Subsidiaries is in order from figure 1 according to the company

Note 2 the existing relationship with counterparty as follows:

1. Parent to subsidiaries
2. Subsidiaries to parent
3. Subsidiaries to Subsidiaries

2. Information on reinvesting enterprise

The information on reinvesting enterprise of the consolidated company in 2020 as follows (not including investing enterprise in Mainland China).

Unit: Thousands of New Taiwan Dollars

Investing company Name	Investee company Name	Location	Main operating business	Initial investing amount		Holdings at the end of period			Maximum shareholding or capital contribution during the period	Investee company Current Profit and loss	Listed of the Period Investment Profit and Loss	Remark
				End of Period	End of last year	Shares	Rate	Book Value				
Yi Jinn Industrial Corp., Limited.	Yi Tong Fiber Co., Ltd.	Taiwan	Real Estate Rental or trading	449,762	449,762	40,771,879	46.05%	408,860	46.05%	55,693	(936)	Subsidiaries
Yi Jinn Industrial Corp., Limited.	Xin Mao Investment Co., Ltd.	Taiwan	Investment	298,091	298,091	5,959,886	35.33%	(7,662)	35.33%	60,151	(3,078)	"
Yi Jinn Industrial Corp., Limited.	Kwang Ming Silk Mill Co., Ltd.	Taiwan	Cotton filament, artificial fibre and others manufacturing, processing and trading business	474,758	474,758	15,586,193	38.53%	667,006	38.53%	(18,664)	(7,285)	"
Yi Jinn Industrial Corp., Limited.	Hung Chou Fiber Industry Co., Ltd	Taiwan	Synthetic fibres, plastic filament manufacturing, processing and trading business	249,778	249,778	36,601,000	27.70%	465,043	27.70%	(162,037)	(43,913)	"
Yi Jinn Industrial Corp., Limited.	Da Tian International Co., Ltd.	Taiwan	Housing and Building Development	100,000	100,000	10,000,000	33.33%	101,900	33.33%	(2,458)	(820)	"
Yi Jinn Industrial Corp., Limited.	Da Yi International Development Co., Ltd.	Taiwan	Housing and Building Development	612,500	490,000	61,250,000	61.25%	514,174	61.25%	(98,226)	(61,401)	"
Yi Tong Fiber Co., Ltd.	Kwang Ming Silk Mill Co., Ltd.	Taiwan	Cotton filament, artificial fibre and others manufacturing, processing and trading business	98,507	98,507	3,246,900	8.03%	141,119	8.03%	(18,664)	Exempted from disclosure	"
Yi Tong Fiber Co., Ltd.	Hung Chou Fiber Industry Co., Ltd	Taiwan	Synthetic fibres, plastic filament manufacturing, processing and trading business.	65,000	65,000	10,000,000	7.57%	175,662	7.57%	(162,037)	"	"
Yi Tong Fiber Co., Ltd.	Chu Sing Industrial CO., Ltd.	Taiwan	All sorts of man-made, natural fibre manufacturing, processing and trading business	22,185	22,185	269,285	31.09%	26,491	31.09%	(4,213)	"	associate(s)
Yi Tong Fiber Co., Ltd.	Da Tian International Co., Ltd.	Taiwan	Housing and Building Development	75,000	75,000	7,500,000	25.00%	76,433	25.00%	(2,458)	"	Subsidiaries
Yi Tong Fiber Co., Ltd.	Da Yi International Development Co., Ltd.	Taiwan	Housing and Building Development	10,000	-	1,000,000	1.00%	9,632	1.00%	(98,226)	"	"
Kwang Ming Silk Mill Co., Ltd.	Hung Chou Fiber Industry Co., Ltd	Taiwan	Synthetic fibres, plastic filament manufacturing, processing and trading business.	45,500	45,500	7,000,000	5.30%	122,987	5.30%	(162,037)	"	"
Kwang Ming Silk Mill Co., Ltd.	Da Yi International Development Co., Ltd.	Taiwan	Housing and Building Development	100,625	80,500	10,062,500	10.06%	84,871	10.06%	(98,226)	"	"
Hung Chou Fiber Industry Co., Ltd	Da Yi International Development Co., Ltd.	Taiwan	Housing and Building Development	61,875	49,500	6,187,500	6.19%	53,426	6.19%	(98,226)	"	"
Da Tian International Co., Ltd.	Da Yi International Development Co., Ltd.	Taiwan	Housing and Building Development	40,000	40,000	4,000,000	4.00%	33,738	5.00%	(98,226)	"	"

Note: the subsidiaries part is write-off by the time of preparing consolidate statement.

3. Information on investment in Mainland China: N/A
4. Information on major shareholders:

Shares / Name of major shareholders	Shareholding	Ratio of shareholding
Yi Tong Fiber Co., Ltd.	57,954,410	19.21%
CHANG, CHENG-TIEN	25,010,494	8.29%
Xin Mao Investment Co., Ltd.	20,510,470	6.79%
Yi Jinn Industrial Co., Ltd.	16,669,717	5.52%

XIV. Segment information

1. General Information

   The consolidated company has three segments that shall be disclosed: textile segment, leasing segment and general segments. The textile segment is engaged in the processing and trading of artificial and natural fibre and textile products. Leasing segment is engaged in real estate sales and leasing business. The general segments are engaged in the import and export business of textile products and investment in various securities and real estate development.

   The segments of the consolidated company segments that shall be disclosed were the strategic business units providing products and services. Because each strategic business unit needs different technology and marketing strategy, it must be managed separately. Most of the operating units are acquired individually and the management teams were retained by the time of acquisition.

2. The information on the income and loss, assets and liabilities of the reported segments and its measurement and adjustment

   The consolidated company takes the income and loss, checked and reviewed by the main operating decision maker with internal management report, as the basis of management sources allocation and assessing performance. The income tax, the recurring income and loss and exchange income and loss were managed in the basis of the Group, therefore the consolidated company not allocating income tax expense (income), and nonrecurring income and loss and exchange income and loss to the reported segment. In addition, not all of the income and loss of disclosed segments include non-cash items, except depreciation and amortised. The amount of the report and the report for operating decision maker is consistent.

   The consolidated company assumed the purchase, sale and transfer between the segments as the third parties' transaction and measured in current market price.

   Operating Segments Information and Adjustment, as follows

	Year 2020				
	Segment of textile	**Segment of leasing**	**Segment of general**	**Adjustment and elimination**	**Total**
Income:					
Income From outside customers	$ 2,548,637	158,578	-	-	2,707,215
Income within the segment	328,200	27,625	-	(355,825)	-
Interest income	1,354	60	-	(39)	1,375
Total income	$ 2,878,191	186,263	-	(355,864)	2,708,590
Interest expense	$ 75,473	55,814	1,029	(3,563)	128,753
Depreciation and amortization	110,980	33,342	-	(1,424)	142,898
The amount of affiliated enterprise and joint venture under the equity method	(138,129)	(20,340)	-	157,135	(1,334)
Income and loss of reported segment	$ 597,088	24,910	82,910	105,379	810,287
Assets:					
Investment under equity method	$ 2,410,605	463,074	-	(2,847,188)	26,491
Capital expense of non-current assets	67,232	1,916,287	4,985	-	1,988,504
Assets of reported segment	**$ 13,349,570**	**6,692,439**	**407,618**	**(2,668,813)**	**17,780,814**
Liabilities of reported segment	**$ 6,451,717**	**3,722,643**	**85,332**	**(242,076)**	**10,017,616**

	Year 2019				
	Segment of textile	Segment of leasing	Segment of general	Adjustment and elimination	Total
Income:					
Income From outside customers	$ 3,886,319	185,154	-	-	4,071,473
Income within the segment	713,803	25,825	-	(739,628)	-
Interest income	2,360	104	-	(116)	2,348
Total income	$ 4,602,482	211,083	-	(739,744)	4,073,821
Interest expense	$ 84,977	58,361	1,180	(3,998)	140,520
Depreciation and amortization	133,336	30,480	-	1,235	165,051
The amount of affiliated enterprise and joint venture under the equity method	203,151	40,098	-	(243,239)	10
Income and loss of reported segment	$ 359,813	489,359	167,079	(365,604)	650,647
Assets:					
Investment under equity method	$ 2,416,291	478,203	-	(2,866,669)	27,825
Capital expense of non-current assets	1,249,878	515,175	-	-	1,765,053
Assets of reported segment	$ 14,025,847	6,379,739	371,836	(2,559,578)	18,217,844
Liabilities of reported segment	$ 7,351,990	3,672,151	84,272	(299,991)	10,808,422

3. Information on regions: Refer to Note 6 (18).
4. Information on major customers
   The composition of customers that exceed 10% of the amount of operating income of the consolidated company in 2020 and 2019 is as follows:

	Year 2020	Year 2019
Client B	$ 270,362	428,399