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RADIUM LIFE TECH. CO., LTD.

2020 ANNUAL REPORT

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http://mops.twse.com.tw

http://www.radium.com.tw

Notice to readers

This English version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English versions and Chinese versions, the Chinese version shall prevail.

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Letter to Shareholders

Dear Shareholders,

Thank you for your continued trust and support to Radium Life Tech Co., Ltd. In spite of the challenging COVID-19 pandemic, the team has been working hard to deliver the best results from our construction division, healthcare, circular economy, and transportation service business. The Radium Group is committed in further expanding and diversifying our businesses to match future trends and to meet shareholders' expectations.

In February of 2020, the Radium Group's construction business and the subsidiary Titan Development and Construction Co., Ltd. signed the "Kaohsiung Railway Station East Old Dormitory Area Urban Renewal Project" with the Taiwan Railways Administration to develop 8,378 pings near the east of the Kaohsiung Station as an urban renewal project. In December of 2020, Radium signed two investment contracts for land development projects with the Taichung City Government. The two projects will utilize the transit-oriented development (TOD) model, the Wenxin Chongde Station lot has a size of around 700 pings while the Wenxin Yinghua Station lot is around 500 pings. Both lots are located on the Green Line of Taichung MRT and will be constructed directly adjacent to their respective MRT station and will be future landmarks in the Taichung. In addition, Radium was also awarded the "Urban Renewal Project for Lot 246, Subsection 3 Gongyuan Section, Zhongzheng Dist., Taipei City" in December 2020. This project site currently houses the Lianhe Building and is located at the intersection of the Guanqian Road and the Xinyang Street. The total land area is 599 pings and is zoned as a Type 4 Commercial zoning. The Group is planning to utilize the advantages of the Guanqian Road commercial area along with the neighboring five transportation systems to develop a smart, green and Grade A office building. The project shall be a landmark in Taipei's historic downtown area. The investment contract for this project is scheduled to be signed during the first half of 2021.

Taiwan has become an aging society, enterprises need to be more aggressive in providing solutions to support the elderly in both physical and psychological needs. A few years back the Radium Group began establishing our elderly care business and at the end of 2020 Radium formally announced "Radium Silver Life Project" Project. The project is aimed at creating an elderly care facility in Sanzhi that offers quality retirement services to meet the different needs of the elderly. The Genesis-Sanzhi is divided into an east and west wings with a total area of about 5,864 pings, that include residential units (The GENESIS) for sale and units for rent (Le Tau Chu Senior Happiness Home-Sanzhi). Radium Silver Life Project focuses on health promotion and customized care, utilizing the latest technology such as ultra-wideband (UWB) positioning technology and cloud monitoring while also providing nurses and dieticians all in one location. In the future, there are plans to enter into agreement with professional medical care, long-term care, healthcare departments of Mackay Medical College, the Minghsin University of Science and Technology, and St. John's University. The company plans to develop a safe and worry free environment for the elderly.

Rih Ding Water Enterprise Co., Ltd., which is part of the circular economy division, has constructed Taoyuan North District Wastewater Treatment Facility, which is a Silver Grade Green Building, located at Taoyuan's North District. The company operates the Taoyuan facility and is in charge of the sewerage system construction. The wastewater treatment facility, located on a 7,610- hectare lot, processed over 17 million metric tons of wastewater in 2020. The company has also completed phase 2 of the project in December 2020, which added an additional 115 kilometers of pipeline to the underground network. Additionally, the company is ahead of schedule in terms of reaching the 100,000 households and completed the goal of treating 100,000 metric tons of sewage daily. Moreover, along with patented BioNET and membrane bioreactor (MBR) filtration technology, it can generate up to 30,000 tons of reusable water a day and support

in improving the water quality of the Nankan River.

In 2020, Radium entered into a partnership with ECOVE Environment Services Corp., an affiliate of CTCI Corporation, and has been awarded the BOT Project of Resource Processing Center in Changhua Coastal Industrial Park by Industrial Development Bureau. Jing Ding Green Energy Technology Co., Ltd. was established to manage operations for the said BOT project over the next 20 years. An environmental impact assessment is currently underway. The project looks to process an estimated 700 tons of general industrial waste, sludge, waste oil, and waste daily once operations are up and running. Radium Group's subsidiary Rih Zuan Green Energy has installed solar panels in Qishan, Kaohsiung which generates 3 million kWh per year. The generated electricity is returned to the grid and should be enough to supply the needs of around 1,546 residents in the Greater Kaohsiung per year.

Diversification has a core philosophy for the Radium Group. Q Square, a Radium Group subsidiary, is located in the same development as the Taipei Bus Station. Q square, which has been a financial success, has officially opened a new branch "Q square Xiaobitan" in March 2020. To enhance the Mehas project in the Xindian area, an artificial deck was designed and constructed that houses a 20,000 ping green park. This deck comprises a part of the 1km long project which is located right beside the riverbank of the Xindian River. The opening of the Q sqaure Xiaobitan location has also enhanced the living environment within the Mehas project. On the other hand, the Radium-Kagaya International Hotel, the sole overseas branch of Kagaya from Japan, which has been ranked first place of the "Top 100 Japanese Hotels" for 36 consecutive years, has been awarded "2020 Taiwan Service Industry Awards - Gold Medal in Hotel Industry (Leisure and Resort)." Even during the difficulties due global Covid-19 pandemic, the Radium-Kagaya team has persevered and worked hard to deliver unparalleled service and hospitality.

The Radium Group also operates the Taipei Bus Station. Its subsidiary, Wan Da Tong, manages the bus terminal which serves 900,000 buses annually that translates to around 12 million passengers per year. The company utilizes the latest technology to efficiently manage the high volume of buses that come in and out of the terminal while reducing carbon emissions by 5% to 8% per year. This has enabled Wan Da Tong to garner several accolades from the Industrial Development Bureau, Ministry of Economic Affairs, and the Ministry of Transportation and Communications. Wan Da Tong has worked with the major bus companies such as United Nations, Guoguang, Gemalan, Hexin, Aloha, the main operators of Taiwan Union, Taroko Passenger Transport and Jieshun Transportation to launch the Taipei Bus Station Smart Ticket Platform APP in June 2020. The platform allows passengers to purchase tickets online and also access a plethora of other transportation platforms which makes it easier for travelers to navigate the different locations in Taiwan.

As part of the ESG (Environment, Society, Governance), the Radium Group's construction projects have all adopted green building practices as the benchmark. Projects such as Radium Perfect Life in Banqiao, Super Station in Daqiaotou, Le Tau Chu Senior Happiness Home-Zhonghe, youth housing projects in Zhonghe & Sanchong, Taoyuan North District Water Recycling Center, and Radium's New Q Square in Qingpu, etc., all have been awarded Green Building certifications. As for Sanzhi's the GENESIS and the Le Tau Chu Senior Happiness Home-Sanzhi, these are being designed with higher greenery coverage and to meet the criteria for green buildings. Radium Perfect Life, which was awarded a Double-Diamond-Grade Green Building, contains over 25,000 pings of green space with 89 kinds of trees and shrubs. The ecological rainwater storage system, designed for water retention and flood detention, can recycle up to 6,166 tons of water. The community's green areas can reduce carbon dioxide emissions by 3,001 metric tons per year, which is equivalent to 7.8 fold of the annual carbon adsorption capacity of Daan Forest Parks. Also, the Kaohsiung Railway Station East Old Dormitory Area Urban Renewal Project signed in 2020, Wenxin Chongde Station project and Wenxin Yinghua

Station project for Taichung MRT, as well as the urban renewal project for Lot 246, Subsection 2 Gongyuan Section, Zhongzheng Dist., Taipei City project are all designed to meet the criteria of Smart Green Buildings.

Although global environment was very challenging in 2020, Radium was cautiously looking for opportunities. Radium performed a timely transformation to meet on-going challenges and take advantage of available opportunities. The 40 years of experience in the construction and development industry has been transformed into a diversified conglomerate operating in several areas such bus terminal operations, circular economy, retail, hospitality and other businesses. In the future, Radium will be assessing how to leverage the latest technology and global trends to further innovate and make a digital transformation to meet local and global demands while increasing competitiveness. Radium Group will continue focusing on the core concepts of “innovation, diversity, sustainability, and co-living”. Once again, thank you for your support and trust to the Radium Group.

The following is the Company’s 2020 operating results and 2021 outlook for shareholders:

I. 2020 Operating Results

(I) Consolidated financial results

Unit: NT$ thousand；%

Year / Items	2020	2019	Growth Rate
Operating Revenue	6,772,332	6,325,345	7.07
Net Income	667,285	466,337	43.09
Net Margin	9.85	7.37	33.65

As for the Company's income recognized for 2020 with construction projects delivered, the consolidated operating revenue of 2020 reached NT$6,772,332 thousand, an increase of NT$446,987 thousand compared with 2019 years; the net income in 2020 was NT$667,285 thousand, an increase of NT$200,948 thousand compared with 2019 at a growth rate of 43.09%.

(II) Budget implementation

The company did not compile a financial forecast in 2020.

(III) Financial Income and Expenditure and Profitability Analysis

1. Cash Flow Change Analysis

Unit：%

Year / Items	2020	2019	Percentage Change
Cash Flow Ratio	—	—	—
Cash Flow Adequacy Ratio	228.79	149.30	53.24
Cash Flow Re-investment Ratio	(1.32)	(1.85)	(28.65)

Note: "-" is for negative net cash flow from operating activities.

As the Company's construction projects in 2020 were successively delivered and the gains were recognized, the inventories continued to decrease, and the cash flow adequacy ratio increased compared with that in 2019.

The Company issued cash dividends in 2020 and 2019, respectively, resulted in a negative cash reinvestment ratio. The cash flow reinvestment ratio in 2020 increased compared with that in 2019, due to the decrease in cash dividends distributed in 2020 compared to 2019.

2. Profitability analysis

Unit：%

Items \ Year	2020	2019	Percentage Change
Return on Total Assets	2.27	2.06	10.19
Return on Equity	5.69	3.92	45.15
Net Margin	9.85	7.37	33.65
Basic /Diluted Earnings Per Share (NT$)	0.69	0.45	53.33

As the Company's construction projects in 2020 were successively delivered and the gains were recognized, the 2020 net income increased compared with that of 2019, and all profitability indicators increased compared with that of 2019.

(IV) Research and development status

1. Construction business
   (1) Introduce the rental and sale model in its elderly care business, featuring whole-generation home-based care based on innovate business concepts.
   (2) Adopt the TOD urban development model to combine projects with public transportation stations in a shared structure model and design integrated smart green buildings.
   (3) Develop buildings with complex living functions, such as residential buildings combined with transportation, shopping malls, and other retail spaces.
2. Circular economy business
   (1) The water resource recycling center adopts the patented BioNET filtration technology (a new biological treatment system with BioNET as the core) to produce re-usable water.
   (2) Based on the concept of sustainable development and resource regeneration, the segment studies the conversion of waste into renewable fuels or auxiliary fuels, and uses waste-to-resource methods to achieve the effect of material recycling and reuse and improve resource utilization, while striving to integrate the ecological chain of the resource recycling industry, such as waste-to-energy resource recycling centers and relevant industries.
3. Operations business
   (1) Optimize the smart station management system of the bus station and study a more automated operation model.
   (2) The smart mobile bus ticket system is developed as a service platform for integration of different transportation companies.
   (3) Continue to conduct digital transformation through the introduction of new technologies to expand the e-commerce market.

II. Business Plan for 2021

(I) Business objectives

With a passion for innovation, the Company is looking to build a sustainable brand while retaining its core values, and efficiently utilizing resources to enable the public to have healthy and diverse lifestyles. Beginning from the construction industry, building up our competitive advantage, with a mission to protect environment, we uphold the belief that land and resources belong to the public and we build buildings on the premise of caring for these living spaces. We develop and design different types of residential, office, and commercial products, with the business philosophy of "innovation, diversity, sustainability,

and co-living" integrated in each of the Company's projects. We aim to build developments that last over a century, provide a high-quality living environment, and deliver prosperity to customers, enterprises, and the society.

In addition to building residential and office buildings, we have set our eyes on the business opportunities in the elderly society and entered the "Senior Happiness Home" market. We have designed a comprehensive care service system for the elderly to take care their bodies, mind, and spirit and to provide self-reliant, healthy lifestyles to the elderly.

In support of the recycling economy and to protect our environment and its resources, the Company invested in Taoyuan Wastewater Sewerage System BOT Project in 2012 to support the government's recycling economy policy. The company has been committed to expanding the development of Sustainable Business or Green Business division and is currently planning to extend the Group' business to the resource recycling business, with the aim of recycling resources and reducing the drain on global resources while attaining a new revenue stream.

In the future, all employees of the Company will continue to identify customer needs, provide sincere service, provide utmost quality, and achieve sustainable development in line with the business philosophy of "innovation, diversity, sustainability, and co-living". The Company as a whole will continue to strive hard on various development projects to provide the public with a better quality of life and living environment, and to leverage the business synergy of the Group's business entities to provide more diversified, higher value-added, and more complete services to achieve future goals.

(II) Sales forecast and sales policy

The Group's revenue and profit targets for 2021 are based on the estimates of the operations of the construction business, the circular economy business, and business operations. In terms of the construction business, it i estimated that the revenue in 2021 will mainly come from the MRT Daqiaotou Station Joint Development Project and the revenue recognized from the subsidiary Ji Shun Company's Qingpu Project in Taoyuan after completion. In terms of circular economy business, the revenue is mainly from the stable revenue of the Rih Ding Water Company's Taoyuan Wastewater Sewerage System BOT Project, and Ding Sheng Green Energy's effort in creating revenue in circular economy. In terms of the operations business, the stable revenue from the Taipei Bus Station, Q square, and Radium- Kagaya International Hotel is expected to contribute to the Company's profits. The stable revenues from business operations will offset the fluctuations to revenue from the construction business.

(III) Important Production and Marketing Policies

1. Production Strategy
   (1) The land development strategy focuses on market-oriented needs as well as overall development that integrates technology into life, while seeking out partners of joint development and urban renewal projects.
   (2) The product design planning will concentrate on high value-added human-friendly and diversified products to meet the market demand.
   (3) To fully utilize design materials and construction management mechanism to reach the goal of cost control while at the same time improving construction efficiency.
2. Sales Strategy
   (1) Products are planned and positioned for market needs and changes.
   (2) Sales target for "zero unsold houses".
   (3) Appoint professional salespersons or carefully select a well-reputable real estate agency to create outstanding sales results together.
   (4) Set up versatile marketing channels.
   (5) Pay more attention on after-sales and after-rental customer service and property management, such as strengthening warranty and providing convenient repair

services. By providing comprehensive after-sales and after-rental customer service and property management, the value of the building can be increased, and the living needs of buyers (renters) satisfied, further deepening the brand image through the accumulated customer satisfaction and recognition.

III. **The Company's Future Development Strategy**

(I) Cultivate the Construction Industry

1. Effectively integrate resources of all parties for the Company's existing construction projects and enforce the policy of good quality and precise cost control, creating the highest efficiency for each project.
2. Expand business operations - develop businesses that generate stable income using the business properties of existing construction projects or seek suitable locations to improve their economic scales. These locations are to be set as goals to be listed in the capital market at an appropriate time to increase shareholders' equity.

(II) Circular economy business

1. Develop the self-owned land in the Taoyuan Technology Industrial Park as a circular economy demonstration park and connect it to the local resources to promote the integration of green energy resources and diversified and sustainable use, such as promoting the connection of waste-to-energy businesses, setting up an energy resource recycling supply center, developing waste heat recycling technology, constructing a biomass energy center for industrial waste, and integrating the recycling and reuse of effluents in the park.
2. Accelerate the organization of project planning and design, construction, management, operation, and R&D teams related to circular economy technologies to actively participate in bidding for government-related circular economy development projects or cross-industry collaboration to expand participation in circular economy, accelerate the development of the Group, and fulfill its corporate social responsibility.
3. The second phase of the Taoyuan North District Water Recycling Center was completed at the end of 2020. After completion, the sewage treatment capacity can reach 100,000 tons per day. It will continue to be developed according to the plan to create stable revenue for the Group in the long term.
4. The alliance formed by the Company and ECOVE Environment Services Corp. won the bid for the Zhangbin Industrial Park Resource Processing Center New BOT Project, and the alliance established Jing Ding Green Energy Technology Co., Ltd. in September 2020, which signed a contract with the Industrial Development Bureau to formally start implementing this project. The Environmental assessment reviews, turnkey planning, design, construction, and operation will be conducted in order. It is estimated that 700 tons of general industrial waste and sludge can be processed every day after completion, contributing to business waste treatment and waste-to-energy sales revenue.
5. Connect with the future, integrate industry-academia resources to strengthen industry-government-academia-research collaboration, work with relevant businesses, engage in transformation toward environmental protection, safety, and high-value-added development, and promote technology integration and training of professionals. Promote ecological design of products, introduce the life cycle concept to the planning and design stage, and promote product reuse ecological design, so that products can be reused, dismantled, classified, and regenerated in the waste stage, to increase resource recycling and reuse, and assist enterprises in developing the business and operating model based on the circular economy concept.

IV. The Impact of the External Competitive Environment, Regulatory Environment, and Macroeconomic Conditions

(I) External competitive environment

Since the property industry is mainly based on geographical areas and is different from general industries with obvious competition. It is usually a competition between different projects in an area, and depends on the planning and design capabilities of each product, so how to strengthen the market segmentation of each product to maintain profitability and competitiveness is very important. In the past, the Company's products were mostly MRT joint development projects, with a composite design as the main pillar. Since it can provide buyers with diversified daily life functions, all the projects introduced could maintain good sales results. In the future, the Company will continue to leverage its flexible and creative planning design capabilities to launch market-competitive products. This will be the Company's goal for continuous improvement and effort.

(II) Regulatory environment

In order to declare its determination to combat speculation on land and housing prices, the government has launched a number of measures to cool off the housing market, including mortgage quota control, increase of loan interest rates, and luxury housing taxes. At the end of 2020, the Central Bank launched selective credit control the housing market, including restricting the mortgage quotas for juridical and natural persons' third property or more, and limiting the quota for mortgage on unsold new property to 50%. In addition, in the integrated housing and land tax system 2.0 passed by the Executive Yuan in March 2021, the short-term possession period has extended to 5 years, and the tax rate on property sales within the 5-year period has been increased, which will increase the capital cost and challenge of the developers' development projects. The Company keeps abreast of changes in housing market policies and develops countermeasures to reduce the impact of changes in laws and policies on the Company's operations.

(III) Macroeconomic conditions

According to the Sinyi Real Estate Review in the fourth quarter of 2020, in the real estate market, the number of properties sold and transferred across Taiwan in 2020 reached 326,600 units, an annual increase of 8.8%, setting a seven-year high. In the six special municipalities, Taipei and Taichung showed the best performance with a growth of 24.8%. Kaohsiung's annual growth rate was more than 20%. New Taipei, Taoyuan, and Tainan has the annual growth rate of 9.9%, 2.9%, and 2.9% respectively. In terms of prices, the housing prices in Taipei and New Taipei Cities have been affected by the return of overseas capital and risen significantly since the third quarter of 2020. Particularly, the housing prices in New Taipei City continued to hit new highs, and Taipei City was only 3.78% lower than and the previous peak, and the housing prices in the five metropolitan area, namely Taoyuan, Hsinchu, Taichung, Tainan, and Kaohsiung also continued to rise. In the past two years, the number of residential construction licenses has greatly increased, and the new supply will continue to grow, which is bound to pose a resistance to the upward trend of housing prices. With the proper domestic control of the pandemic and the future vaccination measures, the overall economy will turn more optimistic. Many investors, after the price surge, joined the market to invest in property, which has caused the government to intervene in December, and the driving force behind the upward trend is limited. As the government's measures continue take effect, it is bound to have a considerable impact on the future of the housing market.

According to statistics from My Housing, the scores of My Housing's indicators dropped for two consecutive months, and the corresponding light has shown the yellow-and-blue light for eleven consecutive months. Even though the effect of the government's speculation suppressing measures remained in the fourth quarter of 2020, and January and February were the traditional off-seasons in the new property project market, the number of new property projects in January, 2021 was still relatively large compared

with the same period in previous years, which represented the industry' was still optimistic about the market. The Company will flexibly adjust its strategy based on the subsequent development of the pandemic situation and overall economic changes.

In response to the impact of the above-mentioned external competition environment, legal environment, and overall operating environment, the Company has actively developed diversified business entities in recent years, such as asset management, shopping malls, and resource recycling businesses with fixed lease income. It is expected that diversified operations can enable the Company to maintain more stable income and profit, and to reduce the impact of the construction business and housing market policies on the operations. For example, there are net income of shopping malls, the rental and commission income from the asset management business, and even the amortized the principal and interest income of the sewage treatment facility construction fee paid by the government after the completion of the construction of sewage treatment facilities per the agreement, as well as the sewage treatment fee income. It is expected that in the future, with the gradual increase in the proportion of revenue from the transportation service and resource recycling businesses, because of their stable cash flow characteristics, it will enhance the Company's ability to respond to changes in the overall operating environment.

Since the outbreak of COVID-19 in early December 2019, there have been more than 115 million confirmed cases and 2.5 million deaths so far (as of early March 2021), which has had a major global impact. Taiwan is quite stable in terms of pandemic control and will launch vaccination, together with some countries, in 2021. However, as the degree of global economic recovery remains uncertain, we still need to stay vigilant about the risk at this stage. Furthermore, due to the different levels of impact on different industries, each subsidiary has evaluated the length, breadth, and depth of the impact according to the characteristics of its own industry, and will flexibly respond to various scenarios in the post-pandemic era and adjust decision-making in order to minimize the impact of the pandemic on the economy and its business.

Finally, we wish you good health and all the best.

Company Profile

I. Date of Incorporation：1982/3/26

II. Company History

Year	Milestones
2000/12	• Company shares successfully listed to the Taiwan Stock Exchange (TWSE).
2001/12	• Signed Contract for "Xindian Depot Joint Development Project-MEHAS" with Taipei City Government.
2002/04	• Completion and handover of all units for consecutive projects, including "Cultural Kyoto", "Cultural Capital", and "FU BI SHI".
2003/01	• Issued the first domestic unsecured convertible bonds with an issuing limit of NT$258 million and were listed for trading on the TPEx.
2003/12	• Signed contracts for the "Financing Assistance Agreement and Trust Deed for the MRT Joint Development Project on the land of T19 and T21 near the Yongchun Station, Bannan Line" with the Taipei City Government and Lender. • Signed a syndicated loan contract for the "Credit Contract for the MRT Joint Development Project of Yongchun Station, Bannan Line". • Attained the right to negotiate the "T9 BOT" contract.
2004/05	• Established the subsidiary "Radium-Kagaya International Hotel Co.,Ltd".
2004/06	• Radium-Kagaya International Hotel signed joint venture contract with Kagaya Co.,Ltd.
2004/10	• Established the subsidiary "Wan Da Tong Enterprise Co., Ltd." .
2004/12	• Wan Da Tong Enterprise Co., Ltd. signed contract for "T9 BOT" located near Taipei Station in cooperation with Taipei City Government. • Passed the ISO 9001:2000. • Issued the first overseas unsecured convertible bonds with an issuing limit of USD 20 million.
2005	• Completion and handover of all units for "T19 E.A.T"
2005/07	• Established the subsidiary "Ji Shun Life Tech. Co., Ltd.".
2006	• Completion and handover of all units for "T22 E.A.T"
2006/06	• The subsidiary, Ji Shun Life Tech. Co., Ltd. signed contract for "Muzha Station Joint Development Project-Bond 18" with Taipei City Government. • The subsidiary, Ji Shun Life Tech. Co., Ltd. signed contract "Trust Deed for the MRT Joint Development Project on the land of T13 of Muzha Station, Wenhu Line" with a group of banks.
2006/09	• The company issued 70.4 million shares of common stock at a price of NT$22.85 per share in 2006, raising NT$1.6 billion. • The subsidiary, Wan Da Tong signed the "T9 BOT Financing Assistance Agreement and Trust Deed for the Joint Development Project" with Taipei City Government and banks.
2006/10	• The subsidiary, Wan Da Tong launched the "Transfer of Fixed-Term Use Rights and Lease of Land Rights for Residential and Office Assets for the Development Project of T9 BOT" – "Jing-Jan" sales Project.
2007/01	• Completion and handover of all units for T9 BOT of "Jing-Jan Sales project".
2007/04	• Wan Da Tong signed the "T9 BOT Credit Contract for the Joint Development Project" syndicated loan with several banks including Taiwan Cooperative Bank.
2007/08	• Issued the second domestic unsecured convertible bonds with an issuing limit of NT$1.7 billion and were listed for trading on the TPEx.
2007/09	• The company issued 50 million shares of common stock at a price of NT$38.5 per share in 2007, raising NT$1.925 billion. • Established the subsidiary "Jing-Jan Retail Business Co., Ltd.".
2007/10	• Launching of "Xindian Depot Joint Development Project -MEHAS" at Xiaobitan

Year	Milestones
	MRT Station.
2007/11	• Titan Construction Co., Ltd. was merged with Ji-Sheng Hydropower Engineering Co., Ltd. on November 30th with Titan Construction Co., Ltd. as the surviving entity.
2008/01	• Signed the "Joint Credit Contract for Beitou Hot Spring Hotel Project" with 3 banks including Mega International Commercial Bank.
2008/04	• The subsidiary "Li-Jiang Development Co., Ltd." was invested in and established. • The subsidiary, Ji Shun Life Tech. Co., Ltd. launched the "MRT Joint Development of Muzha Station, Wenhu Line " – "Bond 18" sales Project.
2008/08	• Signed a syndicated load agreement with 10 banks including Mega International Commercial Bank for the "Investment Contract for the MRT Joint Development of Xindian Depot, Xindian Line"
2008/09	• Purchase of treasury shares (9/15 - 11/11) totaling 3,698,000 shares.
2008/11	• Purchase of treasury shares (11/17 – 1/13) totaling 9,454,000 shares.
2009/02	• Signed contract for "Daqiaotou Station Joint Development Project" with Taipei City Government. • The repurchased 3,698,000 shares from the first execution of treasury shares were cancelled.
2009/08	• Launched "Taipei Bus Station".
2009/12	• The company issued 90 million shares of common stock at a price of NT$24.25 per share in 2009, raising NT$2.182 billion. • Participated in Wan Da Tong's private placement subscription of cash capital of NT$1.300 billion. • Launched "Q Square".
2010/06	• The subsidiary, Titan Construction Co, Ltd. resolved to change its name to Titan Development & Construction Co., Ltd.
2010/07	• Shares were issued in scripless form.
2010/09	• Established the subsidiary "Rih Yao Development Co., Ltd." and secured the "Dunhua S. Rd. Police Station Creation of Superficies Project".
2010/12	• The Company's independent registered public *accounting firm* was changed to Deloitte & Touche Taiwan. • Launched "Radium-Kagaya International Hotel". • Established the subsidiary "Zhao-Yao Enterprise Co., Ltd." and secured the "Fuxing Section , Daan District Creation of Superficies Project".
2011/10	• Acquired "Xin Xiu Ge Hotel Corp .,Ltd."
2011/11	• Secured the "Fu-Jou Affordable Housing Project-Perfect Life" project in New Taipei City.
2011/12	• The Remuneration Committee was established.
2012/01	• 1,088 overdue shares from the second execution of treasury shares were cancelled.
2012/03	• Issued the third and fourth domestic unsecured convertible bonds with issuing limits of NT$1 billion and NT$800 million and were listed for trading on the TPEx. • The company issued 70 million shares of common stock at a price of NT$23.2 per share in 2012, raising NT$1.624 billion.
2012/04	• Signed the syndicated loan contract for "Fu-Jou Affordable Housing Project Investment Plan" with 24 banks including Bank of Taiwan.
2012/07	• Awarded the "Taoyuan Wastewater Sewerage System BOT Project".
2012/08	• Lots were drawn for the Fu-Jou Affordable Housing Project.
2012/09	• Established the subsidiary "Rih-Ding Water Enterprise Co., Ltd.".
2012/10	• The subsidiary, Rih-Ding Water Enterprise Co., Ltd. signed the contract for the "Taoyuan Wastewater Sewerage System BOT Project".
2012/12	• Organizational Restructuring: Jing-Jan Retail Business Co., Ltd. shares were transferred to establish Jing-Jan Investment Holding Co., Ltd., which is still 100% owned by the Company. • Awarded the "BOT Project for New Taipei City Youth Residence Building".

Year	Milestones
2013/01	• Organizational Restructuring: Wan Da Tong shares owned by the Company and Titan Development & Construction were used to offset the consideration for the subscription of new shares issued by Jing-Jan Investment Holding Co., Ltd.
2013/04	• Established the subsidiary "Rih Siang Property Management Co., Ltd."
2013/05	• The subsidiary, Rih Siang Property Management Co., Ltd. signed the contract of "BOT Project for New Taipei City Youth Residence Building ".
2013/12	• Completion and handover of all units for "Xidian Depot Joint Development Project-MEHAS".
2014/04	• The subsidiary, Ji-Shun Life Tech Co., Ltd. acquired a joint construction of sub-houses in Qingsheng Section, Zhongli District, Taoyuan City.
2014/08	• Acquired "PRIT Biotech Co., Ltd. to officially enter the biotech and skin care business.
2014/10	• Purchase of treasury shares (10/21 – 12/20) totaling 1,060,000 shares.
2014/12	• The subsidiary Ji-Shun Life Tech. Co., Ltd. acquired land in the Beishi section of Qishan District, Kaohsiung City.
2015/03	• The repurchased 1,060,000 shares from the third execution of treasury shares were cancelled.
2015/12	• Rih-ding Water Enterprise Co., Ltd. completed the sewage treatment facility (Phase1) of "Taoyuan Wastewater Sewerage System BOT Project".
2016/01	• Rih-ding Water Enterprise Co., Ltd. held an opening ceremony for the official beginning of operations of "Taoyuan Wastewater Sewerage System BOT Project".
2016/06	• The Board of Directors' resolution to issue domestic private placement of unsecured ordinary corporate bonds upto NT$2 billion. • Established the subsidiary "Ri Zuan Green Energy Technology Co., Ltd. " to officially enter the renewable energy industry.
2016/07	• The first domestic private placement of unsecured ordinary corporate bonds raised NT$300 million. • The second domestic private placement of unsecured ordinary corporate bonds raised NT$500 million.
2017/09	• Issued the first domestic secured ordinary corporate bonds of NT$1 billion.
2017/10	• Jing-Jan Investment Holding Co., Ltd. disposed of the shares of Jing-Jan Retail Business Co., Ltd. as approved by the board of directors. • The board of directors resolved that the subsidiary, Jing-Jan Retail Business Co., Ltd. shall handle matters relating to its public offering. The subsidiary shall also apply for listing at a suitable time.
2017/11	• Issued the second domestic secured ordinary corporate bonds of NT$500 million.
2018/02	• Jing-Jan Retail Business Co., Ltd. was approved for trading in the TPEx.
2018/03	• Jing-Jan Retail Business Co., Ltd. began trading in the TPEx. • Rih-Ding Water Enterprise Co., Ltd. attained certification as an environmental education facility.
2018/08	• The registration of the Zhunan factory owned by PRIT Biotech Co., Ltd. was approved.
2018/09	• Wan Da Tong Enterprise Co., Ltd. passed the application of "Subsidy Program for Smart City and Rural Living Application - Integrated ticketing with mobile payment service" by the Industrial Development Bureau, (MOEA).
2019/01	• Established the subsidiary "Ding-Sheng Green Energy Technology Co., Ltd." .
2019/05	• Established the subsidiary "Wan-Tong Digital Technology Co., Ltd.". • The Zhunan factory owned by PRIT Biotech Co., Ltd. attained the ISO22716 certification.
2019/06	• The Audit Committee was established.
2019/08	• Wan Da Tong Enterprise Co., Ltd. launched the "Taipei Bus Station Smart Ticket Platform APP".
2019/12	• Titan Development and Construction Co., Ltd., awarded the "Urban Renewal

Year	Milestones
	Project for the Old Dormitory Area East of Kaohsiung Railway Station" by the Taiwan Railway Administration, Ministry of Transportation and Communications.
2020/02	• Titan Development & Construction signed the contract for “Urban Renewal Project for the Old Dormitory Area East of Kaohsiung Railway Station“ with Taiwan Railways Administration.
2020/03	• Launched “Q square Xiaobitan in MEHAS” which is managed by Jing-Jan Retail Business Co., Ltd. • Purchase of treasury shares (3/13 – 5/12) totaling 12,313,000 shares.
2020/05	• Wan Da Tong Enterprise Co., Ltd. completed the project consultancy for the "Pilot Project on Promoting the Integrated Passenger Register Service for Passenger Ships" by the Maritime Port Bureau, Ministry of Transportation and Communications.
2020/07	• Ding-Sheng Green Energy Technology Co., Ltd. and ECOVE Environment Services Corporation signed joint venture which was awarded the "Build-Operate-Transfer (BOT) Project of Resource Processing Center in Changhua Coastal Industrial Park by Industrial Development Bureau, Ministry of Economic Affairs” by Industrial Development Bureau, MOEA. • The repurchased 12,313,000 shares from the fourth execution of treasury shares were cancelled.
2020/09	• Ding-Sheng Green Energy Technology Co., Ltd., established a project company “Jingding Green Energy Technology Co. Ltd., ” signed the contract with the Industrial Development Bureau, MOEA for the “Build-Operate-Transfer (BOT) Project of Resource Processing Center in Changhua Coastal Industrial Park by Industrial Development Bureau, Ministry of Economic Affairs”.
2020/10	• Ji-Shun Life Tech. Co., Ltd., was awarded the “The Land Development Project of WuRi WenXin BeiTun Line G6 and G8a Station of TaiChung Mass Rapid Transit Systems”. • Established an “Employee Stock Ownership Plan” for the employees of Radium Life Tech Co. and its subsidiaries.
2020/11	• The 2-year (2018.7-2020.6) project “Subsidy Program for Smart city and Rural Living Application-Integrated ticketing with mobile payment service” proposed by the Industrial Development Bureau, MOEA was completed by Wan Da Tong Enterprise Co., Ltd.
2020/12	• Rih-ding Water Enterprise Co., Ltd. completed the second phase of the Taoyuan Wastewater Sewerage System BOT Project. • Ji-Shun Life Tech. Co., Ltd. and the Taichung City Government signed contracts for the “The Land Development Project of WuRi WenXin BeiTun Line G6 and G8a Station of TaiChung Mass Rapid Transit Systems”. • Ji-Shun Life Tech. Co., Ltd.was awarded the urban renewal project for Lot 246, Subsection 2 Gongyuan Section, Zhongzheng Dist., Taipei City.
2021/02	• Signed the contract for the urban renewal project for Lot 246, Subsection 2 Gongyuan Section, Zhongzheng Dist., Taipei City with Cathay United Bank Company Ltd., and other landowners.

Awards Received by the Group

Year	Awards
1999	• Ranked by Commonwealth Magazine (CW) magazine as 510th in the 1000 largest companies within the service industry and 16th in 50 top companies in terms of revenue.
2000	• Ranked by CW Magazine as 461th in the 1000 largest companies within the service industry and 19th in 50 top companies in terms of revenue.
2001	• Ranked by CW Magazine as 378th in the 1000 largest companies within the service industry and 15th in 50 top companies in terms of revenue.
2004	• Awarded National Golden Award for Architecture. • Ranked by CW Magazine as 252th in the 1000 largest companies within the service industry and 44th in 50 top companies in terms of revenue.
2005	• Awarded "National Golden Award for Architecture", "Chinese Golden Stone Award for Architecture" and "Golden Head Award".
2006	• The "T9 BOT" project awarded the Top Honor of" FIABCI-Taiwan Real Estate Excellence Awards". • The "MEHAS" Project awarded "FIABI-Taiwan Real Estate Excellence Awards". • The "Bond 18" Project awarded "the Gold Award of FIABCI-Taiwan Real Estate Excellence Awards".
2007	• The "MEHAS Project" awarded "Chinese Golden Stone Award for Architecture" in the category of Best Planning & Design and "Golden Head Award" in MRT - Joint Development Category.
2008	• Wan Da Tong Enterprise Co., Ltd., was ranked by China Credit Information Service Ltd. as 2nd "Best Managed Corporation" among the Top 5000 enterprises.
2009	• Ranked by the China Credit Information Service Ltd. as 22th "Best Managed Corporation" among the Top 5000 enterprises.
2010	• Received "Golden Peak Award for Corporate Excellence". • Ranked by CW Magazine as 100th in the 1000 largest companies within the service industry and 17th in 50 top companies in terms of revenue. • Titan Development & Construction, Jing-Jan Retail Business & Radium-Kagaya International Hotel each received an award recognizing their valuable contribution to job creation. • Ranked by China Credit Information Service Ltd. as 3rd "Best Managed Corporation" among the Top 5000 enterprises.
2011	• Taipei Bus Station received the ITS Application Award from the "Intelligent Transport Society of Taiwan". • The "MEHAS" Project awarded "FIABCI-Taiwan Real Estate Excellence Awards" in the category of Best Planning & Design for Commercial building. • The "T9 BOT" project awarded the management quality Award for "FIABCI-Taiwan Real Estate Excellence Awards".
2012	• The "Fu-Jou Affordable Housing Project - Perfect Life" awarded "FIABCI-Taiwan Real Estate Excellence Awards" in the category of Best Planning & Design. • Wan Da Tong Enterprise Co., Ltd. awarded the 5th "Golden Energy Saving Award" by Taipei City Government. • The "Fu-Jou Affordable Housing Project - Perfect Life" awarded the National Golden Award for Architecture in the category of excellent design - Taiwan Construction Company of Integrity, Golden Award, Golden Lion Award, and Judges' Preference Award.
2013	• Jing-Jan Retail Business Co., Ltd awarded with the 11th Golden Torch Award "Top 10 Enterprises" and the Top 10 Outstanding Managers Award of the Year conferred by the "Outstanding Enterprise Manager Association".

Year	Awards
	• Xindian Depot Joint Development Project of the MRT Xindian Line was awarded the Silver Grade Green Building Label Certificate by the Ministry of the Interior. • Wan Da Tong Enterprise Co., Ltd. and Jing-Jan Retail Business Co., Ltd. were awarded the 1-star award at the "2013 Award for Best Companies to Work for" by the Department of Labor,Taipei City Government.
2014	• Radium-Kagaya International Hotel awarded the "2014 Taipei City Best Hotel and Staff Award". • Taoyuan Wastewater Sewerage System BOT Project awarded the National Golden Award for Architecture, Golden Lion Award in the Planning & Design category, and Taiwan Construction Company of Integrity. • Wan Da Tong Enterprise Co., Ltd. awarded the "Second Place in the Business-type Building Category", "Safety Management", and "Disaster Prevention" awards at the Taipei City's 2014 Excellent Condominium competition.
2015	• "T9 BOT" project awarded with the "Distinguished Safe Building Award". • Radium-Kagaya International Hotel was awarded the TripAdvisor 2015 Certificate of Excellence Award. • Radium-Kagaya International Hotel was awarded the 2015 Agoda Gold Circle Award.
2016	• Wan Da Tong Enterprise Co., Ltd. awarded with "Taipei City Government Department of Transportation - Energy Saving Award" • PRIT Biotech Co., Ltd. awarded with the "SNQ National Quality Certificate".
2017	• Radium-Kagaya International Hotel awarded the "2017 Distinguished Hotel Award".
2017	• "New North Youth Social Housing i Go Home Zhonghe" awarded the Gold Award of FIABCI-Taiwan Real Estate Excellence Awards • "New North Youth Social Housing i Go Home Sanchong 3" awarded the Gold Award of FIABCI-Taiwan Real Estate Excellence Awards • Taoyuan Wastewater Sewerage System BOT Project awarded the Silver Green Building Label Certificate by the Ministry of the Interior. • The Youth Residence building in Sanchong by Rig Siang Property Management Co., Ltd. awarded the Green Building Certificate of Gold by the Ministry of the Interior. • New Taipei City Youth Residential Shops and Assembled Residences in Zhonghe, awarded the Gold Class Green Building Mark Certificate by the Ministry of the Interior. • The Youth Residence building in Stanching District, awarded the Gold Class Green Building Mark Certificate by the Ministry of the Interior.
2018	• Fu-jou affordable residential shops and assembled residences awarded the Diamond Grade Green Building Label Certificate by the Ministry of Interior. • Radium-Kagaya International Hotel awarded the "16th Global Views Monthly Five-Star Service Awards". • Radium-Kagaya International Hotel selected as a Michelin Guide recommended hotel in Taipei. • Rih-Ding Water Enterprise Co., Ltd. awards the 20th National Construction Golden Quality Award, Public Engineering Category, Hydraulic Engineering Group.
2019	• Radium Group awarded the "2019 Best Companies to work for". • Fu-jou affordable residential shops and assembled residences awarded the Diamond Grade Community Green Building Label Certificate by the Ministry of Interior. • Fu-jou affordable residential shops and assembled residences awarded the Bronze Grade Smart Building Label by the Ministry of the Interior.
2020	• Daqiaotou Station Joint Development Project, MRT awarded the Silver Green Building Label Certificate by the Ministry of the Interior.

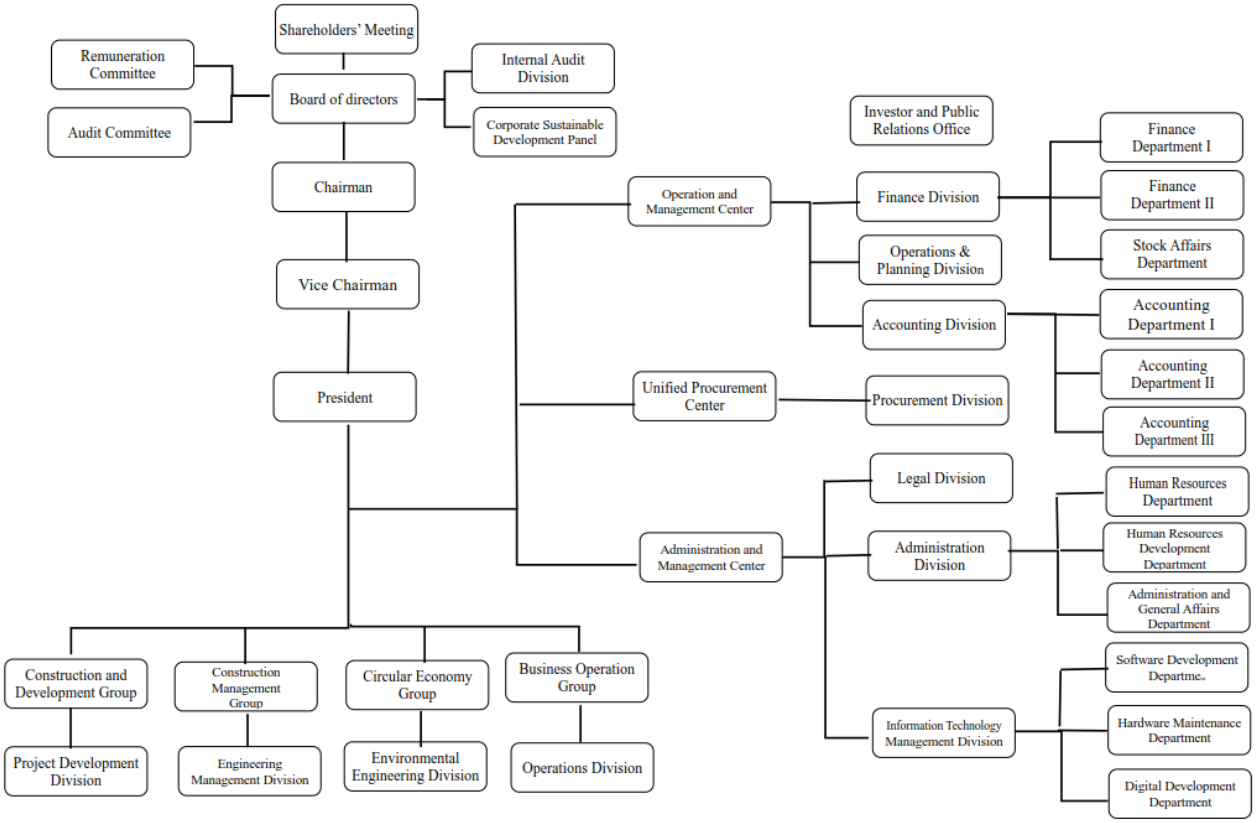
Year	Awards
	• The "Radium's New Q Square" by Ji-Shun Life Tech. Co., Ltd. awarded the 2020 Golden Lion Award in the Planning and Design category. • Ji-Shun Life Tech. Co., Ltd. awarded the Golden Award in the 2020 National Outstanding Builder Awards. • Ji-Shun Life Tech. Co., Ltd. awarded the National Construction Gold Award - Taiwan Integrity Brand Triple Crown Certificate. • Radium Life Tech Co. awarded the Healthy Workplace Activation Certificate by the Ministry of Health and Welfare. • Radium-Kagaya International Hotel awarded the 2020 Taiwan Service Industry Awards - Gold Medal in Hotel Industry (Leisure and Resort). • Radium-Kagaya International Hotel awarded the 2020 Tourism Hotel Safety and Security Inspection Excellence Award. • Jing-Jan Retail Business Co., Ltd. awarded the 3rd " Best Reviewed Online Awards(” in relation to department stores in 2020 (IWOM Star - Internet Word of Mouth Star).

Corporate Governance Report

I. Organization

(I)Organizational Chart

Approved by the Board of Directors on March 26, 2021



(II) Business of Major Segment

Unit	Division Level	Department Level	Functions
Internal Audit Division			Assist the Board of Directors and managerial officers to check and review the deficiencies of the internal control system, measure the effectiveness and efficiency of operations, and provide timely improvement suggestions to ensure the continuous and effective implementation of the internal control system and serve as the basis for review and revision of the internal control system.
Operation and Management Center	Investor and Public Relations Office		Establish a continuous communication platform with the media and investors, truthfully convey the corporate strategy concept, business policy and future planning, properly handle and respond to external concerns, in order to establish long-term mutual trust and effective communication channels, and maintain the corporate brand image.
	Finance Division	Finance Department	Financial management and fund deployment
		Stock Affairs Department	Capital market fundraising, Board of Directors and shareholder meeting agenda, corporate governance-related affairs, share management and information announcement.
	Operations & Planning Division		Integration and decision-making follow-up for operational strategy goals, operation performance analysis and improvement suggestions.
	Accounting Division	Accounting Department	Establishment and implementation of accounting system, accounting and taxation, preparation of financial statements, and handling of announcement matters pursuant to laws and regulations.
Unified Procurement Center	Procurement Division		Carry out procurement and outsourcing business, product building materials, supplier development appraisal, and vendor documentation and management.
Administration and Management Center	Legal Division		Review and revision of contracts and legal documents, application of laws and regulations, and consultation of questions about contract performance.
	Administration Division	Human Resources Department	System planning and management of recruitment, selection, use, education and retention, and maintenance of employee relations.
		Human Resources Development Department	Talent cultivation plan and training development plan, and related execution.
		Administration and General Affairs Department	General affairs, fixed asset system planning and management, expense control and holding company events.
	Information Technology Management Division	Software Development Department	Development and maintenance of internal software systems and software project planning and execution.
		Hardware Maintenance Department	Information communication resource planning and equipment procurement, software and hardware equipment installation and maintenance.
		Digital Development Department	Development, planning, and analysis of digital information technology.
Construction and Development Group	Project Development Division		Supervision and management of the operation, development and project management of the construction business.
Construction Management Group	Engineering Management Division		Supervision and management of construction business operation, project cost, progress and quality.
Circular Economy Group	Environmental Engineering Division		Supervision and management of the operation, development and project management of the domestic and foreign resource circulation business.
Business Operation Group	Operations Division		Supervision and management of operating businesses, and assistance in planning operations for business expansion and development.

II. Information on the company's directors, supervisors, president, assistant presidents, deputy assistant presidents, and the supervisors of all the company's divisions and branch units

(I) Directors

1. Information of Directors

March 31, 2021; Unit: shares

Title	Nationality/ Place of Incorporation	Name	Gender	Date Elected	Term (Years)	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors, or Supervisors Who are Spouse or Within Two Degrees of Kinship		
							Shares	(%)	Shares	(%)	Shares	(%)	Shares	(%)			Title	Name	Relation
Chairman	Republic of China	Lin Rong Shian (Note 1)	Male	2019.06.24	3	1994.09.07	109,492,331	12.16%	110,524,167	12.28%	22,104,781	2.46%	58,223,051	6.47%	(Note 2)		Special Assistant Vice Chairman Administration and Management Center Director Group President	You Wan Ying Lin Hua Chun Lin Yi Chun Kerwin Go	Spouse 1st degree of kinship 1st degree of kinship 1st degree of kinship
Vice Chairman	Republic of China	Lin Hua Chun	Male	2019.06.24	3	2013.06.19	6,148,786	0.68%	6,271,761	0.70%	5,435,695	0.60%	—	—			Chairman Special Assistant Administration and Management Center Director Group President	Lin Rong Shian You Wan Ying Lin, Yi-Chun Kerwin Go	1st degree of kinship 1st degree of kinship 2nd degree of kinship 2nd degree of kinship
Institutional Director	Republic of China	Chang Xin Investment Development Co., Ltd.	—	2019.06.24	3	2007.05.28	34,303	0.00%	34,989	0.00%	—	—	—	—	—		—	—	—
Representative of institutional shareholder	Republic of China	Shen Ching Peng	Male	2019.06.24	3	2013.06.19	277,299	0.03%	282,844	0.03%	1,156	0.00%	—	—	(Note 2)		—	—	—
	Republic of China	Liu Yao Kai	Male	2019.06.24	3	2008.11.14	299,934	0.03%	305,932	0.03%	159,422	0.02%	—	—			—	—	—
Independent Director	Republic of China	K. C. Chou	Male	2019.06.24	3	2016.06.24	—	—	—	—	—	—	—	—	(Note 2)		—	—	—
	Republic of China	Lu Shyue Ching	Male	2019.06.24	3	2016.06.24	—	—	—	—	—	—	—	—			—	—	—
	Republic of China	Pan Wei Ta	Male	2019.06.24	3	2019.06.24	—	—	—	—	—	—	—	—			—	—	—

Note 1: Where the Chairman of the Board of Directors and the President or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, the reason for, reasonableness, necessity thereto, (such as increasing the number of independent director seats, and more than half of all directors must not concurrently serve as employees or managers) must be disclosed.

The Chairman of the Company also serves as the Chief Executive Officer, to improve operating efficiency and decision-making execution. The Chairman directly communicates with the directors of the Company's operating overview, strategic objectives, and other information. The Company's current specific measures are as follows:

(1) The current three independent directors are specialized in operation management of finance, law, information/communication, and provide professional insights, share practices experience and many valuable suggestions from their abundant practical experience, for effective performing their supervisory function.

(2) The Audit Committee and the Remuneration Committee have implemented relevant regulations, fully discuss in each meeting and made recommendations for the Board of Directors as reference, in order to enable the Board of Directors to comply with laws and regulations, the Articles of Incorporation or the resolutions of the shareholders' meeting to exercise its authorities, thereby strengthening and Implementing corporate governance.

(3) Every year, all directors are arranged to attend in professional director courses of external institutions such as the Securities and Futures Institute and the Taiwan Corporate Governance Association or on-site courses, to enhance the professional knowledge of each director, and thus strengthen the operational effectiveness of the Board of Directors.
(4) In the future, depending on the diverse needs of the Company's business model and business development, the Company expects to plan for appropriate diversified board members, majority of the directors not concurrently serving as employees or managerial officers, and increase the seats of independent directors at the next re-election of directors, in order to comply with laws and regulations and ensure the best interests of the Company and investors.

Note 2: Major experience (education) and positions concurrently serving in the Company and other companies

Title	Name	Experience（Education）	Other Position
Chairman	Lin Rong Shian	Department of Construction, Pingdong Vocational High School of Engineering Chairman and Chief Executive Officer, Radium Life Tech	Chief Executive Officer of Radium Life Tech; Chairman of Radium Far East, Wan Da Tong, Li Chiang Development, Rih Yao Development, Zhao Yao Enterprise, Xin Xiu Ge Hotel, Jing-Jan Investment Holding, Rih Ding Water Enterprise, Rih Siang Property Management, Prit Biotech, Rih Zuan Green Energy, Wan Tong Digital, Jing Ding Green Energy, Golden Century, and Radium Foundation Jing-Jan Retail Business, Ji Shun Life Tech, Ji Sheng Zih Chan Development, Ding Sheng Green Energy, Rih Ding Circular Econ Inv Hldg, Director, Clever Base Investments Ltd.
Vice Chairman	Lin Hua Chun	Master, Graduate Institute of Construction Engineering and Management of National Central University Bachelor, Business Administration, University of Southern California Business President, Radium Life Tech	Vice Chief Executive Officer and Group President of Radium Life Tech; President of Jing Ding Green Energy Director of Titan Development and Construction, Zhao Ya Enterprise, Li Chiang Development, Ding Sheng Green Energy, Rih Ding Circular Econ Inv Hldg, Xin Xiu Ge Hotel and Jing Ding Green Energy. Supervisor of Wan Da Tong, Radium-Kagaya, Ji Shun Life Tech, Ji Sheng Zih Chan Development, Jing-Jan Digital Square, Prit Biotech, Jing-Jan Investment Holding, Jing Yang Apartment, Rih Yao Development, and Rih Zuan Green Energy
Representative of institutional shareholder	Shen Ching Peng	Master, Graduate School of Civil Engineering, University of Texas, Ausitn Director-General, Ret-Ser Engineering Agency Chairman, RSEA Engineering Corporation	Senior Vice Chief Executive Officer, Radium Life Tech Chairman, Ding Sheng Green Energy and Rih Ding Circular Econ Inv Hldg Director of Rih Yao Development, Rih Ding Water Enterprise, and Jing Ding Green Energy
	Liu Yao Kai	MBA, National Cheng Chi University National Taiwan College of Arts Business President, Radium Life Tech	Interim President and Group President, Radium Life Tech Chairman of Ji Shun Life Tech; Person in Charge of Chang Xin Investment Director of Radium Far East, Ji Sheng Zih Chan Development, Rih Siang Property Management, Rih Yao Development, and Zhao Yao Enterprise Supervisor of Xin Xiu Ge Hotel
Independent Director	K. C. Chou	MBA, University of St. Thomas, Minnesota, the U.S. Chairman, Concord Securities Group President, Capital Securities Corporation Vice President and Manager of Listing Department, TPEx Vice Manager of Listing and Trading Department, TWSE	Chairman and President, iROC Co., Ltd Independent Directors of C.C.P. Contact Probes, Chant Sincere Co., Ltd, and Orient Pharma Co., Ltd. Representative of institutional shareholder of Taichung Commercial Bank Securities, Chang Wah Electromaterials Inc, Chang Wah Technology, Super Dragon Technology, ATrack Technology and TSH Biopharm.
	Lu Shyue Ching	University of Hawaii System, Department of Electrical Engineering, EngD Director, Institute of Telecommunication, Ministry of Transportation and Communication, ROC Head, Division of Posts and Telecommunications Ministry of Transportation and Communication Deputy Director, Directorate-General of Telecommunication Chairman, Chunghwa Telecom Co., Ltd.	Independent Director, MiTAC Holdings Corp. Director, CTCI Advanced Systems Representative of institutional shareholder of Sercomm Corp. and XRSpace Co., Ltd.
	Pan Wei Ta	Doctor of Law, University of Nebraska, USA Dean, School of Law, Soochow University Dean, Department of Law, Soochow University	President, Soochow University Professor, Department of Law, Soochow University Independent Directors, SinoPac Holdings and Quanta Computer Inc.

2. In the case of the representative of a institutional shareholder, the name of the institutional shareholder and the names of its 10 largest shareholders (and the holding percentage of each) shall be noted:

March 31, 2021

Name of institutional shareholder	Major shareholders of institutional shareholder	
	Name	Shareholding Ratio
Chang Xin Investment Development Co., Ltd.	Liu Yao Kai	50.00%
	Jing Kang Development Investment Co., Ltd.	50.00%

Major Shareholders of institutional shareholder

Name of institutional shareholder	Major shareholders of institutional shareholder	
	Name	Shareholding Ratio
Jing Kang Development Investment Co., Ltd.	Ding Sheng Digital Life Co., Ltd.	99.18%

3. Directors' professional qualifications and independence

March 31, 2021

Criteria / Name	Meet One of the Following Professional Qualification Requirements, Together with at Least Five Years Work Experience			Independence status (Note)												Number of other public companies concurrently serving as an independent director
	An Instructor or Higher Position in a Department of Commerce, Law, Finance, Accounting, or Other Academic Department Related to the Business Needs of the Company in a Public or Private Junior College, College or University	A Judge, Public Prosecutor, Attorney, Certified Public Accountant, or Other Professional or Technical Specialist Who has Passed a National Examination and been Awarded a Certificate in a Profession Necessary for the Business of the Company	Have Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company	1	2	3	4	5	6	7	8	9	10	11	12	
Chairman: Lin Rong Shian			✓								✓	✓		✓	✓	–
Vice Chairman: Lin Hua Chun			✓								✓	✓		✓	✓	–
Director, Chang Xin Investment Development Co., Ltd. Representative: Shen Ching Peng			✓			✓	✓	✓			✓	✓	✓	✓		–
Director, Changxin Investment Development Co., Ltd. Representative: Liu Yao Kai			✓			✓		✓			✓	✓	✓	✓		–
Independent Director: K. C. Chou			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	3
Independent Director: Lu Shyue Ching	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	1
Independent Director: Pan Wei Ta	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	2

Note: Each director and supervisor who are qualified for the following criteria during two years before being elected and when being incumbent

(1) Not an employee of the company or any of its affiliates.

(2) Not a director or a supervisor of the company or an affiliate (this restriction does not apply, however, when the person is an independent director appointed by the company, its parent company, or a subsidiary pursuant to Securities and Exchange Act or the local laws and regulations).

(3) The director, or his or her spouse or minor child, does not hold, in his or her own name or in another name, more than 1% of the Company's total outstanding shares, nor is one of the Company's ten largest natural-person shareholders.

(4) Not a spouse (1), relative within the second degree of kinship (2)(3), or direct blood relative within the third degree of kinship of a person listed in the three foregoing paragraphs.

(5) Is not the director, supervisor, or employee of an institutional shareholder directly holding more than 5% of the

Company's total outstanding shares, nor is the director, supervisor, or employee of one of the five largest institutional shareholders in terms of shareholdings in accordance with Article 27, Paragraph 1 or Paragraph 2 of the Company Act (this restriction does not apply, however, when the person is an independent director appointed by the company, its parent company, or a subsidiary pursuant to Securities and Exchange Act or the local laws and regulations).

(6) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. (The same does not apply, however, in cases where the person is an independent director of the company, its parent company, or any subsidiary, as appointed in accordance with the laws of Taiwan or with the laws of the country of the parent company or subsidiary.)

(7) Not a director, supervisor, or employee of a company of which the chairman or CEO (or equivalent) themselves or their spouse also serve as the company's chairman or CEO (or equivalent) (this restriction does not apply, however, when the person is an independent director appointed by the company, its parent company, or a subsidiary pursuant to Securities and Exchange Act or the local laws and regulations).

(8) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the company (this restriction does not apply, however, if a specific company or institution holds more than 20% of the company's total issued shares, not more than 50% when the person is an independent director appointed by the company, its parent company, or a subsidiary pursuant to Securities and Exchange Act or the local laws and regulations).

(9) Other than serving as a compensation committee member of the company, not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides commercial, legal, financial, accounting services or consultation to the company or to any affiliate of the company, or a spouse thereof, and the service provided is an "audit service" or a "non-audit service which total compensation within the recent two years exceeds NTD500,000." However, this shall not apply to the members of remuneration committee, public tender offer review committee, or special committee for merge and acquisition, who exercise their powers pursuant to the Securities and Exchange Act or the Business Mergers and Acquisitions Act.

(10) Not having a marital relationship, or a relative within the second degree of kinship to any other director of the company.

(11) Not been a person of any conditions defined in Article 30 of the Company Law.

(12) Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law.

(II) President, assistant presidents, deputy assistant presidents, and the supervisors of all the company's divisions and branch units:

March 31, 2021; Unit: shares

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangemen		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship		
					Shares	(%)	Shares	(%)	Shares	(%)			Position	Name	Relation
Chief Executive Officer	Republic of China	Lin Rong Shian (Note 1)	Male	2005.06.22	110,524,167	12.28%	22,104,781	2.46%	58,223,051	6.47%	(Note 3)		Special Assistant Vice Chief Executive Officer and Group President Administration and Management Center Director Group President	You Wan Ying Lin Hua Chun Lin Yi Chun Kerwin Go	Spouse 1st degree of kinship 1st degree of kinship 1st degree of kinship
Senior Vice Chief Executive Officer	Republic of China	Shen Ching Peng	Male	2008.10.08	282,844	0.03%	1,156	0.00%	–	–			–	–	–
Vice Chief Executive Officer, Group President, and Unified Procurement Center President	Republic of China	Lin Hua Chun	Male	2014.04.01	6,271,761	0.70%	5,435,695	0.60%	–	–			Chief Executive Officer Special Assistant Administration and Management Center Director Group President	Lin Rong Shian You Wan Ying Lin Yi Chun Kerwin Go	1st degree of kinship 1st degree of kinship 2nd degree of kinship 2nd degree of kinship
Interim President and Group President	Republic of China	Liu Yao Kai	Male	2007.03.16	305,932	0.03%	159,422	0.02%	–	–			–	–	–
Group President and Operation and Management Center President	Philippines	Kerwin Go	Male	2008.01.01	441,264	0.05%	10,484,602	1.16%	–	–			Administration and Management Center Director Chief Executive Officer Special Assistant Vice Chief Executive Officer and Group President	Lin Yi Chun Lin Rong Shian You Wan Ying Lin Hua-Chun	Spouse 1st degree of kinship 1st degree of kinship 2nd degree of kinship
Administration and Management Center Director	Republic of China	Lin Yi Chun	Female	2008.01.01	6,407,833	0.71%	4,518,033	0.50%	–	–			Group President Chief Executive Officer Special Assistant Vice Chief Executive Officer and Group President	Kerwin Go Lin Rong Shian You Wan Ying Lin Hua Chun	Spouse 1st degree of kinship 1st degree of kinship 2nd degree of kinship
Special Assistant	Republic of China	You Wan Ying	Female	1992.07.01	22,104,781	2.46%	110,524,167	12.28%	–	–			Chief Executive Officer Vice Chief Executive Officer and Group President Administration and Management Center Director Group President	Lin Rong Shia Lin Hua Chun Lin Yi Chun Kerwin Go	Spouse 1st degree of kinship 1st degree of kinship 1st degree of kinship

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangemen		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship		
					Shares	(%)	Shares	(%)	Shares	(%)			Position	Name	Relation
Vice President	Republic of China	Tsai Chin Tsai	Male	2008.03.01	563,699	0.06%	3,289	0.00%	—	—	(Note 3)		—	—	—
Vice President, Administration and Management Center	Republic of China	Henry Tsao	Male	2009.08.01	298,921	0.03%	38,350	0.00%	—	—			—	—	—
Vice President, Finance Division (Corporate governance officer and finance officer)	Republic of China	Tina Chen	Female	2006.01.01	357,768	0.04%	—	—	—	—			—	—	—
Vice President, Project Development Division	Republic of China	Mei Yung Ho	Male	2017.06.01	32,923	0.00%	54,015	0.01%	—	—			—	—	—
Associate Vice President, Information Technology Management Division	Republic of China	Kevin Yang	Male	2014.06.01	110	0.00%	—	—	—	—			—	—	—
Associate Vice President, Engineering Management Division	Republic of China	Lee Chun Hung	Male	2015.03.16	—	—	—	—	—	—			—	—	—
Associate Vice President, Accounting Division (Accounting officer)	Republic of China	Rita Liu	Female	2009.12.15	168,448	0.02%	—	—	—	—			—	—	—
Associate Vice President, Legal Division	Republic of China	Lee Chia Hui	Female	2019.01.01	—	—	—	—	—	—			—	—	—
Associate Vice President, Investor and Public Relations Office	Republic of China	Christine Chen	Female	2019.05.13	—	—	—	—	—	—			—	—	—
Associate Vice President, Administration Division	Republic of China	Su Chen Shih	Male	2020.01.01	20,400	—	—	—	—	—			—	—	—
Vice President, Internal Audit Division	Republic of China	Wang Po Chien	Male	2020.11.13	2,289	—	—	—	—	—			—	—	—

Note 1: Where the president or person of an equivalent post (the highest level manager) of a company and the chairman are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures (e.g. adding seats of independent directors and the majority of directors do not serve concurrently as employees or managerial officers) adopted in response thereto.

The Chairman of the Company also serves as the Chief Executive Officer, to improve operating efficiency and decision-making execution. The Chairman directly communicates with the directors of the Company's operating overview, strategic objectives, and other information. The Company's current specific measures are as follows:

(1) The current three independent directors are specialized in operation management of finance, law, information/ communication, and provide professional insights, share practices experience and many valuable suggestions from their abundant practical experience, for effective performing their supervisory function.

(2) The Audit Committee and the Remuneration Committee have implemented relevant regulations, fully discuss in each meeting and made recommendations for the Board of Directors as reference, in order to enable the Board of Directors to comply with laws and regulations, the Articles of Incorporation or the resolutions of the shareholders' meeting to exercise its authorities, for strengthening and Implementing corporate governance.

(3) Every year, all directors are arranged to attend in professional director courses of external institutions such as the Securities and Futures Institute and the Taiwan Corporate Governance Association or on-site courses, to enhance the professional knowledge of each director, and thus strengthen the operational effectiveness of the Board of Directors.

(4) In the future, depending on the diverse needs of the Company's business model and business development, the Company expects to plan for appropriate diversified board members, majority of the directors not concurrently serving as employees or managerial officers, and increase the seats of independent directors at the next re-election of directors, in order to comply with laws and regulations and ensure the best interests of the Company and investors.

Note 2: During the recent year up to the publication date of annual report, the changes of the managerial officers are as the following:

(1). Vice Chief Executive Officer, Huang Sen Yi, retired at age-mandated retirement on January 17, 2020.
(2). Vice Chief Executive Officer, Tung Chi Hua, resigned on March 31, 2020.
(3). Vice Presidents, Jim Lee and Fu Shu Cheng were re-appointed to the subsidiary, Ji Shun Life Tech on January 1, 2021.
(4). Vice President, Internal Audit Division, Wang Po Chien, was appointed as the Internal Audit Division on November 13, 2020

Note 3: Major experience (education) and positions concurrently serving in other companies

Title	Name	Experience（Education）	Other Position
Chief Executive Officer	Lin Rong Shian	Department of Construction, Pingdong Vocational High School of Engineering Chairman and Chief Executive Officer, Radium Life Tech	Chairman of Radium Far East, Wan Da Tong, Li Chiang Development, Rih Yao Development, Zhao Yao Enterprise, Xin Xiu Ge Hotel, Jing-Jan Investment Holding, Rih Ding Water Enterprise, Rih Siang Property Management, Prit Biotech, Rih Zuan Green Energy, Wan Tong Digital, Jing Ding Green Energy, Golden Century, and Radium Foundation Jing-Jan Retail Business, Ji Shun Life Tech, Ji Sheng Zih Chan Development, Ding Sheng Green Energy, Rih Ding Circular Econ Inv Hldg, Director, Clever Base Investments Ltd..
Senior Vice Chief Executive Officer	Shen Ching Peng	Master, Graduate School of Civil Engineering, University of Texas, Ausitn Director-General, Ret-Ser Engineering Agency Chairman, RSEA Engineering Corporation	Chairman, Ding Sheng Green Energy and Rih Ding Circular Econ Inv Hldg Director of Rih Yao Development, Rih Ding Water Enterprise, and Jing Ding Green Energy
Vice Chief Executive Officer, Group President,and Unified Procurement Center President	Lin Hua Chun	Master, Graduate Institute of Construction Engineering and Management of National Central University Bachelor, Business Administration, University of Southern California Special Assistant to Chairman, Radium Life Tech	Director of Titan Development and Construction, Zhao Ya Enterprise, Li Chiang Development, Ding Sheng Green Energy, Rih Ding Circular Econ Inv Hldg, Xin Xiu Ge Hotel and Jing Ding Green Energy. Supervisor of Wan Da Tong, Radium-Kagaya, Ji Shun Life Tech, Ji Sheng Zih Chan Development, Jing-Jan Digital Square, Prit Biotech, Jing-Jan Investment Holding, Jing Yang Apartment, Rih Yao Development, and Rih Zuan Green Energy President of Jing-Ding Green
Interim President and Group President	Liu Yao Kai	MBA, National Cheng Chi University National Taiwan College of Arts Business President, Radium Life Tech	Chairman, Ji Shun Life Tech Person in Charge of Chang xin Investment Director of Radium Far East, Ji Sheng Zih Chan Development, Rih Siang Property Management, Rih Yao Developmen , Zhao Yao Enterpris, Jing Yang Apartment, and Radium Foundation Supervisor of Xinxiuge Hotel
Group President and Operation and Management Center President	Kerwin Go	Pepperdine University MBA Johnson Controls Inc. Business President, Radium Life Tech	Chairman of Radium-Kagaya Director of Jing Yang Apartment Director of Li Chiang Development, Prit Biotech, Rih Zuan Green Energy, Ding Sheng Green Energy, and Xin Xiu Ge Hotel. Supervisor of Zhao-Yao Enterprise, Rih Ding Circular Econ Inv Hldg, and Jing Ding Green Energy
Administration and Management Center Director	Lin Yi Chun	Pepperdine University MBA Director of Administration and Management Center, Radium Life Tech	Chairman of Jing-Jan Retail Business, Jing-Jan Digital Square and Ji Sheng Zih Chan Development Directorof Jing-Jan Investment Holding, Wan Da Tong, Rih Zuan Green Energy, Radium Far East, Radium Foundation, and Golden Century
Special Assistant	You Wan Ying	Pingdong Girl's Senior High School Special Assistant, Radium Life Tech	Director of Radium-Kagaya and Jing-Jan Digital Square Supervisor of Rih Ding Water Enterprise, Rih Siang Property Management, and Golden Century

Title	Name	Experience（Education）	Other Position
Vice President	Tsai Chin Tsai	Department of Civil Engineering, Dahan Junior College of Engineering Special Assistant, Head Management Division, Radium Life Tech	None
Vice President, Administration and Management Center	Henry Tsao	Department of Mathematics, Fu Jen University Chief Executive Officer, Rui-Hong Information Technology Consultant, YEN & Brothers Enterprise	None
Vice President, Finance Division (Corporate governance officer and finance officer)	Tina Chen	Master, Department of Business Administration, Tamkang University Associate Vice President, Radium Life Tech	Director of Jing Ding Green Energy
Vice President, Project Development Division	Mei Yung Ho	Master, Civil and Construction Engineering at National Taiwan University of Science and Technology Executive Vice President of China Real Estate Management; Executive Vice President and Spokesperson of Dali Development Co., Ltd.	Director and Interim President of Rih Siang Property Management
Associate Vice President, Information Technology Management Division	Kevin Yang	Tamsui Junior College of Industrial & Business Administration Manager of Liangwei Electronics and DBTEL; Vice Manager of Dongsen Multimedia	None
Associate Vice President, Engineering Management Division	Lee Chun Hung	Graduate Institute of Automation and Control, National Taiwan University of Science and Technology Manager of Electrical and Mechanical, Vice Director, Equipment Division, Chief, Construction Management, RSEA Engineering Corporation	None
Associate Vice President, Accounting Division (Accounting officer)	Rita Liu	Department of Accounting, Soochow University Vice Manager, Accounting Department, Aichun Technology Co., Ltd.	None
Associate Vice President, Legal Division	Lee Chia Hui	Department of Law, Financial Law Section, National Taiwan University Partner, Wang and Company	None
Associate Vice President, Investor and Public Relations Office	Christine Chen	Master, Mass Communication Spokesperson and Chief of Investor Relation Division, Green energy technology	None
Associate Vice President, Administration Division	Su Chen Shih	Master, The Institute of Human Resource Management, Sun Yat-sen University Vice Manager, Lager Network Technologies	None
Vice President, Internal Audit Division	Wang Po Chien	LLM, University of Illinois at Springfield Bachelor, Department of Law, Soochow University Chief Legal Officer of CTCI Corporation; Chief Auditor, RSEA Engineering Corporation Part-time Associate Professor, Institute of Construction Engineering and Management of National Central University	None

(III) Remunerations to Directors, Supervisors, President, and Vice Presidents in the Recent Year

1. Remunerations of Directors

Unit: NT$ Thousand

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Remuneration from ventures other than subsidiaries or from the parent company
		Base Compensation (A)		Severance Pay (B)		Directors Compensation(C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)						
		The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company		All Consolidated Entities		The Company	All Consolidated Entities	
																Cash	Share	Cash	Share			
Chairman	Lin Rong Shian	3,480	8,040	0	0	5,000	6,714	1,100	2,823	1.54%	2.82%	20,104	22,122	324	324	955	0	955	0	4.97%	6.58%	0
Vice Chairman	Lin Hua Chun																					
Directors	Chang Xin Investment Development Co., Ltd. Representative Shen Ching Peng																					
	Chang Xin Investment Development Co., Ltd. Representative Liu Yao Kai																					
Independent Director	K. C. Chou																					
	Lu Shyue Ching																					
	Pan Wei Ta																					

Note 1: The Company's remuneration policies, standards, and packages, the procedure for determining remuneration for independent directors, and its linkage to operating performance and future risk exposure:

(1). Pursuant to the Articles of Incorporation, the remuneration to all directors shall be paid according to the usual standards of the same industry regardless of operating profit or loss. The remuneration paid to the directors is authorized to the board of directors to be determined based on their value of participation level in the Company's operations as well as their contribution, and the Company's operating condition shall also be taken into account. The remuneration is set at a level that does not exceed the maximum wage standard stipulated in the Company's wage Management Measures.

(2). The Company has the Procedures for Director's Remuneration Appropriation and Payment in place, specifying that independent directors do not participate in the distribution of directors' remuneration for each year. In other words, regardless of the profit or loss, the Company will pay fixed compensations.

(3). For the fixed compensation received by independent directors, the Company's operations, financial position and directors' responsibilities have been taken into account, and the directors' performance appraisal are conducted every year, for submitting the appraisal results to the Board of Directors, as a reference for review and improvement and future selection of directors.

Note 2: Other than the disclosure in the table above, the remunerations received by directors for providing services to all companies included in the financial statements: none.

Note 3: The remunerations disclosed in the table have different concept from the income tax. Therefore, the purpose of the table is to disclose information but not for tax purpose.

Ranges of the Directors' Remunerations

Ranges of Remunerations	Name of director			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The Company	All Consolidated Entities	The Company	All Consolidated Entities
Under NTD 1,000,000	—	—	—	—
NTD1,000,000 (inclusive) ~ NTD2,000,000 (exclusive)	Shen Ching Peng, Liu Yao Kai Lin Hua Chun, Pan Wei Ta K. C. Chou, Lu Shyue Ching	Liu Yao Kai, Lin Hua Chun K. C. Chou, Lu Shyue Ching Pan Wei Ta	K. C. Chou Lu Shyue Ching Pan Wei Ta	K. C. Chou Lu Shyue Ching Pan Wei Ta
NTD2,000,000 (inclusive) ~ NTD3,500,000 (exclusive)	Lin Rong Shian	Shen Ching Peng	—	—
NTD3,500,000 (inclusive) ~ NTD5,000,000 (exclusive)	—	—	Lin Hua Chun	—
NTD5,000,000 (inclusive) ~ NTD10,000,000 (exclusive)	—	Lin Rong Shian	Lin Rong Shian Shen Ching Peng Liu Yao Kai	Shen Ching Peng Liu Yao Kai Lin Hua Chun
NTD10,000,000 (inclusive) ~ NTD15,000,000 (exclusive)	—	—	—	—
NTD15,000,000 (inclusive) ~ NTD30,000,000 (exclusive)	—	—	—	Lin Rong Shian
NTD30,000,000 (inclusive) ~ NTD50,000,000 (exclusive)	—	—	—	—
NTD50,000,000 (inclusive) ~ NTD100,000,000 (exclusive)	—	—	—	—
Over NTD100,000,000	—	—	—	—
Total	7	7	7	7

2.Remunerations to President and Vice Presidents

Unit: NT$ Thousand

Title	Name	Salary (A)		Severance Pay (B)		Bonuses and Allowances (C)		Employee Compensation (D)				Ratio of total compensation (A+B+C+D) to net income (%)		Remuneration from ventures other than subsidiaries or from the parent company
		The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company		All Consolidated Entities		The Company	All Consolidated Entities	
								Cash	Stock	Cash	Stock			
Chief Executive Officer	Lin Rong Shian	29,251	29,251	1,465	1,465	15,673	17,723	1,982	0	1,982	0	7.77%	8.10%	0
Senior Vice Chief Executive Officer	Shen Ching Peng													
Vice Chief Executive Officer (Note 1)	Huang Sen Yi													
Vice Chief Executive Officer (Note 2)	Tung Chi Hua													
Vice Chief Executive Officer, Group President, and Unified Procurement Center President	Lin Hua Chun													
Interim President and Group President	Liu Yao Kai													
Group President and Operation and Management Center President	Kerwin Go													
Administration and Management Center Director	Lin Yi Chun													
Special Assistant	You Wan Ying													
Vice President	Tsai Chin Tsai													
Vice President	Tina Chen													
Vice President	Henry Tsao													
Vice President(Note 3)	Jim Lee													
Vice President(Note 3)	Fu Shu Cheng													
Vice President	Mei Yung Ho													
Vice President (Note 4)	Wang Po Chien													

Note 1: Vice Chief Executive Officer, Huang Sen Yi, retired at age-mandated retirement on January 17, 2020.

Note 2: Vice Chief Executive Officer, Tung Chi Hua, resigned on March 31, 2020.

Note 3: Vice Presidents, Jim Lee was re-appointed to the subsidiary, Ji Shun Life Ech Co., Ltd. on January 1, 2021.

Note 4: Vice President, Wang Po Chien, inaugurated on November 13, 2020

Note 5: The remunerations disclosed in the table have different concept from the income tax. Therefore, the purpose of the table is to disclose information but not for tax purpose.

Ranges of President and Vice President' Remunerations

Ranges of Remunerations	Name of President and Vice President	
	The Company	All Consolidated Entities
Under NTD 2,000,000	WangPo Chien, Tung Chi Hua, Huang Sen Yi	WangPo Chien, Tung Chi-Hua, Huang Sen Yi
NTD 2,000,000 (inclusive) ~ NTD 5,000,000 (exclusive)	Liu Yao Kai, Lin Hua Chun, Kerwin Go, Lin Yi Chun You Wan Ying, Tsai Chin Tsai, Tina Chen, Henry Tsao Jim Lee, Fu Shu Cheng, Mei Yung Ho	Liu Yao Kai, Lin Hua Chun, Kerwin Go, Lin Yi Chun You Wan Ying, Tsai Chin Tsai, Tina Chen, Henry Tsao Jim Lee, Fu Shu Cheng, Mei Yung Ho
NTD5,000,000 (inclusive) ~ NTD10,000,000 (exclusive)	Lin Rong Shian, Shen Ching Peng	Lin Rong Shian, Shen Ching Peng
NTD10,000,000 (inclusive) ~ NTD15,000,000 (exclusive)	—	—
NTD15,000,000 (inclusive) ~ NTD30,000,000 (exclusive)	—	—
NTD30,000,000 (inclusive) ~ NTD50,000,000 (exclusive)	—	—
NTD50,000,000 (inclusive) ~ NTD100,000,000 (exclusive)	—	—
Over NTD100,000,000	—	—
Total	16	16

4. Managerial officers receiving employee remunerations and state of distribution:

March 31, 2021; Unit: NT$ Thousand

	Title	Name	Employee Compensation - in Stock	Employee Compensation - in Cash	Total	Ratio of Total Amount to Net Income (%)
Managerial officer	Chief Executive Officer	Lin Rong Shian	0	3,434	3,434	0.55%
	Senior Vice Chief Executive Officer	Shen Ching Peng				
	Vice Chief Executive Officer, Group President, and Unified Procurement Center President	Lin Hua Chun				
	Interim President and Group President	Liu Yao Kai				
	Group President and Operation and Management Center President	Kerwin Go				
	Administration and Management Center Director	Lin Yi Chun				
	Special Assistant	You Wan Ying				
	Vice President	Tsai Chin Tsai				
	Vice President	Henry Tsao				
	Vice President	Mei Yung Ho				
	Vice President (Corporate governance officer and finance officer)	Tina Chen				
	Vice President	Wang Po Chien				
	Associate Vice President	LeeChun Hung				
	Associate Vice President	Kevin Yang				
	Associate Vice President	Lee Chia Hui				
	Associate Vice President (Accounting officer)	Rita Liu				
	Associate Vice President	Christine Chen				
	Associate Vice President	Su Chen Shih				

Note: It is based on the total annual employee compensation amount of 2020 approved by the board of directors of the company March 26, 2021 to estimate the employee compensation that the manager can share.

(IV) Analysis of remuneration paid to Directors, Supervisors, Presidents and Vice Presidents by the Company and all consolidated entities in the recent 2 years as a percentage of net income in the parent company only or individual financial statements and explanation on remuneration policy, standards and composition, procedures and the correlation with operation performance and future risks.

Unit: NT$ Thousand

Item \ Year		2019		2020	
		The Company	All Consolidated Entities	The Company	All Consolidated Entities
Total of remuneration paid	Remuneration, bonuses and special expenses	55,391	66,489	50,199	58,248
	Pension	1,311	1,311	1,465	1,465
	Fees for services rendered	570	1,166	600	2,323
	Employee remuneration	9,582	9,582	1,982	1,982
	Total	66,854	78,548	54,246	64,018
Net profit after tax		406,732	406,732	622,689	622,689
Percentage of net profit after tax (%)		16.44%	19.31%	8.71%	10.28%

1. The remunerations paid to directors and supervisors in the recent two years by all companies included in the consolidated financial statements are described as the following.
   (1) Pursuant to the Articles of Incorporation, the remuneration to all directors shall be paid according to the usual standards of the same industry regardless of operating profit or loss. The remuneration paid to the directors is authorized to the board of directors to be determined based on their value of participation level in the Company's operations as well as their contribution, and the Company's operating condition shall also be taken into account. The remuneration is set at a level that does not exceed the maximum wage standard stipulated in the Company's wage Management Measures.
   (2) According to the Articles of Incorporation of the Company, if the Company makes a profit during the year, the Board of Directors shall resolve to appropriate no more than one percent as directors' remuneration.
   (3) The Company has the Procedures for Director's Remuneration Appropriation and Payment, and divides the remuneration into three categories: remuneration, compensation and service expenses.
      A. Remuneration: The total amount is appropriated based on the Company's Articles of Incorporation, relevant laws and regulations, and reference to the level of peer's level; the distribution is based on the degree of participation and contribution of the directors and supervisors to the Company's operations during their tenure.
      B. Compensation: refers to the compensation received by the directors and supervisors for performing their duties or concurrently serving as functional committee members, and is paid based on the qualifications of the directors and supervisors and reference to the level of peers. It is specified that independent directors do not participate in the distribution of directors' remuneration for each year. In other words, regardless of the profit or loss, the Company will pay fixed compensations.
      C. Service expenses refer to the transportation subsidies, special allowance, and various allowances received by the directors and supervisors when they perform their duties or concurrently serve as functional committee members.

D. For the fixed compensation received by independent directors, the Company's operations, financial position and directors' responsibilities have been taken into account, and the directors' performance appraisal are conducted every year, for submitting the appraisal results to the Board of Directors, as a reference for review and improvement and future selection of directors.

2. The wage structure of managerial officers of the Company and the subsidiaries, is divided into "wage" as well as "bonus and subsidy". wage is paid monthly, which is divided into basic wage and allowance; the basic wage is determined based on the reference to the peer's level, title, rank, educational/industrial background, professional capabilities, or certain performance, or satisfaction of certain criteria; "bonus and subsidies" are given due to work performance or specific work achievements or meeting specific conditions. "Bonus" includes year-end bonus and employee compensation. The amount of year-end bonus is determined based on the profitability of the year, operating performance, and other indicators, e.g., achievement ratio of Revenue, Profit before tax, and Profit after tax. Individuals are paid based on the indicators, such as position, performance, and years of service, which shall be approved by the remuneration committee before resolved by the board of directors. According to the provisions of the Company's Articles of Incorporation and pre-tax income as the basis for allocation, the allocation criteria for employee compensation are evaluated based on relevant performance indicators for operations, and shall be deliberated and approved by the Remuneration Committee before resolved by the board of directors. "Subsidies" are open for application by employees who meet specific conditions, such as transportation subsidy and medical examination subsidy.

3. In addition to the rewards or remuneration mentioned above, if directors, supervisors or managers have moral hazard incidents, improper internal management, personnel fraud or other circumstances that cause negative image and goodwill damage of the Company, they will be punished in due course and will serve as a reference for future review and payment of reasonable remuneration.

III. Implementation of Corporate Governance

(I) Operation of the Board of Directors

A total of 14 meetings of the Board of Directors were held in 2020, and the attendance of directors is summarized as follows:

Title	Name	Attendance in Person	By Proxy	Attendance Rate (%)	Remarks
Chairman	Lin Rong Shian	14	0	100.00%	
Directors	Chang Xin Investment Development Co., Ltd. Representative: Shen Ching Peng	14	0	100.00%	
Directors	Chang Xin Investment Development Co., Ltd. Representative: Liu Yao Kai	14	0	100.00%	
Directors	Lin Hua Chun	14	0	100.00%	
Independent Director	K. C. Chou	13	1	92.86%	
Independent Director	Lu Shyue Ching	14	0	100.00%	
Independent Director	Pan Wei Ta	14	0	100.00%	

Other items to be stated:

I. If any of the following circumstances occur, the dates of the meetings, sessions, contents of motion, all independent directors' opinions and the company's response should be specified:

(I) Matters referred to in Article 14-3 of the Securities and Exchange Act: The Company has the Audit Committee in place, and pursuant to Article 14-5 of the Securities and Exchange Act, such matters shall be approved by the majority of the Audit Committee and submitted to the Board of Directors for resolution; Article 14-3 of the Securities and Exchange Act is not applicable. Please refer to the Operation of the Audit Committee later.

(II) Other matters involving objections or expressed reservations by independent directors that were recorded or stated in writing that require a resolution by the board of directors: None.

II. If there are directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified.

Date	Name of director	Proposal description	Reason of recusal, and participation of voting
2020.1.14	Lin Rong Shian, Shen Ching Peng Liu Yao Kai Lin Hua Chun	Distribution of managerial officers' remuneration	recusal due to conflict of interest; not participating in discussion and voting.
2020.5.13	Lu Shyue Ching	Approved the motion for the Company to participate in tender for the "BOT Project for the Resource Treatment Center in Changhua Binhai Industrial Zone, Industrial Development Bureau" ("ChangBin Project").	recusal due to conflict of interest; not participating in discussion and voting.
2020.7.21	Lin Rong Shian Shen Ching Peng Liu Yao Kai Lin Hua Chun	Distribution of directors' remuneration and adjustment of managerial officers' compensations	recusal due to conflict of interest; not participating in discussion and voting.
2020.9.14	Lu Shyue Ching	Signing contracts related to ChangBin Project.	recusal due to conflict of interest; not participating in discussion and voting.
2020.12.14	Lin Rong Shian Lin Hua Chun	Disposal of malls and parking lots of MeHAS City	recusal due to conflict of interest; not participating in discussion and voting.

III. Evaluation of the Board of Directors

Evaluation cycle	Evaluation periods	Evaluation scope	Evaluation method	Evaluation content
Once a year	January 1, 2020 to December 31, 2020	Including the performance appraisals of all the board of directors, individual board member, and functional committees	Self-assessment in the Board of Directors and board member	Described as the following:

On January 14, 2020, the Board of Directors approved the amendments to the "Procedures of the Board of Directors Performance Appraisal." Afterwards, each director fill in the performance appraisal questionnaires of the Board of Directors, individual board member, and functional committees for 2020. The questionnaires include the following items:

(1) Performance appraisal for the Board of Directors: including participation in the operation of the company; improvement of the quality of the board of directors' decision making; composition and structure of the board of directors; election and continuing education of the directors; and internal control.

(2) Performance appraisal for individual board member: including alignment of the goals and mission of the company; awareness of the duties of a director; participation in the operation of the company; management of internal relationship and communication; the director's professionalism and continuing education; and internal control.

(3) Performance appraisal for functional committees: degree of participation in the company's operations; recognition of the duties of the functional committee; improvement in the quality of decision making by the functional committee; composition of the functional committee, and election and appointment of committee members; and internal control

For the outcomes of the Board of Directors and functional committees, please refer to the description of No.3 under (III) Operation of Corporate Governance.

IV. Objective of enhancing the Board's functions in the current and recent years (e.g. establishing the Audit Committee or enhancing information transparency) and the assessment to the implementation:

(I)The Company has established the Regulations Governing Procedure for Board of Directors Meetings based on the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" The attendance of directors to Board meeting are uploaded to MOPS to enhance the function of the Board of Directors. In 2020, the directors attended total 54 hours for continuing education (please refer to Paragraph 8 of (III) Operation of Corporate Governance in this Chapter).

(II) The Company has re-elected directors fully in the AGM on June 24, 2019. Among them, three seats are independent directors. The Audit Committee has been also established to replace the supervisor system.

(III) The Company has retained Mr. K. C. Chou, Mr. LU, SHYUE-CHING, and Mr. Ou, Chin-De as the 4th term of Remuneration Committee members in the Board meeting on July 23, 2019, to review the system and structure of remunerations to the directors and managerial officers, assist the Board of Directors to determined and review remunerations to the directors and managerial officers, while regularly assess the remuneration level of the directors and managerial officers.

(IV) In the Board meeting on December 6, 2019, the Company appointed Vice President of Finance Division, Ms. Tina Chen, to concurrently serve as the corporate governance officer, and the corporate governance team was formed at the beginning of 2020 as the dedicated unit for corporate governance-related affairs. Regarding the operation of the corporate governance team in 2020, please refer to Paragraph 4 of (III) Operation of Corporate Governance in this Chapter.

(II) Operation of the Audit Committee

Title	Name	Attendance in Person	By Proxy	Attendance Rate (%)	Remarks
Independent Director	K. C. Chou	12	1	92.31%	
Independent Director	Lu Shyue Ching	13	0	100.00%	
Independent Director	Pan Wei Ta	11	2	84.62%	

I. Total 13 meetings were convened in 2020; the key tasks and deliberations are as the following:

(I) The Company formulates or amends internal control system and enforcement rules for internal audits for internal audit implementation.

(II) Assessment of the effectiveness of the internal control system.

(III) Amendments to the procedures of loaning of funds to others.
(IV) The reasonableness of the proposals involving the directors' own interests.
(V) Major asset transactions.
(VI) A material monetary loan, endorsement, or provision of guarantee.
(VII) Proceeds from issuance of bonds and major credit cases.
(VIII) Information security risk management.
(IX) Appointment, remuneration and independence assessment of CPAs.
(X) The appointment or dismissal of an internal auditing officer.
(XI) Financial statements certified or audited by CPAs.

II. Other items to be stated:

(I) If any of the following circumstances occur, the dates of meetings, sessions, contents of motion, resolutions of the Audit Committee and the Company's response to the Audit Committee's opinion should be specified

1. Matters referred to in Article 14-5 of the Securities and Exchange Act.
2. Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors.

Board of Directors	Contents of Motions and the Response	In Article 14-5 of Securities and Exchange Act	Not approved by the Audit Committee but be undertaken upon the consent of two-thirds or more of all directors.
2020.1.14	The motion to amend the Company's "Internal Control System" (including enforcement rules for internal audits).	✓	None
	Resolution of the Audit Committee on January 14, 2020: approved by all attending members.		
	Treatment to the opinion of the Audit Committee: approved by all attending directors.		
2020.2.26	The motion to amend the Company's ""Regulations Governing Loaning of Funds".	✓	None
	Resolution of the Audit Committee on February 26, 2020: approved by all attending members.		
	Treatment to the opinion of the Audit Committee: approved by all attending directors.		
2020.3.20	The motion for the Company's 2019 business report, consolidated financial statements and standalone financial statements.	✓	None
	The motion for the Company's 2019 internal control system statement.	✓	None
	The motion to amend the Company's "Internal Control System" (including enforcement rules for internal audits).	✓	None
	The motion to provide endorsement/guarantee to a subsidiary's credit case.	✓	None
	Resolution of the Audit Committee on March 20, 2020: approved by all attending members.		
	Treatment to the opinion of the Audit Committee: approved by all attending directors.		
2020.4.6	Motion for the Company's newly established subsidiary, Rih Ding Circular Econ Inv Hldg Co., Ltd. to transfer shares to acquire the Company's 100% owned subsidiaries – Rih Ding Water Enterprise Co., Ltd. and Ding Sheng Green Energy Technology Co., Ltd.	✓	None
	Resolution of the Audit Committee on April 6, 2020: approved by all attending members.		
	Treatment to the opinion of the Audit Committee: approved by all attending directors.		
2020.4.7	Proposed Business Restructing Plan to enable Rih Ding Water Enterprise Co., Ltd and/or Ding Sheng Green Energy Technology Co., Ltd to be held under Rih Ding Circular Econ Inv Hldg Co., Ltd. and subsequently meet Initial Public Offering (IPO) eligibility to be listed on the TWSE/TPEx. The proposal authorizes the Company and affiliated/controlled entities to relinquish/transfer the applicable shares.	✓	None
	Resolution of the Audit Committee on April 7, 2020: After the audit committee members discussed with each other and expressed that the scope of the subsidiary for IPO application shall be specified, and explain clearly that when the company conducting IPO handles capital increase in cash in the future, it may opt to give up part or all of the subscription rights. Upon the amendment to the meeting content by the share affairs department of the agenda unit, it was approved by all the attending members.		
	Treatment to the opinion of the Audit Committee: after the discussion among directors and independent directors, all the attending directors approved the resolution of the Audit Committee.		

2020.5.13	The motion to amend the Company's "Internal Control System" (including enforcement rules for internal audits).	✓	None
	The motion of the Company's 2020 appointed CPAs' public expenses.	✓	None
	Resolution of the Audit Committee on May 13, 2020: approved by all attending members.		
	Treatment to the opinion of the Audit Committee: approved by all attending directors.		
2020.6.24	The motion of the cancellation of the treasury shares from the Company's fourth execution of treasury shares.	✓	None
	The motion to set the base date for the Company's dividend distribution and matters in relation to dividend distribution.	✓	None
	Resolution of the Audit Committee on June 24, 2020: approved by all attending members.		
	Treatment to the opinion of the Audit Committee: approved by all attending directors.		
2020.8.12	The motion to amend the Company's "Internal Control System" (including enforcement rules for internal audits).	✓	None
	Resolution of the Audit Committee on August 12, 2020: approved by all attending members.		
	Treatment to the opinion of the Audit Committee: approved by all attending directors.		
2020.9.14	The motion for the Company and the subsidiary signing the related contract for the "Build-Operate-Transfer (BOT) Project of Resource Processing Center in Changhua Coastal Industrial Park by Industrial Development Bureau, Ministry of Economic Affairs".	✓	None
	Resolution of the Audit Committee on September 14, 2020: Independent Director, Lu Shyue Ching, recused himself due to conflict of interests; other Audit Committee members approved.		
	Treatment to the opinion of the Audit Committee: approved by all attending directors.		
2020.11.12	The motion to amend the Company's "Internal Control System" (including enforcement rules for internal audits).	✓	None
	The motion of the Company's internal audit supervisor change.	✓	None
	Resolution of the Audit Committee on November 12, 2020: approved by all attending members.		
	Treatment to the opinion of the Audit Committee: approved by all attending directors.		
2020.12.9	The motion of 2021 audit plans	✓	None
	The motion for the Company to issue the third guaranteed general corporate bonds in 2020.	✓	None
	The motion for the Company to apply for guarantee limit from an financial institution.	✓	None
	Resolution of the Audit Committee on December 9, 2020: approved by all attending members.		
	Treatment to the opinion of the Audit Committee: approved by all attending directors.		
2020.12.14	The motion to dispose of the Mehas shopping mall.	✓	None
	Resolution of the Audit Committee on December 14, 2020: The Audit Committee suggested that the necessity, reasonableness and expected benefits of disposing the above-mentioned real estate should be supplemented from the perspective of the Company. Upon the supplementary explanation, the motion was submitted to the Board of Directors for approval.		
	Treatment to the opinion of the Audit Committee: all the attending directors approved the resolution of the Audit Committee.		

(II) Implementation of independent directors' recusals to proposals with personal interests; name of director, proposal description, reason of recusal, and participation of voting shall be specified.

Date	Name of director	Proposal description	Reason of recusal, and participation of voting and participation of voting
2020.5.13	Lu Shyue Ching	Approved the motion for the Company to participate in tender for the "Build-Operate-Transfer (BOT) Project of Resource Processing Center in Changhua Coastal Industrial Park by Industrial Development Bureau, Ministry of Economic Affairs" ("ChangBin Project").	recusal due to conflict of interest; not participating in discussion and voting.
2020.9.14	Lu Shyue Ching	Signing contracts related to ChangBin Project.	recusal due to conflict of interest; not participating in discussion and voting.

(III) Communication between independent directors, internal audit officers and CPAs (such as material matters, methods and results of communications on the Company's finances and business status):

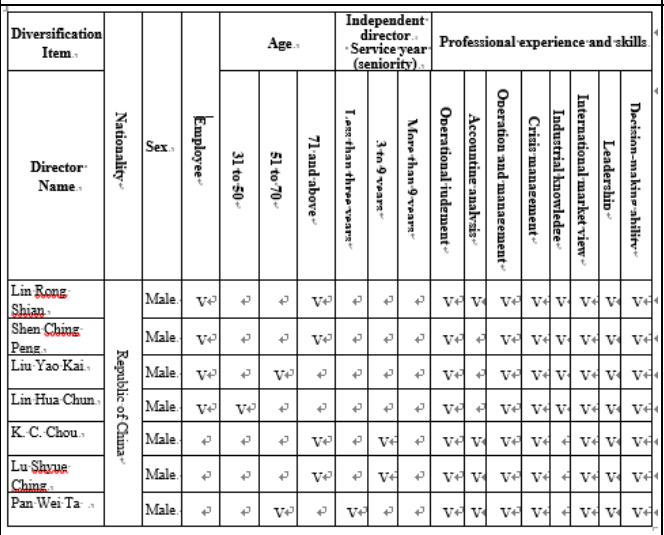
Since 2016, independent directors and supervisors have been arranged to communicate with CPAs and internal audit officers, to sufficiently discuss the information of financial statements and the implementation of internal control system. The discussion serves as an important reference for the Company's subsequent operation improvement and adjustment. The Audit Committee was established in 2019 to replace the supervisor system. The communication between the Audit Committee and the internal audit officer and CPAs in 2020 is as follows:

1. Independent directors report to the internal audit implementation and internal control operations of the Company and its subsidiaries with the internal audit officers at least once a year; in case of material abnormal events, they may convene a meeting at any time. On December 22, 2020, the "independent director's communication seminar for audit business" was held to conduct an audit business report. The result of the communication was that the instruction of the independent directors has been communicated to each responsible units to discuss and proceed, for strengthening the operation of the internal control.
2. The CPAs report to the independent directors once or twice a year regarding the financial position, overall operations, and internal control audit of the Company and its subsidiaries, and both parties sufficiently communicate for the key audit matters and material adjustments of accounts; in case of material abnormal events, they may convene a meeting at any time. A meeting was held on December 22, 2020, to report to independent directors on the operating overview of the Radium Group based on the latest financial statements for 2020, and explain to the independent directors the highly concerned issues that may become key audit matters before the 2020 audit, and the CPAs' inquiries of matters intended to be focused on. The result of the communication was that the independent directors have fully understood and known what may become a key audit items for 2020.

(III) Corporate Governance Implementation Status and Deviations from "Corporate Governance Best -Practice Principles for TWSE/TPEx Listed Companies"

Evaluation Item	Implementation Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
I. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies"?	√		The Company has established the Corporate Governance Best-Practice Principles in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies; other than uploaded to MOPS, the Principles are also disclosed at the "Corporate Governance Section" on the website.	No variance.
II. Shareholding structure & shareholders' rights				
(I) Does the company establish an internal operating procedure to deal with shareholders' suggestions, doubts, disputes and litigations, and implement based on the procedure?	√		(I) The Company has set forth in the "Management Operations for External Communication" in the internal control system; it is designated dedicated staff (the spokesperson and the deputy spokesperson) to handle shareholder-related matters, and set up an investor service section on the website to properly handle shareholder suggestions, doubts, disputes and litigations.	No variance.
(II) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	√		(II) The Company is required by law and regulations to report to the competent authority at MOPS every month about major shareholder shareholding changes.	No variance.
(III) Does the company establish and execute the risk management and firewall system within its conglomerate structure?	√		(III) The Company has specified the "Management Operations of Related Party Transactions" in its internal control system to regulate the goods transactions, major asset transactions, financing, and endorsement/guarantee between the Company and affiliates. The financial, accounting and banking transactions of the Company and affiliates are all independent of each other; the auditing unit supervise and manage the subsidiaries to implement risk control.	No variance.
(IV) Does the company establish internal rules against insiders trading with undisclosed information?	√		(IV) The Company has set up the " Management Operations to Prevent Insider Trading" and "Handling Operation of Material Internal Information", to prohibit insiders from utilizing the undisclosed information to trade securities in order to avoid insider trading. Moreover, the Company forwards the promotion, prevention and information announced by the competent authorities to all insiders including directors and managerial officers to know from time to time. At least once a year, to all insiders such as directors and managerial officers, the educational promotion is conducted pursuant to the "Management Operations to Prevent Insider Trading" and related laws and regulations. On September 30, 2020, the Company has conducted a seminar on the "Ethical Corporate Management Best Practice Principles and Prevention of Insider Trading" for current directors and officers above the associate VP level. The content of the course included the person's subject to insider trading regulations, recognition of insider information and how to disclose it, as well as practical case study. The course briefing materials are placed in the internal education and training section for those who did not attend that day to check.	No variance.

Evaluation Item	Implementation Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
III. Composition and Responsibilities of the Board of Directors (I) Does the Board develop and implement a diversified policy for the composition of its members?	√		(I) 1. Diversification Policy In order to strengthen corporate governance and promote the health development of the composition and structure of the Board of Directors, Article 20 of the Corporate Governance Best-Practice Principles amended in 2020 specifies that the composition of the Board of Directors shall be determined by taking diversity into consideration and that an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs be formulated. The current 9th Term of Directors have professional backgrounds in different fields such as industry, engineering, finance, law and other fields required by the Company, as well as the knowledge, management, skills and skills that are generally required to perform their duties. The Company has achieved the goal of diversifying the Board of Directors, as explained below: 2. Specific Management Objectives The directors of the 9th Term include four directors, namely Mr. Lin Rong Shian, Mr. Shen Ching Peng, Mr. Liu Yao Kai, and Mr. Lin Hua Chun, and three independent directors, namely K. C. Chou, Lu Shyue Ching, and Pan Wei Ta. Each director owns the ability to lead, ability to make policy decisions, ability to make operational judgments, ability to conduct management administration, ability to conduct crisis management, international market perspective, and crisis management. Four of the directors concurrently serve as the Company's employees; they deeply understand the Company's industry and operations and may communicate with the independent directors for judgement and efficient of the decision-making. Among three independent directors, Mr. K. C. Chou has abundant practical experience in the capital market, and is familiar with security finance. Mr. Lu Shyue Ching is very experienced and professional in information and communication field. Both of them have served as chairmen of public listed companies for many years. Mr. Pan Wei Ta is the President of Soochow University, and an experienced legal professional. All three independent directors now also concurrently serve as directors/independent directors of many public listed companies and very experienced in management and leadership. They listen to the reports from managerial officers and furnish professional insights, share practical experience and advices. They are helpful to the Company's operation and development. The implementation of the diversity of board members has been separately disclosed on the website. 3. There are seven ninth-term directors of the Company, including 4 directors and 3 independent directors. For details of diversification, please refer to the following:	No variance.

Evaluation Item	Implementation Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
				
(II) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?	√		(II) The Company has set up the Remuneration Committee, and as required by laws and regulations, at the 2019 shareholders' meeting, the directors were fully re-elected and the Audit Committee has been set up; there is no need to set up other functional committees now.	No variance.
(III)Does the company establish a standard to measure the performance of the Board and implement it annually, and are performance evaluation results submitted to the Board of Directors and referenced when determining the remuneration of individual directors and nominations for reelection?	√		(III) The Company has established the Procedures of the Board of Directors Performance Appraisal, and conducts the Board performance appraisal of the previous year in the first quarter of each year. The appraisal methods include "Board Performance (Overall) Self-Assessment Questionnaire" and "Board Member Self-Assessment Questionnaire". The following five major aspects are included in the "Self-Assessment Questionnaire for the Board of Directors Performance": 1. Participation in the operation of the company; 2. Improvement of the quality of the board of directors' decision making; 3. Composition and structure of the board of directors; 4. Election and continuing education of the directors; and 5. Internal control. The following six major aspects are included in the "Self-Assessment Questionnaire for the Board Member": 1. Alignment of the goals and mission of the company; 2. Awareness of the duties of a director; 3. Participation in the operation of the company; 4. Management of internal relationship and communication; 5. The director's professionalism and continuing education; and 6. Internal control. The following five major aspects are included in the functional committees' performance appraisal (the Audit and Remuneration Committees): 1. Participation in the operation of the company; 2. Awareness of the duties of functional committee;	No variance.

Diversification Item				Age			Independent director Service year (seniority)			Professional experience and skills							
Director Name	Nationality	Sex	Employee	31 to 50	51 to 70	71 and above	Less than three years	3 to 9 years	More than 9 years	Operational judement	Accounting analysis	Operation and management	Crisis management	Industrial knowledge	International market view	Leadership	Decision-making ability
Lin Rong Shian	Republic of China	Male	V			V				V	V	V	V	V	V	V	V
Shen Ching Peng		Male	V			V				V		V	V	V	V	V	V
Liu Yao Kai		Male	V		V					V		V	V	V	V	V	V
Lin Hua Chun		Male	V	V						V		V	V	V	V	V	V
K. C. Chou		Male				V		V		V	V	V	V		V	V	V
Lu Shyue Ching		Male				V		V		V	V	V	V		V	V	V
Pan Wei Ta		Male			V		V			V	V	V	V		V	V	V

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<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract Illustration</th></tr>
<tr><td></td><td></td><td></td><td>3.Improvement of the quality of the functional committees' decision making;
4. Composition of functional committees and member election.
5. Internal control.
Regarding the 2020 performance appraisal of the Board of Directors and functional committees (appraisal was conducted in the first quarter of 2021 and reporting the appraisal results to the Board of Directors), the average score was above 90 points, and the Stock Affairs Department summarized the questionnaire filled by all directors and members, reported the result to the corporate governance officer. The corporate governance officer reviewed and analyzed the poor scores with the independent directors before reporting to the Board of Directors. After that, the corporate governance officer collected the recommendations of the directors on the Company, and then discussed with the main management how to adjust and improve the Company's current operating model. In the future, the Company will also use the relevant appraisal results as a reference for the remuneration and nomination of each director.</td><td></td></tr>
<tr><td>(IV)Does the company regularly evaluate the independence of CPAs?</td><td>√</td><td></td><td>(IV) The Accounting Division of the Company formulates assessment items based on The Bulletin of Norm of Professional Ethics for Certified Public Accountant No. 10 "Integrity, Objectivity and Independence," and conducts self-assessment of the independence and suitability of CPAs once a year. The assessment results are submitted to the Board of Directors to discuss and resolve. The results of the assessment on the independence of CPAs and the statement issued by the two CPAs have been reviewed and approved by the Board of Directors on March 20, 2020. The important assessment items for the independence of CPAs are listed as follows:
<table>
<tr><th colspan="2" rowspan="2">Assessment of CPAs' Independence</th><th colspan="2">Independence status</th></tr>
<tr><th>Item</th><th>Key assessment item</th><th>Yes</th><th>No</th></tr>
<tr><td>1</td><td>The appointed CPAs should avoid and should not accept the engagement when they may have involved in any direct or material indirect interests which may impair their impartiality and independence.</td><td>V</td><td></td></tr>
<tr><td>2</td><td>The CPAs, members of audit team, the partners of the firm or shareholders of corporate accounting firms, accounting firms, and any of affiliates, and network firms, must be always independence of the Company.</td><td>V</td><td></td></tr>
<tr><td>3</td><td>The CPAs have no a direct or material indirect financial interest in the Company.</td><td>V</td><td></td></tr>
<tr><td>4</td><td>There is no financing or guarantee between the CPAs and the Company or its directors and supervisors.</td><td>V</td><td></td></tr>
<tr><td>5</td><td>The CPAs does not have a close business relationship or potential employment relationship with the Company.</td><td>V</td><td></td></tr>
<tr><td>6</td><td>CPAs and any member of the audit team being, or having been a director, or supervisor of the Company, or employed by the Company in a</td><td>V</td><td></td></tr>
</table></td><td>No variance.</td></tr>
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<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract Illustration</th></tr>
<tr><td></td><td></td><td></td><td>
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<tr><td></td><td>position to exert significant influence over the subject matter of the engagement within the last two years.</td><td></td><td></td></tr>
<tr><td>7</td><td>The CPAs have not provided any non-audit service that would affects directly a material item of the audit cases.</td><td>V</td><td></td></tr>
<tr><td>8</td><td>The CPAs have not promoted or brokered shares in the Company or other securities issued by the Company.</td><td>V</td><td></td></tr>
<tr><td>9</td><td>The CPAs do not act as the Company's defender, or mediate conflicts with other third parties on behalf of the Company.</td><td>V</td><td></td></tr>
<tr><td>10</td><td>The CPAs are not related to the Company’s directors, supervisors, managerial officers, or persons who have significant influence on the audit case.</td><td>V</td><td></td></tr>
<tr><td>11</td><td>A former partner within one year of disassociating from the firm does not joins the Company as a director, supervisor, or officer or is in a key position to exert significant influence over the audit case.</td><td>V</td><td></td></tr>
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</td><td></td></tr>
<tr><td>IV. Does the company appoint a suitable number of competent personnel and a supervisor responsible for corporate governance matters (including but not limited to providing information for directors and supervisors to perform their functions, assisting directors and supervisors with compliance, handling work related to meetings of the board of directors and the shareholders' meetings, and producing minutes of board meetings and shareholders' meetings)?</td><td>√</td><td></td><td>(I) To enhance the function of the Board of Directors and implemented the corporate governance, in the Board meeting on December 6, 2019, the Company appointed Vice President of Finance Division, Ms. Tina Chen, to concurrently serve as the corporate governance officer, and the corporate governance team was formed at the beginning of 2020 as the dedicated unit for corporate governance-related affairs.
(II) The corporate governance team consists of an officer appointed by each unit as a member, and is divided into four groups: regulation formulation, operation promotion, corporate governance, and risk supervision. The preliminary plan is to assist the Company in setting corporate governance objectives with corporate governance indicators, amend regulations and internal control, prepare annual reports and CSR reports, and promote corporate governance operations, and regularly report implementation status to the Board of Directors at least once a year.
(III) The operation of the corporate governance team for 2020 is described as following:
1.The corporate governance officer communicates with independent directors to discuss the mode of corporate governance operation.
2.Discussion on the revision of the provisions of the Corporate Governance Best-Practice Principles, the Ethical Corporate Management Best Practice Principles and the whistleblowing system.
3.Review the scoring situation of the corporate governance evaluation and formulate the response plan.
4.Promote the new Corporate Governance 3.0-Sustainable Development Roadmap announced by the competent authority.
5. Discuss the division of work for the annual report of the shareholders’ meeting, the Company's official website, and information security risks.
6.Discuss the necessity for external institution certification, intellectual property rights management, and risk management policy formulation.</td><td>No variance.</td></tr>
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Evaluation Item	Implementation Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			7.Report to the Board of Directors on the corporate governance operation in 2020 (IV) The Company's Board of Directors, Audit Committee, and shareholders' meeting related matters are handled by the Stock Affairs Department (three people deployed) full-time, and they are subordinated to Tina Chen, Vice President of the Finance Department (concurrently serving as the corporate governance officer). Their works includes the planning and draft the agenda before the meetings of the Board of Directors and the Auditing Committee to comply with relevant laws and regulations. At least seven days before the meeting, they shall send the meeting notice and provide meeting materials so that the directors may understand the relevant content of the proposals to be discussed; if any proposal is involved with interest of any director and thus results in recusal, such directors shall be reminded in advanced. During the meeting, if the directors have tasks assigned or need to supplement relevant information, the relevant information will be passed on to the responsible units for the purpose of communication between the Board of Directors and the management team. In addition, the Stock Affairs Department is responsible for the release of material information of important board resolutions, ensuring the legality and accuracy of the content of the material information, to ensure the equal investor transaction information, and complete the minutes of the board of directors within 20 days after the meeting. Also, each year, the date of the shareholders meeting is registered within the time limit specified by the law and regulations. The documents such as the notice of the shareholders meeting, the agenda handbooks, and the minutes of the meeting are prepared and submitted before the deadline, and all necessary matters are handled upon the shareholders meeting's approval.	
V. Does the company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?	√		(I) The Company values the stakeholders related to the Company. In order to better understand the thoughts of the stakeholders and establish good communication and interaction with them, an investor service section has been set up on the company website, to deliver important operational information or investment and finance information related to the stakeholders timely. Meanwhile, the important issues concerned by the stakeholders, communication channels, and responses are also disclosed on the website. (II) In addition, the Company has set up a client subsection under the "Corporate Social Responsibility Section" on the website. The company-owned social medium (Facebook) is also established to facilitate immediate response to issues concerned by general visitors such as clients or suppliers. The communication channels are smooth. The stakeholder communication channels, response methods and frequency of communication, as well as the actual communication performance in 2020, have been separately disclosed on the website.	No variance.

Evaluation Item	Implementation Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			(III) Other than setting up a special section for employees under the "Corporate Social Responsibility Section" on the website, the Company has also set up an "Employee Care Mailbox" within the Company to provide immediate and appropriate responses to any relevant suggestions from employees while preserving employee privacy.	
VI. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	√		The Company appointed KGI Securities as the stock affair agency to handle the shareholders' meeting affairs.	No variance.
VII. Information Disclosure				
(I) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	√		(I) The Company has a corporate website that discloses relevant financial, business and corporate governance information all the time, so that investors may understand the general business of the Group.	No variance.
(II) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?	√		(II) The Company assigns a dedicated staff to be responsible for the Company's information collection and disclosure tasks, seeking to be able to respond to the major issues of concern to the stakeholders timely. There are spokespersons and deputy spokespersons to explain the questions and concerns of shareholders and stakeholders; if any investor conference/press conference is held, the announcements and reports will be handled pursuant to laws and regulations, and upload relevant financial and business information files. In addition, the Company has launched a website update plan. In addition to optimizing the Chinese website in 2021, it will also build the English website, towards internationalization.	No variance.
(III)Does the company announce and report annual financial statements within two months after the end of each fiscal year, and announce and report Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit?	√		(III) As many subsidiaries are owned by the Company, in order to cope with the audit of the subsidiaries for preparing consolidated statements, it is not yet possible to announce and report the annual financial report within two months of the end of the fiscal year; but they are all announced and reported as early as possible before the deadline; the financial reports for the first, second and third quarters and the operating status of each month are also announced and reported before the prescribed deadline.	No material variance.
VIII.Is there any other important information to facilitate a better understanding of the company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?	√		(I) The Company plans HR Management Regulations in accordance with laws and regulations and carries out reviews on related personnel system while establishing strategies to accommodate changes in the social and economic environment. In addition to attaching great importance on the employee's salaries and benefits, the Company also provides an excellent workplace and holes a labor-management meeting on a quarterly basis to promote communication exchange between the employee. The Company has set up an employee welfare committee to handle various welfare matters, including group insurance, birthday and three major festival gift certificates/gift and health checks, among other things, while contributing pensions pursuant the Labor Standards Act and the Labor Pension Act. In addition, the Company provides comprehensive and diversified training courses to enhance employees'	No variance.

Evaluation Item	Implementation Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			professional knowledge and functions. An "Employee Care Mailbox" is set up for the communication for work and life at all aspects, to establish a good relationship of mutual trust and mutual dependence with employees. In addition, in order to retain and cultivate outstanding talents, and to encourage employees to work for the Company for a long time and to leverage their strengths, the Company established the Radium Life Tech Co., Ltd. Employee Stock Ownership Plan on October 20, 2020 to handle employee stock ownership trust plans, in order to enhance employee welfare and help employees accumulate wealth, and thus to achieve a win-win and shared benefits for employee and employer. (II) Regarding the operational process of requesting, procuring, and outsourcing, and the selection of qualified suppliers, in the internal control system, the Company has set up the process of "Request, Procurement, Outsourcing, and Acceptance of Unified Procurement," procedure forms, and the "Supplier Management Operations" procedures, to regulate the relevant procurement and outsourcing procedures, new vendor credit investigation, qualification review and other operations. The subsequent implementation will also conduct the supplier phase evaluation, as the basis for future review of suppliers' qualification for continuing business. Audit units and CPAs will also periodically sample the contracts of procurement and outsourcing and the supplier's performance relationship for review. For supplier evaluation and management, please refer to Chapter Three of the Company's 2019 Corporate Social Responsibility Report. (III) The Company's website has investor relations contact information and client forum, to communicate with the Company, and the responsible department is responsible for responding. As the consideration of protecting shareholders' rights and information transparency, the relevant financial and business information are disclosed on MOPS immediately as required by laws and regulations. In terms of financial institutions, the Company and the financing institutions perform each other's rights and obligations. By insisting the principle of good faith and maintaining good communication channels, the legitimate interests of both parties are protected. (IV) The directors regularly attend in continuing education every year; the related information is disclosed at the "Directors' Attendance in the Board of Directors Meetings and Their Continuing Education" in the Corporate Governance Section of MOPS. The directors' continuing education was totaled 54 hours in 2020. The following list is the training status of each director:	

Evaluation Item	Implementation Status		Abstract Illustration	Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No		

Title and Name	Date of course	Course provided by	Name of course	Hours of continuing education:	Whether the continuing education conforms to the requirement (Note)
Chairman, Lin Rong Shian; Representative of institutional shareholder, Shen Ching Peng and Liu Yao Kai; Director, Lin Hua Chun	2020.09.07	Taiwan Corporate Governance Association	Sustainable governance behind the ESG explosion amid the COVID-19 pandemic	3	Yes
	2020.10.15	Taiwan Corporate Governance Association	Case studies of operation right and M&A disputes	3	Yes
Independent Director K. C. Chou	2020.06.05	Taiwan Corporate Governance Association	Corporate governance and regulations of securities	3	Yes
	2020.06.09	Taiwan Corporate Governance Association	Criminal risks and countermeasures of directors and supervisors-discussion from the enterprise fraud and AML	3	Yes
	2020.10.21	Taiwan Corporate Governance Association	Ethical management and ISO37001	3	Yes
Independent Directors Lu Shyue Ching	2020.05.06	Taiwan Corporate Governance Association	Analysis of financial scenario responding to pressure incident- taking the U.S.-China trade war and COVID-19 as example	3	Yes
	2020.05.08	Taiwan Corporate Governance Association	Observation of the impact from the substance law and global anti-tax-avoidance on the corporate governance from the view of directors and supervisors (I) and (II)	6	Yes
	2020.08.05	Securities and Futures Institute	Key technologies and application opportunities of 5G	3	Yes
	2020.09.07	Taiwan Corporate Governance Association	Sustainable governance behind the ESG explosion amid the COVID-19 pandemic	3	Yes
Independent Director Pan Wei Ta	2020.07.02	Securities and Futures Institute	Discussion of AML and CFT practices	3	Yes
	2020.07.15	Independent Directors Association Taiwan	Growth, restructure, or transformation and upgrade of enterprise after the pandemic	3	Yes

Note: Conformed to the hours, scope, system, arrangement, and

Evaluation Item	Implementation Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			information disclosure required by the “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies.” (V) In terms of the implementation of risk management policies and risk measurement standards, the Board of Directors of the company is the highest decision-making unit for risk management. Since the performance of the construction industry is deeply affected by economic fluctuations, the Company has been actively deploying the development of the operating business system in recent years, such as Subsidiaries responsible for the operation T9 BOT case, which created rental income for asset management; and the Taoyuan Wastewater Sewerage System BOT business of the subsidiary Rih Ding Water Enterprise created stable revenue, including diversification incomes from department stores, hotel, circular economy, cosmetics and skin care products sales. It not only infuses the relatively stable income and cash flow of the group, but also reduces the impact of the construction economic cycle and the company's operational risks. For other risk management policy of the Company, please refer to the description of Chapter Seven (item VI). In addition, the Company’s major operational decisions are evaluated and measured in terms of operational risks, financial risks, and compliance risks to avoid the Company’s over-exposure; the internal control has a "Operational Procedures of Internal Control Operational Deficiency Point-Recording," which divide the internal control check results into three levels: major risk, medium risk and low risk, as a reference for the management of risk control, and to formulate relevant improvement measures to respond to or mitigate risks. (VI) Since September 2007, the Company has purchased "Directors, Supervisors and Managerial Officer Liability Insurance" from Nan Shan Property & Casualty (formerly AIA Property & Casualty, changed its name to Chartis Taiwan at the end of 2009, and merged into Nan Shan Property & Casualty Insurance in 2016). The contract is renewed once a year, with the coverage of NTD150 million. The main insurance conditions for the most recent renewal period (September 30, 2020 to September 30, 2021) have been reported by the Board of Directors on October 8, 2020. (VII) The Company has set up procedures for "Handling Operation of Material Internal Information" and "Management Operations to Prevent Insider Trading" as the basis for the Company's material information processing and disclosure, and the aforesaid procedures are reviewed from time to time to comply with current laws and regulations, and meet the actual management needs. The additions and amendments of the above-mentioned procedures have been announced on the Company's internal website (EIP), and the latest version is also disclosed on the external official website for insiders and employees to consult at any time.	

Evaluation Item	Implementation Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	

Meanwhile, insiders are notified of the latest laws and regulations and promotions from the competent authorities from time to time, to prevent insiders or employees from accidentally conducting insider trading.

(VIII) Regarding the Company's managerial officers' attendance in corporate governance-related training in 2020, other than the above (IV) Directors' Continuing Education (referring to directors who are also managerial officers), the rest officers (including corporate governance officer) are as following:

Title and Name	Date of course	Course provided by:	Name of course	Hours of continuing education:
Corporate governance officer and financial officer Tina Chen	2020.09.07	Taiwan Corporate Governance Association	Sustainable governance behind the ESG explosion amid the COVID-19 pandemic	3
	2020.09.24	Governance Professional Association	2020 Legal system of substantial beneficiaries	3
	2020.10.15	Taiwan Corporate Governance Association	Case studies of operation right and M&A disputes	3
	2020.10.23	Taiwan Stock Exchange	2020 promotion seminar of corporate governance and ethics to directors and supervisors	3
	2020.11.20	Securities and Futures Institute	Analysis and decision-making of financial information	3
Special Assistant You Wan Ying, Group President Kerwin Go, Director Lin Yi Chun	2020.09.07	Taiwan Corporate Governance Association	Sustainable governance behind the ESG explosion amid the COVID-19 pandemic	3
	2020.10.15	Taiwan Corporate Governance Association	Case studies of operation right and M&A disputes	3
Group President Kerwin Go, Director Lin Yi Chun	2020.08.07	Taiwan Institute of Directors	A turning point in Taiwanese corporate strategies under a material pandemic	3
Accounting officer Rita Liu	2020.12.17 ~ 2020.12.18	Accounting Research and Development Foundation	Continuing education course for accounting officers of issuers, security brokers and stock exchanges	12
Audit officer Wang Po Chien	2020.12.4, 12.7 and 12.8	The Institution of Internal Auditors-Chinese Taiwan	Seminar of pre-training for the first-time internal auditors in enterprises	18

IX. The improvements which have been made in accordance with the results of the Corporate Governance Evaluation System released by the Corporate Governance Center, Taiwan Stock Exchange, and provide the priority enhancement measures.

For the 6th Term of Corporate Governance Evaluation (2019), the Company was ranked at 36%～50%. Comparing to the 5th Term (2018), as the evaluation indicators were adjusted a stricter, albeit the corporate governance had been actively improved, but factors such as the composition of the board of directors and cost considerations made the final score same as the previous year. As a whole, the Company continues to strengthen the implementation of various corporate governance measures. At the end of 2019, the Company set up a corporate governance officer and established a corporate governance

Evaluation Item	Implementation Status			Deviations from "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
team. In 2020, three meetings were held to discuss the amendments of the regulations, the amendments of the whistleblowing system, and the risk management plan, review of the corporate governance evaluation scores and other related issues; the Company also advances the Corporate Governance 3.0-Sustainable Development Roadmap promoted by the competent authorities. In the future, the corporate governance team will continue to promote and review corporate governance related issues, to implement corporate governance culture and improve sustainable development of the Company.				

(IV) If the Remuneration Committee is established, its composition, duties, and operation shall be disclosed:

1. The composition and duties of the Remuneration Committee:

(1) Information of Remuneration Committee members

Designation	Criteria / Name	Meet the following professional qualification requirements, together with at least five years' work experience			Independence status (Note)										Number of companies where he/she also serves as a member in the Remuneration Committee	Remarks
		An instructor or higher position in a department of commerce, law, finance, accounting, or other academic department related to the business needs of the company in a public or private junior college, college or university	certified public accountant, or other professional or technical specialists who has passed a national examination and been awarded a certificate in a profession necessary for the business of the company	Having work experience in the area of commerce, law, finance or accounting, or otherwise necessary for company business.	1	2	3	4	5	6	7	8	9	10		
Independent Director	K. C. Chou			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	4	
Independent Director	Lu Shyue Ching	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	1	
Others	Ou Chin De	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	1	

Note: Any member, during the two years before being elected and during the term of office, meets any of the following situations, please tick " ✓" at the appropriate corresponding boxes:

1. Not an employee of the company or any of its affiliates.
2. Not a director or a supervisor of the company or an affiliate (this restriction does not apply, however, when the person is an independent director appointed by the company, its parent company, or a subsidiary pursuant to Securities and Exchange Act or the local laws and regulations).
3. The director, or his or her spouse or minor child, does not hold, in his or her own name or in another name, more than 1% of the Company's total outstanding shares, nor is one of the Company's ten largest natural-person shareholders.
4. Not a spouse (1), relative within the second degree of kinship (2)(3), or direct blood relative within the third degree of kinship of a person listed in the three foregoing paragraphs.
5. Is not the director, supervisor, or employee of an institutional shareholder directly holding more than 5% of the Company's total outstanding shares, nor is the director, supervisor, or employee of one of the five largest institutional shareholders in terms of shareholdings in accordance with Article 27, Paragraph 1 or Paragraph 2 of the Company Act (this restriction does not apply, however, when the person is an independent director appointed by the company, its parent company, or a subsidiary pursuant to Securities and Exchange Act or the local laws and regulations).
6. Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. (The same does not apply, however, in cases where the person is an independent director of the company, its parent company, or any subsidiary, as appointed in accordance with the laws of Taiwan or with the laws of the country of the parent company or subsidiary.)
7. Not a director, supervisor, or employee of a company of which the chairman or CEO (or equivalent) themselves or their spouse also serve as the company's chairman or CEO (or equivalent) (this restriction does not apply, however, when the person is an independent director appointed by the company, its parent company, or a subsidiary pursuant to Securities and Exchange Act or the local laws and regulations).
8. Not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the company (this restriction does not apply, however, if a specific company or institution holds more than 20% of the company's total issued shares, not more than 50% when the person is an independent director appointed by the company, its parent company, or a subsidiary pursuant to Securities and Exchange Act or the local laws and regulations).
9. Other than serving as a compensation committee member of the company, not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides commercial, legal, financial, accounting services or consultation to the company or to any affiliate of the company, or a spouse thereof, and the service provided is an "audit service" or a "non-audit service which total compensation within the recent two years exceeds NTD500,000." However, this shall not apply to the members of remuneration committee, public tender offer review committee, or special committee for merge and acquisition, who exercise their powers pursuant to the Securities and Exchange Act or the Business Mergers and Acquisitions Act.
10. Not been a person of any conditions defined in Article 30 of the Company Law.

(2) Remuneration Committee Responsibilities

In compliance with Article 14-6, Paragraph 1 of the "Securities and Exchange Act" and "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange", the Company established the

Remuneration Committee by resolution of the board of directors on December 13, 2011. The responsibilities of the Remuneration Committee are follows:

- Establish and periodically review the policies, systems, standards and structures of the Company's directors and managerial officers' performance evaluation and remuneration.
- Periodically assess the target achievement status set for the Company's directors and managerial officers and remuneration for the directors, and managerial officers mentioned above should be established.

  "Remuneration" as used above includes cash compensation, stock options, profit sharing and stock ownership, retirement benefits or severance pay, allowances or stipends of any kind, and other substantive incentive measures. Its scope shall be consistent with that of remuneration for directors, supervisors, and managerial officers as set out in the Regulations Governing Information to be Published in Annual Reports of Public Companies.

2. Operation of the Remuneration Committee
   (1) There are three members of the Remuneration Committee in total.
   (2) Term of the current members: The Company re-elected the directors in the shareholders' meeting on June 24, 2019, and the members of the 4th Term Remuneration Committee were appointed in the Board meeting on July 23, 2019. The term of office is from July 23, 2019 to July 23, 2022. In the recent year (2020), the Remuneration Committee held four (A) meetings, and the attendance of directors is summarized:

Position	Name	Actual attendance	Attendance by proxy	Actual attendance rate (%)	Remarks
Convener (Independent Director)	K. C. Chou	4	0	100.00%	
Committee member (Independent Director)	Lu Shyue Ching	4	0	100.00%	
Committee member	Ou Chin De	4	0	100.00%	

Other items to be stated:

I. If the Board of Directors decline to adopt, or will modify, a recommendation of the Remuneration Committee, state the meeting date, term, contents of motions, resolution of the Board meeting, and the Company's treatment to the opinions of the Remuneration Committee (e.g. the remuneration passed by the Board exceeds the recommendation of the Remuneration Committee, the circumstances and cause for the difference shall be specified): None.

II. For the resolutions adopted by the Remuneration Committee, to which a member has a dissenting or qualified opinion which is on record or stated in a written statement, state the meeting date, term, contents of motions, opinion of each member, and the treatment to such opinions: None

III. The operation of the Remuneration Committee during the recent year is described as the following:

Remuneration Committee meeting	Proposal description	Resolution	The Company's treatment to the opinions of the Remuneration Committee
2020.01.14	1. Recognized the motion of the Company's new managerial officers and their remuneration. 2. The motion to discuss the 2018 employee remunerations to managerial officers, and 2019 distribution of	Motion 1 and 2 All members attended and approved the motions as it was unanimously. Motion 3 All the members attended the meeting, and the amendments	The amended and deliberated content by remuneration committee was submitted to the Board of Directors, and approved by all the attending directors as the motion was.

		year-end bonus to managerial officers. 3. The motion to amend the Company's "Regulations Governing the Board Performance Evaluation".	to the "Remuneration Payment Measures for Directors and Supervisors" and the self-assessment questionnaire were approved after amendments, and the rest were approved as the motion was without dissent.	
	2020.03.20	The motion for the Company's 2019 remuneration to employees, directors and supervisors.	All members attended and approved the motions as it was unanimously.	The deliberated content by remuneration committee was submitted to the Board of Directors, and approved by all the attending directors as the motion was.
	2020.07.21	1. The motion of the salary adjustment for the Company's managerial officers. 2. The motion to distribute the Company's 2019 remuneration to directors and supervisors	All members attended and approved the two motions as they were unanimously.	The deliberated content by remuneration committee was submitted to the Board of Directors, and approved by all the attending directors as the motion was.
	2020.10.8	The motion for the plan on the Company's employee stock ownership trust.	All the members attended for the motion. It was recommended that the members of the Employee Stock Ownership Committee may be expanded to include employees from all levels. In addition, the recommended period required for senior executives may be extended, to provide employees with a longer period of consideration and increase participation. Other contents were approved as they were without dissent.	The amended and deliberated content by remuneration committee was submitted to the Board of Directors, and approved by all the attending directors as the motion was.

(V) Fulfillment of Corporate Social Responsibility, and variance from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies, and the reason for any such variance

Assessment Item	Operation Status (Note 1)			Variance from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies, and the reason for any such variance
	Yes	No	Summary (Note 2)	
I. Does the Company follow materiality principle to conduct risk assessment for environmental, social and corporate governance topics related to company operation, and establish risk management related policy or strategy? (Note 3)	V		The Company's Corporate Social Responsibility Best Practice Principles have been established by referring to the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies." In addition, through the four steps of identification, prioritization, verification, and inspection, the major concerns of the stakeholders; the Company's impact on the economy, environment, and society have been identified through the corporate social responsibility report prepared by the Company for explanation and responses. Meanwhile, the review of the Company's implementation results in various aspects, serve as a basis for subsequent review and improvement, to achieve the Company's vision of sustainable development.	No variance.
II. Does the Company have a dedicated (or ad-hoc) CSR organization with Board of Directors authorization for senior management, which reports to the Board of Directors?	V		The Company has assigned the Administration Division as the full-time (part-time) unit to promote corporate social responsibility (CSR). The Director of Administration and Management Center serves as the convener of the CSR project. Under the convener, five task forces are divided, namely "Corporate Governance and Economics Task Force," "Employee Care Task Force," "Sustainable Environment Task Force," "Products and Services Task Force," and "Community Co-Prosperity Task Force." The relevant responsible units will send staff to participate in promoting CSR projects, including meetings and discussions, information gathering and implementation; at least one regular report to the Board of Directors is arranged every year. The report for 2019 has been reported by the unit to the board of directors on its implementation on November 12, 2020.	No variance.
III. Environmental Topic (I) Has the Company set an environmental management system designed to industry characteristics?	V		(I) As Taiwanese society is highly developed, people value the environmental quality increasingly. In addition to implementing energy-saving, power-saving, and water-saving measures in its operations, the Group also establishes relevant environmental management systems based on its industrial characteristics, such as ISO14001, TAF, and traffic lane air pollution prevention. Among them, the ISO14001 certification was obtained on April 15, 2017, and the valid period is	No variance.

<table>
<tr><td></td><td></td><td></td><td>from April 5, 2020 to April 5, 2023, which has improved environmental performance and reduced negative environmental risks.</td><td></td></tr>
<tr><td>(II) Is the Company committed to improving resource efficiency and to the use of renewable materials with low environmental impact?</td><td>V</td><td></td><td>(II) The Company is in the construction industry, and most of the new projects apply green building designs, and use construction materials and carbon-coated materials that meet the environmental protection green building materials label; for the building exterior, it considers thermal insulation design and adds solar power equipment as an alternative energy source to reduce energy consumption. In terms of construction waste, it is collected and treated separately from general household waste, and waste classification, itemized collection and recycling are implemented, with regular report as required by laws and regulations.</td><td>No variance.</td></tr>
<tr><td>(III) Does the Company evaluate current and future climate change potential risks and opportunities and take measures related to climate related topics?</td><td>V</td><td></td><td>(III) The Company monitors the potential risks of climate change to the Company and future operations, and develops measures to incorporate climate-related issues into the responses in the environment aspect (please refer to the Company’s corporate social responsibility report). The office and living areas implement energy-saving measures equivalent to the governmental agencies; the energy-saving and carbon-reduction strategies are formulated and promoted, to avoid the impact of Company operations on the climate environment.</td><td>No variance.</td></tr>
<tr><td>(IV) Does the Company collect data for greenhouse gas emissions, water usage and waste quantity in the past two years, and set energy conservation, greenhouse gas emissions reduction, water usage reduction and other waste management policies?</td><td>V</td><td></td><td>(IV) The Company has established key performance indicators (KPIs) for energy saving and control, and gradually requires electricity bills and power consumption to be reduced by 3% comparing to the same period of the previous year (please refer to the company’s website and corporate social responsibility report). The Company will continue to promote energy-saving policies and encourage employees to face and handle greenhouse gas management issues. The statistics in the past two years are as follows:
<table>
<tr><th>Item</th><th>2019</th><th>2020</th></tr>
<tr><td>Greenhouse gas emission (Scope 1: fuels)</td><td>34,789kg CO2e</td><td>33,387kgCO2e</td></tr>
<tr><td>Greenhouse gas emission (Scope 2: power)</td><td>156,205kg CO2e</td><td>143,029kgCO2e</td></tr>
<tr><td>Water usage</td><td>1,697 m^3</td><td>1,623 m^3</td></tr>
<tr><td>Waste</td><td>No statistics</td><td>3,893.39 kg (Sep to Dec)</td></tr>
<tr><td colspan="3">Note:
Scope 1: each liter converted to the CO_2 emission (per liter gasoline=2.24 kg)
Scope 2: Bureau of Energy, MOEA sets the basis for the electricity carbon emission factor for 2020 was 0.492 kg CO2e/ kWh</td></tr>
</table></td><td>No variance.</td></tr>
</table>

			Bureau of Energy, MOEA sets the basis for the electricity carbon emission factor for 2019 was 0.509 kg CO2e/ kWh	
IV. Social Topic (I) Does the Company set policies and procedures in compliance with regulations and internationally recognized human rights principles?	V		(I) The Company observes relevant labor laws and respects the internationally recognized basic labor human rights principles, and has formulated the "Human Rights Policy, " respecting workplace human rights, safe working environment, anti-discrimination, diversified channels and other rights. Relevant policies and regulations are announced on the official website and internal website for employees to check.	No variance.
(II) Has the Company established appropriately managed employee welfare measures (include salary and compensation, leave and others), and link operational performance or achievements with employee salary and compensation?	V		(II) The Company plans HR Management Regulations in accordance with laws and regulations and carries out reviews on related personnel system while establishing strategies to accommodate changes in the social and economic environment. The Company also attaches great importance on the employee's salaries and benefits - in terms of the remuneration system: not only are the employee's bonuses linked to the Company's operating performance, but personal performances are equally crucial, so that the Company and employees can jointly create a win-win situation; the Company also has established the Remuneration Committee to regularly review the performance and remuneration level of directors and managerial officers. In terms of the welfare system: the Employee Welfare Committee plans diversified welfare measures to enhance the friendship among co-works as well as looking after the employee's physical and mental health.	No variance.
(III) Does the Company provide employees with a safe and healthy working environment, with regular safety and health training?	V		(III) 1.To ensure the safe management and maintenance of the working environment of employees, any visitor must go through the security personnel and access control on the first floor to access and reach the designated floors. The Company also cope with the office building management unit for various safety drilling or tests; at the same time, in order to strengthen the concept of employees' occupational safety and the maintenance of working environment safety, the Company organizes occupational safety and health trainings for occupational safety and health officers, new employees and general employees pursuant to laws. 2. To ensure that each employee maintains physical and mental health, the on-site health service system is introduced; every year, employee health checks are arranged with health seminars from	No variance.

			time to time, to provide employees with health information and consulting services. 3.To provide employees with an outstanding and safe workplace environment, SGS Taiwan Ltd. is retained to carry out various office environment testing tasks on a regular basis each year, including office environment lighting illuminance testing in March and September, inspection of office CO2 concentration in March and September, quarterly drinking fountain water quality inspections, and office environment disinfection is implemented in June and December, The office is also equipped with employees who were trained as qualified first-aider, and with general household medicines and related medical supplies. 4. In response to the COVID-19, the Company immediately established a pandemic prevention mechanism and planned a contingency plan. From building access control and visitor management, pandemic prevention notification, simulated working from home testing, to regular voluntary questionnaire surveys, among other things, there are clear management measures and strict implementation, to maintain a safe and healthy working environment for employees.	
(IV)Has the Company established effective career development training plans?	V		(IV)The Company establishes an effective career ability development training program for employees, and prepares budgets every year, for regularly or extraordinary series of training courses suitable for different ranks to achieve employees' objectives of career development and promotion plan.	No variance.
(V) Does the Company's product and service comply with related regulations and international rules for customers' health and safety, privacy, sales, labelling and set polices to protect consumers' rights and consumer appeal procedures?	V		(V)The Company's product and service comply with related regulations and international rules for customers' health and safety, privacy, sales, labelling are handled pursuant to related laws and regulations, and the legitimacy is regularly reviewed. If there are negotiation terms, the customer's consent is also obtained. In addition, at the official website platforms of the company's products, there are customer service section and a forum function. Stakeholders involved in procurement, engineering, sales and customer service may express their opinions and complaint needs through the above service section, and the Company's accountable units are responsible for responding and processing, to protect the interests of all stakeholders.	No variance.
(VI) Does the Company set supplier management policy and request	V		(VI) Before establishing business relationship with suppliers, the Company first collects	No variance.

suppliers to comply with related standards on the topics of environmental, occupational safety and health or labor right, and their implementation status?			and evaluates whether there are any records affecting the environment and society, records of government procurement rejections or major labor safety incidents, as an important reference for evaluating whether to include the suppliers into the Company's qualified suppliers, as well as to ensure that the new supplier does not result in any significant impact on society. In addition, suppliers must observe the Group's unified procurement management system. Other than accepting vendor's evaluation, the contract also includes the Occupational Safety and Health Act, site labor safety and health, and prohibition of hiring illegal workers, to protect labor rights, ethics, and integrity. In case of violation of the aforesaid circumstances, a fine may be imposed according to the contract terms, or the contract may be terminated or cancelled any time.	
V. Does the Company refer to international reporting rules or guidelines to publish CSR Report to disclose non-financial information of the Company? Has the said Report acquire 3rd certification party verification or statement of assurance?	V		The 2020 CSR Report is being prepared now. The 2019 CSR Report was prepared pursuant to GRI Standards issued by Global Reporting Initiative, and PwC Taiwan performed the assurance certification pursuant to "Standard on Assurance Engagements No. 1."	No variance.
VI. If the Company has established its corporate social responsibility practice principles according to the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" please describe the operational status and variance: To fulfill the responsibility of corporate social responsibility and implement corporate feedback, the Company's Board of Directors passed a resolution on December 8, 2016 to formulate the "Corporate Social Responsibility Best Practice Principles" as the company's short-, medium- and long-term CSR project promotion guidelines. Meanwhile, the Company's corporate social responsibility operations are reviewed through the annual corporate social responsibility report. The Company has a CSR team, which is no variance from the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" in operation. Please refer to the Company's website or MOPS for operation status and results.				
VII. Other important information to facilitate better understanding of the company's implementation of corporate social responsibility: Please refer to the "Corporate Social Responsibility Report" on the website for related information.				

Note 1: If "Yes" is checked for the operation situation, please explain the important policies, strategies, measures and implementation adopted; if "No" is checked for the operation, please explain the reason and describe the plan for adopting relevant policies, strategies and measures in the future.

Note 2: The Company has prepared the corporate social responsibility report for the previous year every year since 2017. However, since its publication date is later than the publication date of the annual report of the shareholders meeting, this annual report cannot index the corporate social responsibility for 2020-page number of the report.

Note 3: The principle of materiality refers to those environmental, social and corporate governance issues that have a significant impact on the Company's investors and other stakeholders.

(VI) Fulfillment of Ethical Corporate Management, and variance from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the reason for any such variance:

Assessment Item	Implementation Status			Variance from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the reason for any such variance
	Yes	No	Summary	
I. Establishment of Corporate Conduct and Ethics Policy and Implementation Measures (I) Does the company have a clear ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team? (II) ether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"? (III) Whether the company has established relevant policies that are duly enforced to prevent unethical conduct, provided implementation procedures, guidelines, consequences of violation and appealing procedures, and periodically reviews and revises such policies?	V		(I) The Company has formulated the "Ethical Corporate Management Best Practice Principles" approved by the Board of Directors, regulating the standards to be complied with by directors and managerial officers when performing their duties. The policy of ethical management is specified in the regulations, external documents and the Company's website, as well specified in the "Employment Contract " or the appointment contract, requiring all employees or appointed managerial officers to observe; the incumbent employees must sign the "Corporate Management Best Practice Principles" consent form. At the same time, the Company specifies the relevant employee confidentiality agreement in the "Employment Contract. "For the business, documents and customer information a employee manages, absolute confidential obligation shall be assumed, and he/she shall not disclose it unless it is legally ordered or approved. In addition, the Company regularly organizes trainings and promotions for employees to fully understand the Company's determination, policies, prevention programs and consequences of violations of unethical conduct, to implement the ethical management policy and actively prevent unethical conducts. (II) The Company's " Ethical Corporate Management Best Practice Principles" has established principal regulations for the business activities with higher risks of unethical conducts set forth in Article 7, Paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies." In the future, it will gradually develop specific preventive measures. In the Company's orientation for new employees, "Instructions for Employees' Life", "Regulations of Reward and Punishment Management" and " Ethical Corporate Management Best Practice Principles," it all expressly prohibits receiving entertainment and gifts from suppliers, clients, contractors or competitors related to the group. Employees must not exploit their authorities to engage in activities with conflict of interests with the Group for obtain illegal benefits. Violators will be severely punished, in order to promote the importance of ethical conducts and related disciplinary regulations. In addition, the Company has also formulated the "Code of Ethical Conduct for Directors and Managers" as a basis for implementing ethical management. (III) The company has set up the "Code of Ethical Conduct for Directors and Managerial Officers," specifying various regulations, such as preventing conflicts of	No variance.

Assessment Item	Implementation Status			Variance from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the reason for any such variance
	Yes	No	Summary	
			interest, preventing personal gains, confidentiality, fair trading, prohibiting insider trading, protecting and appropriately using company assets, observing laws and regulations, and encouraging reporting conducts illegal or violating ethical code of conduct, as well as the disciplinary measures, as the basis for compliance. (IV) In order to implement the Ethical Corporate Management Best Practice Principles and to effectively control and manage reported cases, and to establish smooth reporting channels and fair investigation procedures to correct possible misconduct, the Company has formulated the Reporting Management Regulations as approved by the board of directors, and established a whistleblower mailbox on the official website of the Group for internal and external personnel. Once a reported case is accepted, the confidentiality of the identity of the whistleblower and the content reported will be ensured throughout the investigation process. If an employee is proved to have violated rules, it shall be handled in accordance with the Company's Regulations of Reward and Punishment Management. If there is indeed a violation of relevant laws and regulations as proved in the investigation, the Company will take appropriate legal actions when necessary to protect the Company's reputation and rights and interests.	
II. Ethic Management Practice				
(I) Does the company evaluate the integrity of all counterparties it has business relationships with? Are there any integrity clauses in the agreements it signs with business partners?	V		(I) In the contract signed with agencies, suppliers, customers or other business partners, the Company has added provisions to comply with ethical management. In the event of unethical conducts, the Company may terminate or cancel the contract at any time.	No variance.
(II) Has the company set up a dedicated responsible unit to promote corporate ethical management under the Board of Directors, and has such unit reported its execution in terms of ethical management policy and preventive programs against unethical behaviors and the supervision status to the Board of Directors on a regular basis (at least once a year)?	V		(II) When the Company conducts business activities with its counterparties, it uses credit investigation procedures in advance to verify the transaction records and credit records of its counterparties, avoiding transactions with parties with records of unethical conducts, and terms of penalties for violations of ethics are specified in contracts.	No variance.
(III) Does the company have any policy that prevents conflict of interest, and channels that facilitate the reporting of conflicting interests?	V		(III) In order to improve the management of ethical management, the corporate governance team is responsible for the formulation, supervision and implementation of ethical management policies and prevention programs, and regularly reports to the Board of Directors on their implementation at least once a year. The Company has formulated policies to prevent conflicts of interest through the "Instructions for Employee Life", "Regulations of Reward and Punishment Management" and "Ethical Corporate Management Best Practice Principles." If any employee finds any illegal activity, pursuant to the provisions of "Reporting Management Regulations, "he/she may	No variance.

Assessment Item	Implementation Status			Variance from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the reason for any such variance
	Yes	No	Summary	
			report such acitvity and the corporate governance team is responsible for accepting. If employees of the Company violate this Principles, they shall be treated in accordance with the Company's "Regulations of Reward and Punishment Management"; if there is a violation of relevant laws and regulations, the Company will take appropriate legal actions when necessary to protect the Company's reputation and interests.	
(IV) Has the company established an effective accounting system and internal control system in order to implement ethical management, and propose relevant audit plans according to the assessment results of the risks of unethical behaviors, and review the compliance status of the prevention of unethical behaviors, or entrust an account to carry out the review?	V		(IV) The Company has established a rigorous accounting system and set up a dedicated accounting unit. Financial reports are reviewed by CPAs to ensure the adequacy of financial information disclosure; internal auditors conduct regular/extraordinary reviews pursuant to laws and regulations and operational needs, to implement the internal control system.	No variance.
(V) Does the company organize internal or external training on a regular basis to maintain business integrity?	V		(V) The senior management of the Company attend in the relevant external courses organized by the competent authorities every year; meanwhile, the Company's regular internal training courses for new employees and various internal key training courses (e. g. officer training) also cover relevant promotion of ethical management. At least once a year, the Company educates all insiders such as directors and managers in accordance with the " Management Operations to Prevent Insider Trading " and related laws and regulations, and holds digital courses on the internal learning platform of the "Ethical Corporate Management Best Practice Principles." The promotion, prevention and information announed in letter by the competent authorities forwarded to the directors and managerial officer and all insiders, for them to know, seeking to help employees understand the laws and regulations through the promotion and courses, so that employees and managerial officiers will observe fully when conducting their business.	No variance.
III. Operation of the Whistleblowing System				
(I) Does the company have a specific whistleblowing and reward system stipulated, a convenient report channel established and a responsible staff designated to handle the individual being reported?	V		(I) The Company has established a whistleblowing mailbox on the Company's official website for internal and external persons to use. The corporate governance team is responsible for accepting whistleblowing cases, and the corporate governance officer serves as the convener of investigation for the whistle-blown cases. Whistle-blowing cases are divided into general cases and these involving directors or senior management. Once accepted, an investigation team will be formed according to the content of the whistle-blown case. After the investigation is completed, the convener of the investigation team will report to the corporate governance team or the Audit Committee, and the governance team or the Audit Committee will review and make recommendations for disciplinary actions. The relevant units also review the relevant internal control system and operating	No variance.

Assessment Item	Implementation Status			Variance from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, and the reason for any such variance
	Yes	No	Summary	
(III) Has the company implemented any standard procedures and/or subsequent measures after carrying out an investigation or confidentiality measures for handling reported misconduct?	V		procedures, and propose specific improvement measures to prevent the same situation from happening again. (II) Once the reported matter is accepted, the confidentiality principle shall be followed and the investigation and evidence collection shall be conducted pursuant to the "Reporting Management Regulations;" the identity of the informant and the content of the report shall be kept confidential.	No variance.
(IV) Has the company taken appropriate measures to protect the whistle-blower from suffering any consequences of reporting an incident?	V		(III) If the Company accepts any whistle-blown case, in order to protect the whistleblower, the case shall be handled in a confidential manner. The relevant personnel and interested persons in the handling of the case shall be responsible for keeping the identity of the whistleblower, the content of the allegation and the investigation process confidential. If there is a violation of confidentiality, those who are obliged will be treated in accordance with the Company's "Regulations of Reward and Punishment Management", and the Company also promises to protect the whistleblower from being improper treatment due to the whistle blowing.	No variance.
IV. Strengthening of Information Disclosure Does the company have the contents of ethical corporate management and its implementation disclosed on the website and MOPS?	V		The Company has disclosed the "Ethical Corporate Management Best Practice Principles" on the website and MOPS, regulating the standards to be complied with by directors and managerial officers when performing their duties. Also it is well specified in the "Employment Agreement" or the appointment contract, requiring all employees or appointed managerial officers to observe; the incumbent employees must sign the "Ethical Corporate Management Best Practice Principles" consent form. The training courses for new employees and various internal key training courses (such as officer training, etc.) cover the promotion of ethical management.	No variance.
V. For companies who have established Ethical Corporate Management Best Practice Principles in accordance with the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies”, please describe the current practice and any variance from the code of conduct: The Company has established the Ethical Corporate Management Best Practice by referring to the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies,” to strengthen the corporate culture with ethical management, and serve as the compliance basis for the board members, managerial officers, and employees. Currently, there is no variance.				
VI. Other material information that helps to understand the practice of ethical management of the company: (e.g., the review and revision of the best-practice principles of the Company in ethical management) Always monitor the development of relevant domestic and overseas standards for ethical management, for review and improve the company’s Ethical Corporate Management Best Practice Principles according, and prevent the violations of ethical management from occurring, to implement the Company's ethical management philosophy.				

(VII) If the Company established the corporate governance guidelines and related articles, please disclose the inquiry method: Please refer to the governance section on the Market Observation Post System (MOPS)or the governance section on the Company's official website.

(VIII) Other important information that is sufficient to enhance the understanding of the operation of corporate governance shall be disclosed all together: Please refer to (3) in this article for the Company’s corporate governance for more details.

(IX) The following shall also be disclosed in the implementation of the internal control system:

1.Internal control system:

Radium Life Tech Co., Ltd.
Declaration of Internal Control

Date: March 26, 2021

Based on the findings of a self-assessment, the Company states the following with regard to its internal control system during the year 2020:

I. We understand it is the responsibility of the Company's management to have internal control system established, enforced, and maintained. The purpose is to provide reasonable assurance on the achievement of operating effectiveness and efficiency (including profits, performance, and assets safeguarding), reporting matters with reliability, timeliness, and transparency, and compliance with the relevant law and regulations.

II. Internal control policies are prone to limitations. No matter how robustly designed, effective internal control policies merely provide reasonable assurance to the achievements of the three goals above. Furthermore, environmental, and situational changes may affect the effectiveness of internal control policies. Nevertheless, the internal control system of the Company contains self-monitoring mechanisms, and corrective action is taken whenever a deficiency is identified.

III. The Company has based on the criteria of the internal control system effectiveness in the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (referred to as the "Regulations" hereinafter) to determine the effectiveness of the internal control system design and implementation. The criteria introduced by "Regulations" consisted of five major elements, each representing a different stage of internal control: 1. Control environment, 2. Risk evaluation and response, 3. Procedural control, 4. Information and communication, 5. Supervision. Each element further contains several items. Please refer to the "Regulations" for the details of the said items.

IV. The Company has adopted the above judgment items of internal control system to assess the design and operating effectiveness of the internal control system.

V. Based on the findings of the evaluation, the Company believes that, as of December 31, 2020, its internal control system (including supervision and management of subsidiaries) as well as monitoring the achievement of its objectives concerning operational effectiveness and efficiency; reliability, timeliness and transparency of the reporting and compliance with applicable laws, regulations, etc. were effective in design and operation, and reasonably assured the achievement of the above-mentioned objectives.

VI. The Declaration of Internal Control is the content of our annual report and prospectus for the information of the public. For any forgery and concealment of the aforementioned information to the public, we will be held responsible by law in accordance with Article 20, Article 32, Article 171 and Article 174 of the Securities and Exchange Act.

VII. The declaration has been passed by board in the meeting held on March 26, 2021, with all 7 attending directors affirming the content of the declaration.

Radium Life Tech Co., Ltd.
Chairman: Lin Rong Shian
President: Shen Ching Peng

2. If a CPA is entrusted to perform a special audit on the internal control system, the audit report shall be disclosed: None.

(X) List of discipline, significant deficit, and improvement status of violation of internal control system in the most recent fiscal year and up to the date of publication of the annual report: None

(XI) Important resolutions at shareholder's meetings and Board of Directors meetings in the most recent fiscal year and up to the date of publication of the annual report:

1. Important Resolutions of the Board of Directors

Meeting Date	Important Resolutions
2020.1.14	• Recognized the motion for the Company to reduce the limit when providing endorsement and guarantee to the subsidiary credit. • Recognized the motion of the Company's new managerial officers and their remuneration. • Approved the motion to amend the Company's "Internal Control System" (including enforcement rules for internal audits). • Approved the motion to amend the Company's "Regulations Governing the Board Performance Evaluation". • Approved the motion for the Company to apply for credit limit from a financial institution. • The motion to distribution of the 2018 employee remunerations and compensation to managerial officers
2020.2.26	• Recognized the motion to provide endorsement/guarantee to a subsidiary's credit case. • Approved the motion to provide endorsement/guarantee to a subsidiary's credit case. • Approved the motion for the Company and a subsidiary to sign a construction agreement for New Construction of Sanzhi Project. • Approved the motion to amend the Company's "Remuneration Committee Charter". • Approved the motion to amend the Company's "Audit Committee Charter". • Approved the motion to amend the Company's "Ethical Corporate Management Best Practice Principles". • Approved the motion to amend the Company's "Rules of Procedure for Board of Directors Meetings". • Approved the motion to amend the Company's "Rules of Lending Funds to Others". • Approved the motion to determine the convention of 2020 general shareholders' meeting • Approved the motion to sign a Sanzhi Trust Deed with a financial institution.
2020.3.20	• Recognized the motion for the Company to invest in and establish Rih Ding Circular Econ Inv Hldg Co., Ltd. • Approved the motion for the Company's 2019 business report, consolidated financial statements and standalone financial statements. • Approved the motion for the Company's 2019 remuneration to employees, directors and supervisors. • Approved the motion for the Company's 2019 earnings distribution. • Approved the motion for the Company's 2019 internal control system statement. • Approved the motion to amend the Company's "Internal Control System" (including enforcement rules for internal audits). • Approved the motion for the Company's 2020 operating plan. • Approved the motion for the 2020 assessment on the independence and competency of the Company's CPAs. • Approved the motion for the Company to apply for credit limit from an financial institution. • Approved the motion to provide endorsement/guarantee to a subsidiary's credit case. • Approved the motion for the Company to buy back its shares from the centralized securities exchange market.
2020.4.6	• Approved the motion for the Company's newly established subsidiary, Rih Ding Circular Econ Inv Hldg Co., Ltd. to transfer shares to acquire the Company's 100% owned subsidiaries - Rih Ding Water Enterprise Co., Ltd. and Ding Sheng Green Energy Technology Co., Ltd.

Meeting Date	Important Resolutions
2020.4.7	• Approved the motion for the Company to apply for credit limit from a bank. • Approved the motion to provide endorsement/guarantee to a subsidiary's credit case. • Approved the motion for the Company to apply for credit from an financial institution. • Approved the motion for Proposed Business Restructing Plan to enable Rih Ding Water Enterprise Co., Ltd and/or Ding Sheng Green Energy Technology Co., Ltd to be held under Rih Ding Circular Econ Inv Hldg Co., Ltd. and subsequently meet Initial Public Offering (IPO) eligibility to be listed on the TWSE/TPEx. The proposal authorizes the Company and affiliated/controlled entities to relinquish/transfer the applicable shares. • Approved the motion of adding new content to the Company's 2020 shareholders' meeting.
2020.5.13	• Approved the motion to amend the Company's "Internal Control System" (including enforcement rules for internal audits). • Approved the motion of the Company's 2020 appointed CPAs' public expenses. • Approved the motion for the Company to issue secured ordinary corporate bonds in installments in 2020. • Approved the motion for the Company to apply for guarantee limit from a financial institution. • Approved the motion for the Company to apply for credit limit from a financial institution. • Approved the motion for the Company to participate in tender for the "Build-Operate-Transfer (BOT) Project of Resource Processing Center in Changhua Coastal Industrial Park by Industrial Development Bureau, Ministry of Economic Affairs".
2020.6.24	• Recognized the motion for the Company to reduce the limit when providing endorsement and guarantee to the subsidiary credit. • Recognized the motion to provide endorsement/guarantee to a subsidiary's credit case. • Approved the motion to provide endorsement/guarantee to a subsidiary's credit case. • Approved the motion of the cancellation of the bought back shares from the Company's fourth execution of treasury shares. • Approved the motion to set the base date for the Company's dividend distribution and matters in relation to dividend distribution. • Approved the motion to terminate the endorsement/guarantee for the subsidiary's leasing contract.
2020.7.21	• Approved the motion for the Company to invest in and establish Jing Ding Green Energy Technology Co., Ltd. • Approved the motion to distribute the Company's 2019 remuneration to directors and supervisors • Approved the motion of the salary adjustment for the Company's managerial officers.
2020.8.12	• Recognized the motion to subscribe funds. • Approved the motion to amend the Company's "Internal Control System" (including enforcement rules for internal audits). • Approved the motion for the Company to apply for credit limit from an financial institution. • Approved the motion that the Company apply for loans from a subsidiary.
2020.9.14	• Approved the motion of the Company's participation in a subsidiary's capital increase in cash. • Approved the motion for the Company to apply for credit limit from a financial institution. • Approved the motion to provide endorsement/guarantee to a subsidiary's credit case. • Approved the motion for the Company to authorize the Chairman to sign the negotiation memo of the "Build-Operate-Transfer (BOT) Project of Resource Processing Center in Changhua Coastal Industrial Park by Industrial Development Bureau, Ministry of Economic AffairsBuild-Operate-Transfer (BOT) Project of Resource Processing Center in Changhua Coastal Industrial Park by Industrial Development Bureau, Ministry of Economic Affairs" ("ChangBin Project"). • Approved the motion for the Company and a subsidiary to sign the contracts related to the ChangBin Project.
2020.10.8	• Approved the motion for the Company to participate in the tender for the "the urban renewal project for Lot 246, Subsection 3 Gongyuan Section, Zhongzheng Dist., Taipei City". • Approved the motion for the plan on the Company's employee stock ownership trust. • Approved the motion to provide endorsement/guarantee to a subsidiary's credit case.

Meeting Date	Important Resolutions
2020.11.12	• Approved the motion of the Company's consolidated financial statements for Q3 2020. • Approved the motion to amend the Company's "Internal Control System" (including enforcement rules for internal audits). • Approved the motion for the Company to reduce the limit when providing endorsement and guarantee to the subsidiary's credit. • Approved the motion for the Company to apply for credit limit from a financial institution. • Approved the motion of the Company's internal audit supervisor change. • Approved the motion of the Company's organizational adjustment.
2020.12.9	• Recognized the motion of the Company's participation in a subsidiary's capital increase in cash. • Approved the motion of 2021 audit plans. • Approved the motion to amended the "Corporate Governance Best-Practice Principles." • Approved the motion to add the "Reporting Management Regulations." • Approved the motion that the Company signs investment contract with Taichung City Government for land development projects at Wenxin-Tsungde Station (G6) and Wenxin-Yinghua Station (G8a) of the Taichung Metropolitan Mass Rapid Transportation System Wurih-Wenxin-Beitun Line. • Approved the motion for the Company to issue the third batch of secured ordinary corporate bonds in installments in 2020. • Approved the motion for the Company to apply for guarantee limit from a financial institution. • Approved the motion for the Company to reduce the limit when providing endorsement and guarantee to the subsidiary's credit. • Approved the motion to change the provision of endorsement/guarantee to a subsidiary's credit case. • Approved the motion that the Company apply for loans from a subsidiary.
2020.12.14	• Approved the motion to dispose of malls and parking lots of Mehas.
2021.2.3	• Recognized the motion of remunerations to the Company's new managerial officers. • Recognized the motion to provide endorsement/guarantee to a subsidiary's credit case. • Recognized the motion to subscribe funds. • Recognized the motion for the Company to renewal the leasing contract of offices and parking lots from a subsidiary. • Approved the motion to amend the Company's "Internal Control System" (including enforcement rules for internal audits). • Approved the motion for the Company to reduce the limit when providing endorsement and guarantee to the subsidiary's credit. • Approved the motion to provide endorsement/guarantee to a subsidiary's credit case. • Approved the motion for the Company to apply for credit limit from a financial institution. • Approved the motion for the Company to sign the new implementer contract of the "the urban renewal project for Lot 246, Subsection 3 Gongyuan Section, Zhongzheng Dist., Taipei City". • Approved the motion to relieve the Company's managerial officers from the non-competition restriction. • Approved the motion to distribution of the 2019 employee remunerations and compensation to managerial officers

Meeting Date	Important Resolutions
2021.3.26	• Approved the motion of the Company's organizational adjustment. • The motion to elect the Vice Chairman of the 9th Term • Approved the motion of the Company's new managerial officers and their remuneration. • Approved the motion for the Company's 2020 business report, consolidated financial statements and standalone financial statements. • Approved the motion for the Company's 2020 earnings distribution. • Approved the motion for the Company's 2020 remuneration to employees, directors and supervisors. • Approved the motion for the Company to release 2020 Declaration of Internal Control. • Approved the motion to amend and add the Company's "Internal Control System" • Approved the motion to amend to the company's "Articles of Incorporation" • Approved the motion of the execution effect of the first batch of first overseas unsecured convertible bonds of 2004. • Approved the motion to determine the convention of 2021 general shareholders' meeting • Approved the motion for the Company's 2021 operating plan. • Approved the motion for the 2021 replacement of the Company's CPAs assessment on the independence and competency of the CPAs. • Approved the motion of a related party's plan to purchase a property and parking lot at the Genesis. • Approved the motion for the Company to apply for credit limit from a financial institution. • Approved the motion for the Company to apply for performance bond limit from a financial institution. • Approved the motion for the Company's plan to participate the public tender of urban renewal implementer for the "Land of Special Commercial Zone (Ten) at Taipower Taipei Storage and Operation Center Old Location in Nangang (AR-1-2)." • Approved the motion for the Company's plan to participate the public tender of contractors for the "Joint-Construction Development at Land No. 427 and 428 at Tsing-Shan Section, Dayuan District, Taoyuan City."

2. Important Shareholders Meeting Resolutions and Implementation

Meeting Date	Important Resolutions	Implementation
2020.5.18	• Recognized the 2019 Business Report and Financial Statements.	The motion has been approved by voting as the original motion.
	• Recognized the motion for the Company's 2020 earnings distribution.	1. The Company determined in the Board meeting on June 24, 2020, the ex-dividend date as July 19, 2020, and the distribution date as August 5, 2020. 2. The cash dividends were fully distributed.
	• Approved the motion to amend the Company's "Rules of Lending Funds to Others".	The motion has been approved by voting as the original motion; The amended rules were disclosed on MOPS as required.
	• Approved the motion for Proposed Business Restructuring Plan to enable Rih Ding Water Enterprise Co., Ltd and/or Ding Sheng Green Energy Technology Co., Ltd to be held under Rih Ding Circular Econ Inv Hldg Co., Ltd. and subsequently meet Initial Public Offering (IPO) eligibility to be listed on the TWSE/TPEx. The proposal authorizes the Company and affiliated/controlled entities to relinquish/transfer the applicable shares.	The motion has been approved by voting as the original motion. The future public listing is still under planning.

(XII) Any other documented objections or qualified opinions raised by directors or supervisors against board resolutions in relation to matters, and their content in the most recent fiscal year and up to the date of publication of the annual report: None.

(XIII) Resignation or discharge of Chairman, president and managerial staff of accounting, finance, internal audit, and research and development in the most recent fiscal year and up to the date of publication of the annual report: None.

IV. Information on CPA Professional Fees:

Ranges of CPA Professional Fees

Accounting Firm	**Name of CPA**		Audit Period	Remarks
Deloitte & Touche	Gung, Jerry	Liu, Walter	2020.1.1~2020.12.31	

Unit: NT$ Thousand

Amount range \ **Fee Items**		**Audit fee**	**Non-audit fee**	**Total**
1	Below NT$ 2,000 thousand	—	1,141	1,141
2	NT$ 2,000 thousand (inclusive) to NT$ 4,000 thousand	—	—	—
3	NT$ 4,000 thousand (inclusive) to NT$ 6,000 thousand	5,200	—	5,200
4	NT$ 6,000 thousand (inclusive) to NT$ 8,000 thousand	—	—	—
5	NT$ 8,000 thousand (inclusive) to NT$ 10,000 thousand	—	—	—
6	Over NT$ 10,000 thousand (inclusive)	—	—	—

(I) Independent auditing firms, their subordinate offices, and their affiliates to which non-audit fees paid by the company exceed one-fourth of audit fees:

The Company paid the independent auditing firms, their subordinate offices, and their affiliates to which non-audit fees more than one-fourth of audit fees. Please refer to the following table for the non-audit fees and description of the non-audit services:

Unit: NT$ Thousand

Accounting Firm	Name of CPA	Audit Fee	Non-audit fee					Audit Period	Remarks
			System Design	Company Registration	Human Resource	Others	Subtotal		
Deloitte & Touche	Gung, Jerry	5,200	—	—	—	1,141	1,141	2020.1.1~ 2020.12.31	Non-audit fees- others includes 1. Transfer pricing report service for NT$ 305 thousand. 2. Audit report for particular purpose for NT$ 300 thousand. 3. Business tax computation report for dual-status business entities applying the direct deduction methodfor NT$ 150thousand. 4. Advice for fundraising by corporate bonds for NT$ 100 thousand. 5. Matters related to overseas investment for NT$ 70 thousand. 6. Others: NT$ 216 thousand.
	Liu, Walter							2020.1.1~ 2020.12.31	

(II) Replacement of independent auditing firm and reduction in audit fees paid during the year of replacement compared with the previous year: None

(III) Reduction in audit fees by more than 10% compared with the previous year, the reduced amount of audit fee, percentage, and reasons: None

V. Change of CPA: None.

VI. Any of the Company's chairperson, president, or managerial officer in charge of finance or accounting held a position in the CPA's firm or its affiliated companies in the most recent year: None.

VII. Any transfer of equity interests and/or pledge of or change in equity interests by a director, supervisor, managerial officer, or shareholder with a stake of more than 10 percent during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:

(I) Transfer or pledge of stake by directors, supervisors, managers and major shareholders holding 10% or more stake:

Unit: shares

Title	Name	2020		2021 up to March 31	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Chairman	Lin Rong Shian (Note 1)	0	0	(1,158,010)	0
Vice Chairman	Lin Hua Chun(Note 2)	0	0	0	0
Institutional	Chang Xin Investment development Co., Ltd.	0	0	0	0

Title	Name	2020		2021 up to March 31	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Director					
Institutional Director Representative	Chang Xin Investment Development Co., Ltd. Representative: Shen Ching Peng	0	0	0	0
	Changxin Investment Development Co., Ltd. Representative: Liu Yao-Kai	0	0	0	0
Independent Director	K. C. Chou	0	0	0	0
Independent Director	Lu Shyue Ching	0	0	0	0
Independent Director	Pan Wei Ta	0	0	0	0

Note1: major shareholder with 10% of stake.
Note 2: elected as the Vice Chairman on March 26, 2021.

(II) Transfer of directors, supervisors, managers and major shareholders holding 10% or more stake where the counterparty is a related party: None

(III) Transfer or pledge of stake by managerial officers

Unit: shares

Title	Name	2020		2021 up to March 31	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Chief Executive Officer	Lin Rong Shian	0	0	(1,158,010)	0
Senior Vice Chief Executive Officer (Note 1)	Shen Ching Peng	0	0	0	0
Vice Chief Executive Officer, Group President, and Unified Procurement Center President (Note 1)	Lin Hua Chun	0	0	0	0
Interim President and Group President (Note 1)	Liu Yao Kai	0	0	0	0
Group President and Operation and Management Center President	Kerwin Go	0	0	0	0
Administration and Management Center Director	Lin Yi Chun	0	0	0	0
Special Assistant	You Wan Ying	0	0	(200,913)	0
Vice President	Tsai Chin Tsai	0	0	0	0
Vice President, Administration and Management Center	Henry Tsao	0	0	0	0
Vice President, Finance Division (Corporate governance officer and finance officer)	Tina Chen	0	0	0	0
Vice President, Project Development Division	Mei Yung Ho	0	0	0	0
Vice President, Sales Division (Note 2)	Jim Lee	0	0	-	-
Vice President, Construction Division (Note 2)	Fu Shu Cheng	0	0	-	-
Associate Vice President, Information Technology Management Division	Kevin Yang	0	0	0	0
Associate Vice President, Engineering Management Division	Lee Chun Hung	0	0	0	0
Associate Vice President, Accounting Division (Accounting officer)	Rita Liu	0	0	0	0
Associate Vice President, Legal Division	Lee Chia Hui	0	0	0	0
Associate Vice President, Investor and Public	Christine Chen	0	0	0	0

Title	Name	2020		2021 up to March 31	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Relations Office					
Associate Vice President, Administration Division	Su Chen Shih	0	0	0	0
Vice President, Internal Audit Division (Note 3)	Wang Po Chien	0	0	0	0
Vice Chief Executive Officer (Note 4)	Tung Chi Hua	0	0	0	0

Note 1: Re-appointment was made on March 26, 2021.
Note 2: Jim Lee and Fu Shu Cheng were re-appointed to the subsidiary, Ji Shun Life Tech. on January 1, 2021.
Note 3: Vice President, Wang Po Chien, inaugurated on November 13,2020
Note 4: Tung Chi Hua, resigned on March 31, 2020.

(V) Stake transfer or pledge of managerial officers where the counterparty is a related party: None

VIII. Relationship information, if among the company's top ten shareholders any one is a related party, or spouse or a relative within the second degree of kinship of another:

April 27, 2021

Name	Shareholding by oneself		Shareholding of spouses and children of minor age		Shareholding through nominees		Related parties, or spousal relationship or relatives within second degree of kinship, among top ten shareholders, including their names and relationships	
	Shares	(%)	Shares	(%)	Shares	(%)	Name	Relation
Lin Rong Shian	110,524,167	12.28%	22,104,781	2.46%	58,223,051	6.47%	1. You Wan Ying 2. Golden Century 3. Rih Jun Investment 4. Jing Kang Development 5. Ding Sheng Digital	1. Spouse 2. Chairman of that company 3. Relative of 2nd degree of kinship to a director of that company 4. Relative of 2nd degree of kinship to a director of that company 5. Relative of 1st degree of kinship to a director of that company
CTBC Bank Co., Ltd. In custody for Verivia PCC	82,131,547	9.12%	—	—	—	—	—	—
Golden Century Co., Ltd. Representative: Lin Rong Shian	58,223,051	6.47%	—	—	—	—	1. Lin Rong Shian 2. You Wan Ying 3. Rih Jun Investment 4. Jing Kang Development	1. Chairman of that company 2. Supervisor of that company 3. Chairman of Golden Century and Director of Rih Jun Investment are relatives within 2nd degree of kinship. 4. Chairman of Golden Century and Director of Jing-Kang Development are relatives within 2nd degree of kinship.
Ding Sheng Digital Life Co., Ltd. Representative: Tang Ching Huey	49,260,000	5.47%	—	—	—	—	1. Lin Rong Shian 2. You Wan Ying	1. Relative of 1st degree of kinship to a director of that company 2. Relative of 1st degree of kinship to a director of that company
Rih Jun Investment Co. Ltd. Representative: Lin Rong Shian	33,838,055	3.76%	—	—	—	—	1. Lin Rong Huan 2. Lin Rong Shian	1. Director of that company 2. Relative of 2nd degree of kinship to a director of that company

Name	Shareholding by oneself		Shareholding of spouses and children of minor age		Shareholding through nominees		Related parties, or spousal relationship or relatives within second degree of kinship, among top ten shareholders, including their names and relationships	
	Shares	(%)	Shares	(%)	Shares	(%)	Name	Relation
							3. You Wan Ying 4. Golden Century 5. Jing Kang Development	3. Relative of 2nd degree of kinship to a director of that company 4. Director of Rih Jun Investment and Chairman of Golden Century are relatives within 2nd degree of kinship. 5. Director of Rih Jun Investment and Director of Jing Kang Development are the same person
You Wan Ying	22,104,781	2.46%	110,524,167	12.28%	—	—	1. Lin Rong Shian 2. Lin Rong Huan 3. Golden Century 4. Rih Jun Investment 5. Jing Kang Development 6. Ding Sheng Digital	1. Spouse 2. 2nd degree of kinship 3. Supervisor of that company 4. Relative of 2nd degree of kinship to a director of that company 5. Relative of 2nd degree of kinship to a director of that company 6. Relative of 1st degree of kinship to a director of that company
Norges Bank	16,237,284	1.80%	—	—	—	—	—	—
Jing Kang Development Investment Co., Ltd. Representative: Lin Rong Huan	15,351,434	1.71%	—	—	—	—	1. Lin Rong Huan 2. Lin Rong Shian 3. You Wan Ying 4. Golden Century 5. Rih Jun Investment	1. Director of that company 2. 2nd degree of kinship to a director of that company 3. Relative of 2nd degree of kinship to a director of that company 4. Director of Jing Kang Development and Chairman of Golden Century are relatives within 2nd degree of kinship. 5. Director of Jing Kang Development and Director of Rih Jun Investment are the same person
Vanguard Emerging Markets Stock Index Fund, a series of Vanguard International Equity Index Funds	10,880,760	1.21%	—	—	—	—	—	—
JPMorgan Chase Bank N.A., Taipei Branch in custody for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	8,145,715	0.90%	—	—	—	—	—	—

IX. The total number of shares and total equity stake held in any single enterprise by the company, its directors and supervisors, managerial officers, and any companies controlled either directly or indirectly by the company:

December 31, 2020; Unit: thousand shares

Affiliated Enterprises	Ownership by the Company		Direct or Indirect Ownership by Directors/Supervisors/Managers		Total Ownership	
	Shares	%	shares	%	Shares	%
Rih Siang Property Management Co., Ltd.	230,000	100.00%	—	—	230,000	100.00%
Ji Shun Life Tech Co., Ltd.	70,000	100.00%	—	—	70,000	100.00%
Li Jiang Development Co., Ltd.	100,000	100.00%	—	—	100,000	100.00%
Rih Ding Water Enterprise Co., Ltd.	—	—	449,640	100.00%	449,640	100.00%
Rih Yao Development l Co., Ltd.	95,000	100.00%	—	—	95,000	100.00%
Zhao Yao Enterprise Co., Ltd.	235,000	100.00%	—	—	235,000	100.00%
Ri Zuan Green Energy Technology Co., Ltd.	4,050	90.00%	338	7.50%	4,388	97.50%
Radium Far East Co., Ltd.	38,773	99.93%	26	0.06%	38,799	99.99%
Titan Development and Construction Co., Ltd.	120,000	100.00%	—	—	120,000	100.00%
Jing-Jan Investment Holding Co., Ltd.	91,590	61.06%	58,410	38.94%	150,000	100.00%
Radium-kagaya International Hotel Co., Ltd.	15,000	100.00%	—	—	15,000	100.00%
Xin Xiu Ge Hotel Co., Ltd (Note 1)	125	100.00%	—	—	125	100.00%
Clever Base Investments Limited	2,080	100.00%	—	—	2,080	100.00%
Ji Sheng Zih Chan Development Co., Ltd.	—	—	8,700	100.00%	8,700	100.00%
Prit Biotech Co., Ltd.	—	—	10,803	44.79%	10,803	44.79%
Jing-Jan Retail Business Co., Ltd.	—	—	45,001	75.00%	45,001	75.00%
Wan-Da-Tong Enterprise Co., Ltd.	148,000	28.35%	374,015	71.65%	522,015	100.00%
Ding Sheng Green Energy Technology Co., Ltd.	—	—	5,000	100.00%	5,000	100.00%
Wan Tong Digital Technology Co., Ltd.	2,700	90.00%	225	7.50%	2,925	97.50%
Rih Ding Circular Economy Investment Holding Co., Ltd.	63,500	100.00%	—	—	63,500	100.00%
Jing Ding Green Energy Technology Co., Ltd.	740	37.00%	660	33.00%	1,400	70.00%
Kai Chuang International Limited (Note 3)	—	—	—	—	—	—
Sharp China Investments Limited (Note 4)	—	—	—	—	—	—
Rih Ding Investments Limited (Note 5)	—	—	30	100.00%	30	100.00%
Jing-Jan Digital Square Co., Ltd.	—	—	2,000	100.00%	2,000	100.00%
Li Jiang Business Consulting (Shanghai)	(Note 2)	100.00%	—	—	(Note 2)	100.00%
Jing Yang Apartment Building Management and Maintenance Co., Ltd.	—	—	980	49.00%	980	49.00%

Note 1: The par value per share of Xin Xiu Ge Hotel shares is NT$1000.
Note 2: It is a limited company so there are no shares.
Note 3: The deregistration was completed on April 8, 2020.
Note 4: The deregistration was completed on April 17, 2020.
Note 5: The deregistration was completed on February 25, 2021.

Capital Overview

I. Capital and Shares

(I) Source of Capital

1. Issued Share

March 31, 2020；Unit：thousand (shares) NT$

Year Month	Par Value (NT$))	Authorized Share Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Source of Capital	Capital Increase by Assets Other than Cash	Other
1980/03	10	Note (1)	3,000	Note (1)	3,000	Venture Capital	None	None
1993/03	10	Note (1)	5,000	Note (1)	5,000	Cash	None	None
1994/10	10	19,300	193,000	19,300	193,000	Cash	None	None
1996/01	10	60,000	600,000	60,000	600,000	Consolidated Capital Increase	None	January 20, 1996 MOEA Ruling Ref. No. 120219
1996/08	10	120,000	1,200,000	80,000	800,000	Cash	None	August 27, 1996 MOEA Ruling Ref. No. 113462
1997/11	10	120,000	1,200,000	92,800	928,000	Cash and Retained Earnings	None	November 11, 1997 MOEA Ruling Ref. No. 021303
1998/09	10	120,000	1,200,000	120,000	1,200,000	Cash and Retained Earnings	None	September 29, 1998 MOEA Ruling Ref. No. 087130353
2000/02	10	180,000	1,800,000	138,000	1,380,000	Retained Earnings	None	February 16, 2000 MOEA Ruling Ref. No. 089104657
2001/02	10	180,000	1,800,000	172,500	1,725,000	Capital Surplus and Retained Earnings	None	February 1, 2001 MOEA Ruling Ref. No. 09001032720
2003/01	10	221,800	2,218,000	190,450	1,904,500	Retained Earnings and Employee Bonus	None	January 24, 2003 MOEA Ruling Ref. No. 09201020960
2003/07	10	271,800	2,718,000	190,477	1,904,770	Domestic Convertible Bonds	None	July 30, 2003 MOEA Ruling Ref. No. 09201235310
2003/10	10	271,800	2,718,000	190,517	1,905,174	Domestic Convertible Bonds	None	October 21, 2003 MOEA Ruling Ref. No. 09201296570
2004/01	10	271,800	2,718,000	206,469	2,064,690	Retained Earnings and Employee Bonus and Domestic Convertible Bonds	None	January 20, 2004 MOEA Ruling Ref. No. 09301010050
2004/04	10	271,800	2,718,000	244,046	2,440,456	Domestic Convertible Bonds	None	April 19, 2004 MOEA Ruling Ref. No. 09301065000
2005/11	10	390,000	3,900,000	264,849	2,648,493	Retained Earnings and Employee Bonus	None	November 7, 2005 MOEA Ruling Ref. No. 09401221940
2006/11	10	390,000	3,900,000	346,443	3,464,433	Cash and Retained Earnings and Employee Bonus	None	November 1, 2006 MOEA Ruling Ref. No. 09501239120
2007/03	10	390,000	3,900,000	357,345	3,573,456	Overseas Convertible Bonds	None	March 6, 2007 MOEA Ruling Ref. No. 09601038810
2007/06	10	680,000	6,800,000	382,784	3,827,844	Overseas Convertible Bonds	None	June 26, 2007 MOEA Ruling Ref. No. 09601141040
2007/09	10	680,000	6,800,000	398,032	3,980,319	Retained Earnings and Employee Bonuses	None	September 14, 2007 MOEA Ruling Ref. No. 09601227980
2007/09	10	680,000	6,800,000	448,032	4,480,319	Cash	None	September 26, 2007 MOEA Ruling Ref. No. 09601227980
2008/01	10	680,000	6,800,000	448,043	4,480,434	Domestic Convertible Bonds	None	January 30, 2008 MOEA Ruling Ref. No. 09701023260

Year Month	Par Value (NT$))	Authorized Share Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Source of Capital	Capital Increase by Assets Other than Cash	Other
2008/04	10	680,000	6,800,000	453,015	4,530,146	Domestic Convertible Bonds	None	April 30, 2008 MOEA Ruling Ref. No. 09701103580
2008/09	10	680,000	6,800,000	508,118	5,081,181	Retained Earnings and Employee Bonus and Domestic Convertible Bonds	None	September18, 2008 MOEA Ruling Ref. No. 09701241730
2009/02	10	680,000	6,800,000	504,420	5,044,201	Treasury Shares Cancellation	None	February 3, 2009 MOEA Ruling Ref. No. 09801016990
2009/09	10	810,000	8,100,000	524,912	5,249,123	Retained Earnings and Employee Bonus and Domestic Convertible Bonds	None	September 17, 2009 MOEA Ruling Ref. No. 09801214560
2010/01	10	810,000	8,100,000	614,912	6,149,123	Cash	None	January 6, 2010 MOEA Ruling Ref. No. 09801302230
2010/05	10	810,000	8,100,000	625,065	6,250,650	Domestic Convertible Bonds	None	May 4, 2010 MOEA Ruling Ref. No. 09901089730
2010/09	10	810,000	8,100,000	646,233	6,462,334	Retained Earnings and Employee Bonuses	None	September 29, 2010 MOEA Ruling Ref. No. 9901219590
2010/10	10	810,000	8,100,000	651,178	6,511,776	Domestic Convertible Bonds	None	October 26, 2010 MOEA Ruling Ref. No. 09901241450
2011/02	10	810,000	8,100,000	651,598	6,515,976	Domestic Convertible Bonds	None	February 22, 2011 MOEA Ruling Ref. No. 10001034880
2011/05	10	810,000	8,100,000	651,679	6,516,794	Domestic Convertible Bonds	None	May 23, 2011 MOEA Ruling Ref. No.10001098220
2011/07	10	810,000	8,100,000	651,717	6,517,166	Domestic Convertible Bonds	None	July 27, 2011 MOEA Ruling Ref. No. 10001171070
2011/08	10	810,000	8,100,000	694,842	6,948,423	Retained Earnings and Employee Bonuses	None	August 24, 2011 MOEA Ruling Ref. No. 10001197830
2011/10	10	950,000	9,500,000	694,894	6,948,943	Domestic Convertible Bonds	None	October 28, 2011 MOEA Ruling Ref. No. 10001248490
2012/01	10	950,000	9,500,000	693,827	6,938,272	Treasury Shares Cancellation and Domestic Convertible Bonds	None	January 17 ,2012 MOEA Ruling Ref. No. 10101010150
2012/04	10	950,000	9,500,000	763,827	7,638,272	Cash	None	April 13, 2012 MOEA Ruling Ref. No. 10101065550
2012/05	10	950,000	9,500,000	783,107	7,831,076	Domestic Convertible Bonds	None	May 7, 2012 MOEA Ruling Ref. No. 10101081810
2012/09	10	950,000	9,500,000	810,053	8,100,532	Retained Earnings and Employee Bonuses	None	September 17, 2012 MOEA Ruling Ref. No. 10101193330
2013/05	10	950,000	9,500,000	822,698	8,226,978	Domestic Convertible Bonds	None	May 10, 2013 MOEA Ruling Ref. No. 10201086920
2013/09	10	950,000	9,500,000	844,272	8,442,721	Retained Earnings and Employee Bonus	None	September 9, 2013 MOEA Ruling Ref. No. 10201185560

Year Month	Par Value (NT$))	Authorized Share Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Source of Capital	Capital Increase by Assets Other than Cash	Other
						and Domestic Convertible Bonds		
2013/11	10	950,000	9,500,000	847,628	8,476,278	Domestic Convertible Bonds	None	November 26, 2013 MOEA Ruling Ref. No. 10201238210
2014/02	10	950,000	9,500,000	858,987	8,589,869	Domestic Convertible Bonds	None	February 21, 2014 MOEA Ruling Ref. No. 10301031540
2014/05	10	950,000	9,500,000	860,727	8,607,271	Domestic Convertible Bonds	None	May 23, 2014 MOEA Ruling Ref. No. 10301093910
2014/08	10	950,000	9,500,000	877,942	8,779,416	Domestic Convertible Bonds	None	August 27 ,2014 MOEA Ruling Ref. No. 10301178290
2015/03	10	950,000	9,500,000	876,882	8,768,816	Treasury Shares Cancellation	None	March 16, 2015 MOEA Ruling Ref. No. 10401046580
2015/08	10	950,000	9,500,000	894,419	8,944,193	Capital Surplus	None	August 31, 2015 MOEA Ruling Ref. No. 10401181240
2019/08	10	950,000	9,500,000	912,308	9,123,076	Retained Earnings	None	August 26, 2019 MOEA Ruling Ref. No. 10801115460
2020/07	10	950,000	9,500,000	900,095	9,000,946	Treasury Shares Cancellation	None	July 13, 2020 MOEA Ruling Ref. No. 10901132940

Note (1): The number of shares is not shown as the Company was originally a limited company.

2. Type of Stock

April 27, 2021; Unit: Shares

Shares Type	Authorized Share Capital			Remarks
	Issued Shares	Un-issued Shares	Total Shares	
Common Share	900,094,649	49,905,351	950,000,000	

(II) Status of Shareholders

April 27, 2021

Item	Government Agencies	Financial Institutions	Other Juridical Persons	Domestic Natural Persons	Foreign Institutions and Natural Persons	Total
Number of Shareholders	0	6	241	61,629	172	62,048
Shareholding (shares)	0	10,426,325	171,618,512	538,567,407	179,482,405	900,094,649
Percentage	0.00%	1.16%	19.07%	59.83%	19.94%	100.00%

(III) Shareholding Distribution Status

NT$ 10 nominal value per share

April 27, 2021

Shareholding by class	Number of shareholders	Number of Shares Held	Shareholding ratio
1 to 999	33,644	2,900,837	0.32%
1,000 to 5,000	17,675	38,035,673	4.23%
5,001 to 10,000	4,386	31,744,158	3.53%
10,001 to 15,000	2,143	25,266,869	2.81%
15,001 to 20,000	1,001	17,911,619	1.99%
20,001 to 30,000	1,147	27,788,238	3.09%
30,001 to 40,000	522	17,916,131	1.99%
40,001 to 50,000	327	14,763,223	1.64%
50,001 to 100,000	622	43,005,273	4.78%
100,001 to 200,000	302	41,490,682	4.61%
200,001 to 400,000	125	34,251,722	3.81%
400,001 to 600,000	39	18,768,541	2.09%
600,001 to 800,000	27	18,592,121	2.07%
800,001 to 1,000,000	19	16,856,462	1.87%
1,000,001 or above	69	550,803,100	61.17%
Total	**62,048**	**900,094,649**	**100.00%**

(IV) List of Major Shareholders

List all shareholders with a stake of 5 percent or greater, and if those are fewer than 10 shareholders, also list all shareholders who rank in the top 10 in shareholding percentage:

April 27, 2021

Shares / Shareholders' Name	Shareholding Shares	Shareholding Percentage
Lin Rong Shian	110,524,167	12.28%
CTBC Bank Co., Ltd In Custody For Verivia Pcc	82,131,547	9.12%
Golden Century Co., Ltd. Representative: Rong Shian Lin	58,223,051	6.47%
Ding Sheng Digital Life Co., Ltd. Representative: Tang Ching Huey	49,260,000	5.47%
Rih Jun Investment Co., Ltd. Representative: Lin Rong Huan	33,838,055	3.76%
You Wan Ying	22,104,781	2.46%
Norges Bank	16,237,284	1.80%
Jing Kang Development Investment Co. Ltd. Representative: Lin Rong Huan	15,351,434	1.71%
Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds	10,880,760	1.21%
JPMorgan Chase Bank N.A., Taipei Branch in custody for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	8,145,715	0.90%

(V) Market Price, Net Worth, Earnings and Dividends per Share

Unit: thousand shares, NT$

Item			2019	2020	Jan. 1,2021-Apr. 27,2021
Market Price per Share	Highest Market Price		15.70	14.50	13.60
	Lowest Market Price		11.30	7.01	10.50
	Average Market Price		13.11	10.37	11.48
Net Worth per Share	Before Distribution		12.87	13.00	—
	After Distribution		12.27	(Note 4)	—
Earnings per Share	Weighted Average Shares		912,308	903,349	900,095
	Earnings per share	Diluted Earnings Per Share (Note 2)	0.45	0.69	—
		Adjusted Diluted Earnings Per Share (Note 3)	0.45	(Note 4)	—
Dividends per Share	Cash Dividends		0.6	(Note 4)	—
	Stock Dividend	Dividends from Retained Earnings	0	(Note 4)	—
		Dividends from Capital Surplus	0	(Note 4)	—
	Accumulated Undistributed Dividends		—	—	—
Return on Investment	Price / Earnings Ratio		29.13	15.03	—
	Price / Dividend Ratio		21.85	(Note 4)	—
	Cash Dividend Yield Rate		4.58%	(Note 4)	—

Note 1: The above net worth and earnings per share for the last two years are expressed in terms of equity and net income attributable to stockholders of the parent.

Note 2: The calculation is based on the weighted average shares for the year.

Note 3: The calculation is based on the weighted average shares outstanding for the current year, adjusted retroactively for the increase in the weighted number of shares outstanding due to the increase in undistributed earnings and capital surplus over the years.

Note 4: Not yet resolved by the shareholders' meeting.

(VI) Dividend Policy and Implementation Status

1. Dividend Policy under Articles of Incorporation:

In accordance with Article 20 of the Company's Articles of Incorporation, when there are earnings in the Company's annual final accounts, these earnings shall be distributed in the following order:

I. Pay taxes.

II. Make good the deficits of the Company.

III. Set aside ten percent of said profits as legal reserve. If the legal reserve amounts to the total paid-in capital, this provision shall not apply.

IV. In accordance with the law, the special reserve shall be listed or converted when necessary.

V. If there is any remaining balance after deducting 1-4 as mentioned, the balance may be accumulated with previous years' earnings. The board of directors will consider the Company's financial situation and prepare a motion for distribution of dividends to shareholders. The motion will be submitted to the shareholders meeting for a resolution.

Given that The Company is operating in a varying business environment and is at a mature and stable stage of its corporate life cycle, in a bid to meet future business expansion plans while balancing dividends and shareholders' interests, the Company's dividend policy states that dividends are to be distributed in cash and stocks. The actual distribution proportion is authorized to be determined by the board of directors according to the year's operations and the capital status and capital budget of the following year will also be taken into account. Among which, the cash shall not be less than 20% of the total dividends. However, if the cash dividends are less than NT$0.1 (inclusive), all dividends are distributed in stocks.

When the Company has a profit in the year, theoretically 1/2 of the profit will be distributed in the form of dividends to shareholders. However, if the Company has a major capital expenditure plan at the same time, after weighing the amount of capital expenditure, the most appropriate dividend distribution standard will be resolved by the board of directors.

2. Proposed dividend distribution at the shareholders' meeting

The Company's earnings available for distribution in 2020 amounted to NT$1,109,951,517. The Board of Directors' meeting held on March 26, 2021 proposed the distribution of shareholders' dividends of NT$558,058,682 (NT$0.62 per share in cash dividends), pending the resolution of the Company's annual shareholders' meeting held on June 25, 2021.

3 Expected major changes in the dividend policy: None.

(VII) Impact of Stock Dividend Distribution on Business Performance, EPS And Return on Investment：Not Applicable.

(VIII) Employees and Directors' Remuneration

1. Information Relating to Employees and Directors' Remuneration in the Articles of Association

In accordance with Article 19-1 of the Company's Articles of Association, if there is a profit within the Company in the year, no less than one-thousandth of the profit shall be set aside as remuneration to employees, which shall be distributed in shares or cash by resolution of the board of directors. The Company may set aside no less than one percent of the above-mentioned profit as remuneration to the directors by resolution of the board of directors. The motion regarding remuneration to employees and directors shall be reported to the shareholders meeting. Where there is an accumulated loss, the profit shall be reserved to make up for the loss and the remuneration to employees and directors shall be provided in proportion in accordance with the aforementioned amount.

2. The estimation basis on remuneration to Employee and Directors, the calculating basis on the number of shares for share bonus and accounting treatment for the differences between the actual disputing amounts and estimations：

The Company estimates the remuneration of its employees and directors in accordance with its Articles of Association. Any difference between the estimated amount and the actual amount approved by the board of directors is recorded as profit or loss in the following year.

3. Distribution of remuneration approved by the Board of Directors

(1) The amount of remuneration to employees and remuneration to directors and supervisors distributed in cash or shares. If the amount differs from the amount

estimated in the year in which the expense is recognized, the amount of the difference, the reason for the difference and the circumstances under which the difference was handled should be disclosed.

Unit: NT$ Thousand

Distribution items	Resolution by the Board of Directors Amount of allotment	Estimated amount for the year in which the expense is recognized	Difference	Reason for the difference and Details of the Process
Remuneration to employees	7,200	7,200	0	None
Remuneration to directors	5,000	5,000	0	None

There is no difference between the amount of employee remuneration and directors' remuneration for 2020 as resolved by the Board of Directors on March 26, 2021 and the amount estimated by the Company for 2020.

(2) Ratio of Remuneration Employee Stock Bonus to Capitalization of Earnings：None.

4. The actual distribution of remuneration to employees, directors and supervisors in 2019, and the differences in the recognition of remuneration to employees, directors and supervisors (The number of differences, the reasons for the differences and the treatment of the differences should be stated.)

Unit: NT$ Thousand

Distribution items	Resolution by the Board of Directors Amount of allotment	Estimated amount for the year in which the expense is recognized	Difference	Reason for the difference and Details of the Process
Remuneration to employees	4,800	4,800	0	None
Remuneration for Directors and Supervisors	3,300	3,300	0	None

(IX) Buy-back of Treasury Stock during the most recent year and up to the date of publication of the annual report:

April 27, 2021

Treasury stocks: Batch Order	4th Time
Purpose of buyback	For the Company's credit and shareholders' rights and interests.
Class of shares	Common Shares
Amount of buyback (max. $NTD)	NT$ 2,067,149,664
Period of buyback	March 23, 2020 to May 12, 2020
Amount of buyback (max. shares)	20,000,000 shares
Price range	NT$6~NT$10 per share
Actual amount of buyback (shares)	12,213,000 shares
Actual amount of buyback ($NTD)	NT$113,997,790
Quantity of shares bought back as a percentage of the planned buyback	61.07%

II. Corporate bonds:

(I) The Company's first and second secured ordinary corporate bonds in 2017 are as follows:

Corporate Bond Type		First time in 2017 secured ordinary corporate bonds	Second time in 2017 secured ordinary corporate bonds
Issue (Processing) Date		September 14, 2017	November 23, 2017
Denomination		NT$1,000,000	NT$1,000,000
Issuing and Trading Locations		Taiwan	Taiwan
Issue Price		Issued in full by face value	Issued in full by face value
Total Amount		NT$1,000,000,000	NT$500,000,000
Interest Rate		Annual interest rate: 1.02%	Annual interest rate: 1.02%
Period		5 years Expiration Date: September 14, 2022	5 years Expiration Date: November 23, 2022
Guarantee Agency		Taiwan Cooperative Bank	Taiwan Business Bank
Trustee		Jih Sun International Bank, Ltd.	Jih Sun International Bank, Ltd.
Underwriting Agency		Taiwan Cooperative Securities	Taiwan Cooperative Securities
Attorney		Far East Law Offices Attorney: Chiu Ya-Wen	Far East Law Offices Attorney: Chiu Ya-Wen
CPA		Deloitte Taiwan CPA: Yang, ChingCheng	Deloitte Taiwan CPA: Yang, ChingCheng
Repayment method		Repayment of principal in one lump sum At the end of five years from the issue date	Repayment of principal in one lump sum At the end of five years from the issue date
Outstanding principal repayment		NT$1,000,000,000	NT$500,000,000
Redemption or Early Settlement Terms		None	None
Restrictions		None	None
Name of credit rating agency, rating date, results of corporate bond rating		None	None
Attached Other Rights	Number of ordinary shares, overseas depositary receipts or other marketable securities converted (exchange or stock option) as of the publication date of the annual report	N/A	N/A
	Issuance and conversion (exchange or stock option)	Please see p.156 of this annual report.	Please see p.157 of this annual report.
The method of issuance and conversion, exchange or stock options, possible dilution of equity and impact on equity of existing shareholders.		There is no material adverse impact.	There is no material adverse impact.
Name of the custodian agency		N/A (non-exchangeable bonds)	N/A (non-exchangeable bonds)

(II) The Company's first secured ordinary corporate bonds in 2019 are as follows:

Corporate Bond Type		First time in 2019 secured ordinary corporate bonds
Issue (Processing) Date		July 1, 2019
Denomination		NT$1,000,000
Issuing and Trading Locations		Taiwan
Issue Price		Issued in full by face value
Total Amount		NT$1,000,000,000
Interest Rate		Annual interest rate: 0.8%
Period		5 years Expiration Date: July 1, 2024
Guarantee Agency		Taiwan Cooperative Bank
Trustee		Yuanta Commercial Bank
Underwriting Agency		Taiwan Cooperative Securities
Attorney		Far East Law Officers Attorney: Chiu Ya-Wen
CPA		Deloitte Taiwan CPA: Gung, Jerry
Repayment method		Repayment of principal in one lump sum At the end of five years from the issue date
Outstanding principal repayment		NT$1,000,000,000
Redemption or Early Settlement Terms		None
Restrictions		None
Name of credit rating agency, rating date, results of corporate bond rating		None
Attached Other Rights	Number of ordinary shares, overseas depositary receipts or other marketable securities converted (exchange or stock option) as of the publication date of the annual report	N/A
	Issuance and conversion (exchange or stock option)	Please see p.158 of this annual report.
The method of issuance and conversion, exchange or stock options, possible dilution of equity and impact on equity of existing shareholders.		There is no material adverse impact.
Name of the custodian agency		N/A (non-exchangeable bonds)

(III) The status of the Company's first, second and third guaranteed general corporate bonds in 2020 were as follows:

Corporate Bond Type		First time in 2020 secured ordinary corporate bonds	Second time in 2020 secured ordinary corporate bonds	Third time in 2020 secured ordinary corporate bonds
Issue (Processing) Date		June 1, 2020	July 1, 2020	December 29, 2020
Denomination		NT$1,000,000	NT$1,000,000	NT$1,000,000
Issuing and Trading Locations		Taiwan	Taiwan	Taiwan
Issue Price		Issued in full by face value	Issued in full by face value	Issued in full by face value
Total Amount		NT$1,000,000,000	NT$1,000,000,000	NT$1,000,000,000
Interest Rate		Annual interest rate: 0.68%	Annual interest rate: 0.65%	Annual interest rate: 0.55%
Period		5 years Expiration Date: June 1, 2025	5 years Expiration Date: July 1, 2025	5 years Expiration Date: December 29, 2025
Guarantee Agency		First Commercial Bank	First Commercial Bank	Taiwan Business Bank
Trustee		Land Bank of Taiwan Co., Ltd.	Land Bank of Taiwan Co., Ltd.	Land Bank of Taiwan
Underwriting Agency		First Securities Inc.	First Securities Inc.	Taiwan Cooperative Securities
Attorney		Far East Law Offices Attorney: Chiu Ya-Wen	Far East Law Offices Attorney: Chiu Ya-Wen	Far East Law Officers Attorney: Chiu Ya-Wen
CPA		Deloitte Taiwan CPA: Gung, Jerry	Deloitte Taiwan CPA: Gung, Jerry	Deloitte Taiwan CPA: Gung, Jerry
Repayment method		Repayment of principal in one lump sum At the end of five years from the issue date	Repayment of principal in one lump sum At the end of five years from the issue date	Repayment of principal in one lump sum At the end of five years from the issue date
Outstanding principal repayment		NT$1,000,000,000	NT$1,000,000,000	NT$1,000,000,000
Redemption or Early Settlement Terms		None	None	None
Restrictions		None	None	None
Name of credit rating agency, rating date, results of corporate bond rating		None	None	None
Attached Other Rights	Number of ordinary shares, overseas depositary receipts or other marketable securities converted (exchange or stock option) as of the publication date of the annual report	N/A	N/A	N/A
	Issuance and conversion (exchange or stock option)	Please see p.159 of this annual report.	Please see p.160 of this annual report.	Please see p.161 of this annual report.
The method of issuance and conversion, exchange or stock options, possible dilution of equity and impact on equity of existing shareholders.		There is no material adverse impact.	There is no material adverse impact.	There is no material adverse impact.
Name of the custodian agency		N/A (non-exchangeable bonds)	N/A (non-exchangeable bonds)	N/A (non-exchangeable bonds)

III. Preferred Shares: None.

IV. Global Depositary Receipts: None.

V. Employee Stock Options: None.

VI. Status of New Shares Issuance in Connection with Mergers and Acquisitions: None.

VII. Financing Plans and Implementation

For each uncompleted public issue or private placement of securities, and for such issues and placements that were completed in the most recent three years but have not yet fully yielded the planned benefits. There are still the first overseas unsecured convertible bonds in 2004. The implementation status of the project as of March 31 2021 is described as follows:

In 2004, the Company issued its first overseas unsecured convertible bonds for US$20 million. The project was to finance the construction of the shopping mall area of the Xindian Depot Joint Development Project (hereinafter referred to as Mehas). The funds raised were fully committed to the project in 2008.

The Company originally planned to cooperate with the Taipei City Government in the Mehas shopping mall project. The Company planned to leased back from Taipei City Government the shopping mall floors from the 1st to 4th floors allocated to Taipei City Government to jointly operate with the 5th floor of the shopping mall allocated to the Company. On July 16, 2009, the Board of Directors of the Company revised the estimated benefits of the unified operation of the shopping mall in accordance with the final equity allocation ratio agreed with Taipei City Government and reported to the shareholders' meeting on June 17, 2010. Subsequently, due to the delay in the progress of the construction works and the negotiation on the rental of the shopping mall, the opening of the shopping mall was postponed to after 2015 at the earliest and the report was rescheduled to the shareholders' meeting on June 19, 2014.

Subsequently, as Taipei City Government and the Company were unable to reach a consensus on the unified operation of the Mehas shopping mall after repeated negotiations, Taipei City Government decided to adopt the "open tender" method to dispose of the 1st to 4th floors of the shopping mall held by Taipei City Government. After five unsuccessful bids, the tender was opened for the sixth time on October 12, 2017. The tender was awarded to IKEA. In 2018, the Company conducted several evaluations and negotiated with IKEA for possible cooperation opportunities in order to realize the initial plan of unifying the operation of the shopping mall on the 1st to 5th floors, but was unable to reach a consensus in the end.

In January 2019, the Company leased the 5th floor of the Mehas shopping mall to Jing-Jan Retail Business Co., Ltd. (hereinafter referred to as Jing-Jan) for operation and management. Since its opening, the Mehas shopping mall has performed better than expected due to its dense population and the absence of large shopping mall in the neighborhood. In December 2020, the Company sold the Mehas shopping mall to Jing-Jan due to the overall operational development of the Company. Since then, the benefits of the sale have become apparent. The details and benefits of the fund raising plan as amended and sold are as follows.

Item	Original Plan (2004 ECB)	Change in 2006 (1st)	Change in 2007 (2nd)	Change in 2009 (3rd)	Change in 2019 (4th)	Explanatory Note in 2021 (5th)
Report to Board of Directors (date of announcement) or date of Shareholders' Meeting	June 9, 2004 Board of Directors	July 12, 2006 Board of Directors (Progress and benefits as amended)	April 17, 2007 Board of Directors (Progress as amended) May 24, 2007 Board of Directors (Benefits as amended) May 28, 2007 Shareholders' Meeting (Progress as amended)	July 16, 2009 Board of Directors (Benefits as amended) June 17, 2020 Shareholders' Meeting (Report on historical changes)	April 22, 2019 Board of Directors (Benefits as amended) June 24, 2019 Shareholders' Meeting (Benefits as amended)	March 26, 2021 Board of Directors (Description of benefits) June 25, 2021 Shareholders' Meeting (Description of benefits)
Projected / Actual Progress	2004 ~ 2005/4Q	2006/4Q ~ 2008/3Q	2006/4Q ~ 2012/3Q	2006/4Q ~ 2012/3Q	2006/4Q ~ 2015/4Q	2006/4Q ~ 2015/4Q
Estimated time of operation / Estimated time of completion and delivery	December 2005	December 2008	September 2012	September 2012	Season 3~4, 2019	Opening in March 2020
Reasons for Change	—	1. It took more than 20 environmental assessments and urban plan reviews before the site was approved as late as November 2005, and the building licence was only granted in July 2006. 2. The procedures for delivery of the building base were complicated. 3. **The time for operating of the shopping mall area was**	1. The Department of Rapid Transit Systems, Taipei City Government has different requirements for the entrances and exits of the MRT, which require performance design changes. 2. The structural reinforcement design had to be re-submitted to the Department of Rapid Transit Systems, Taipei City Government for review to accommodate the different types of business. 3. Difficulties have been encountered in building artificial sites. Construction of the shopping centre area relied on artificial sites in the residential area.	**The result of the allocation of rights with the public sector was different from the original estimate of the Company.**	As the Taipei City Government decided to adopt the "open tender" method for the 1st to 4th floors of its allocated shopping mall, and the tender was awarded to IKEA at the sixth tender opening on October 12, 2017, the Company did not have the opportunity to unify the operation with the Taipei City Government for the Mehas shopping mall case. **Therefore, the benefit was revised to "rental income from the Company's leasing of the 5th floor shopping mall in Mehas" and "recognition of**	**In December 2020, the Company sold Mehas shopping mall to Jing-Jan in consideration of overall operational development.**

Item		Original Plan (2004 ECB)	Change in 2006 (1st)	Change in 2007 (2nd)	Change in 2009 (3rd)	Change in 2019 (4th)	Explanatory Note in 2021 (5th)
			revised to December 2008.	4. **The time for operation of the shopping mall area was revised to September 2012.**		**reinvestment gains from Jing-Jan's operation of the 5th floor shopping mall in Mehas".**	
Projected/ Actual Benefits (Note 1)	Revenue side	3,241,512	3,241,512	1,762,296	1,762,296	351,817	2,518,295
	Cost side	807,792	783,128	807,422	1,605,873	422,956	1,594,707
	Net profit before taxation	1,667,047	1,578,207	954,871	156,424	(71,143)	923,589
	Reinvestment gains	-	-	-	-	18,037	-
Explanation from the Company			Due to several environmental assessments, urban planning reviews, and the complexity of the handover process for the Mehas, the Company revised the time for opening and operation of the shopping mall area to December 2008. The decrease in cost of $24,664,000 was a small percentage of the total revenue.	1. Reasons for delay in construction. The construction of the Mehas shopping mall was originally scheduled to commence in September 2006 and was scheduled to open for business in December 2008. Although the Company obtained the building license in June 2006, the original application for the building license canceled the proposal to provide an entrance to MRT Facility B. However, the Department of Rapid Transit Systems, Taipei City Government subsequently recommended that the entrance to MRT Facility B be retained, so the Company had to carry out a performance design change in consideration of the overall use of space in the mall. In addition, due to the need to attract new	With respect to the Mehas shopping mall project, the Taipei City Government did not officially notify the Company of the final allocation of its equity until early 2008. The Taipei City Government received 74.26% of the total area of the mall, while the Company received 25.74%. When the Company raised overseas convertible bonds in 2004, it was assumed that the shopping mall area would be fully subdivided by the Company. This differs from the final equity allocation in early 2008. (As it is not yet possible to reach an agreement with the Department of Rapid Transit Systems, Taipei City Government on the allocation of rights before the EIA and urban planning review, the project has only been	In order to realize the previous plan of unifying the operation of the Mehas shopping mall on the 1st to 5th floors, the Company had repeatedly evaluated possible cooperation opportunities with IKEA, but was unable to reach a consensus. Therefore, the estimated benefit is revised to include the net rental income from the leasing of the 5th floor mall only and the recognition of reinvestment gains from the operation of the 5th floor mall by Jing-Jan. The sudden change in revenue was not expected by the Company.	In January 2019, the Company leased the 5th floor of Mehas shopping mall to Jing-Jan for operation and management. After the opening of Mehas shopping mall, the operation of Mehas shopping mall has exceeded expectations due to its dense population and the absence of large shopping malls in the vicinity. In December 2020, the Company sold Mehas shopping mall to Jing-Jan based on the overall operational development.

Item		Original Plan (2004 ECB)	Change in 2006 (1st)	Change in 2007 (2nd)	Change in 2009 (3rd)	Change in 2019 (4th)	Explanatory Note in 2021 (5th)
				businesses for investment, the structural reinforcement design and construction plan had to be submitted to the Department of Rapid Transit Systems, Taipei City Government and MRT Corporation for review. Due to the large number of review units by the competent authorities and the uncontrollable schedule, and in order to meet the construction schedule of the residential area, the Company delayed the completion of the construction of the shopping mall area to September 2012. 2. Explanation from the Revenue Perspective: The initial planning of the mall was based on Tai Lian Enterprise Management Consulting Company market research data to estimate the rental income of the mall. At that time, there were no large shopping malls of sufficient scale and with strong customer gathering power in the Xindian area. However, in view of the delay in the opening of the mall to the public, the addition of new large shopping malls (such as Carrefour Xindian Branch) in the past few years, and the	calculated according to the tentative planning direction of the company. However, this is a feature of the MRT joint development and is not unique to this case). 1. Explanation from the Revenue Perspective: Although the majority of the Mehas shopping mall will be acquired by the city government, the Company is currently negotiating with the Taipei City Government for a unified leaseback model for the operation of the shopping mall, and therefore the Company expects to receive either a "100% ownership lease" or a "unified leaseback lease" from the Taipei City Government in terms of the income of the Mehas shopping mall. The rental income generated by both options is the same. The difference lies only in the additional rental expenses to be borne by the Company under the latter option. Therefore, the operating income of the Mehas shopping mall approved by the Board of Directors on July 16, 2009 is not subject to revision. 2. Explanation from the Cost Perspective: If the Mehas shopping mall is		

Item		Original Plan (2004 ECB)	Change in 2006 (1st)	Change in 2007 (2nd)	Change in 2009 (3rd)	Change in 2019 (4th)	Explanatory Note in 2021 (5th)
				possible impact of other shopping malls on the rental level of the Company's Mehas shopping mall, the estimated rental income for some of the categories was adjusted. The Company reestimated the rental income based on a conservative principle in light of the reduction in the area of the shopping mall and estimated the total operating income from 2012 to 2017 to be NT$1,762,296 thousand. 3. Explanation from the Cost Perspective: Due to the adjustment of basic wages and labor and health insurance premiums in July 2007, the amount of fixed operating expenses was increased based on the conservative principle.	leased back to the Company, it will increase the Company's rental costs. The Company has assumed that the profit from the portion of the mall leased back to the Taipei City Government will be 30% of the re-lease rental income. Therefore, it is estimated that the annual rental expense will increase by approximately NT$149,709 thousand and the annual gross profit and operating income will decrease by NT$149,709 thousand.		

Note 1: The original capital raising plan in 2004 was based on the assumption that the shopping malls on the 1st to 5th floors of the Mehas shopping mall project would be operated by the Company under one roof. The projected benefits were originally calculated for the six-year period from opening to operation, but were revised in 2019 to include the net rental income from leasing the 5th floor shopping mall for the 10-year period from opening to operation and the recognition of reinvestment gains from Jing-Jan's operation of the 5th floor shopping mall in the Mehas shopping mall case. The provision in 2021 is due to the settlement of the full benefit of the sale of Mehas shopping malle (including car parking spaces) in 2020. However, as this transaction is an inter-affiliated fixed asset transaction, the related benefits should be eliminated in full. The land will be realised upon the sale of Jing-Jan to a third party; the building will be realized upon the phased use by Jing-Jan or the sale to a third party.

Operational Overview

I. Business Activities

(I) Scope of Business

1. The Company's Major Lines of Business

- Housing and Building Development and Rental.
- Specific Area Development.
- New Towns, New Community Development.
- Wholesale of Building Materials.
- Retail Sale of Building Materials.
- Computer Equipment Installation.
- Interior Decoration.
- Landscape and Interior Designing.
- Wholesale of Tobacco and Alcohol.
- Wholesale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories.
- Wholesale of Furniture, Bedding Kitchen Utensils and Fixtures.
- Wholesale of Hardware.
- Wholesale of Daily Commodities.
- Wholesale of Precision Instruments.
- Wholesale of Computer Software.
- Wholesale of Electronic Materials.
- Retail Sale of Tobacco and Alcohol.
- Retail Sale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories.
- Retail Sale of Furniture, Bedding Kitchen Utensils and Fixtures.
- Retail Sale of Hardware.
- Retail Sale of daily commodities.
- Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies.
- Department Stores.
- International Trade.
- Restaurants.
- Information Software Services.
- Data Processing Services.
- Electronic Information Supply Services.
- Other Industrial and Commercial Services.
- Recreational Activities Venue.
- Sports Training.
- Beauty and Hairdressing Services.
- All business items that are not prohibited or restricted by law, except those that are subject to special approval.

2. Business ratios

Unit: NT$ Thousand

Consolidated revenue	Construction	Leases	Shopping Malls Note 2	Sewage Treatment	Others Note 3	Adjustment and Write-off	Total
Revenue from customers outside the Company	2,112,447	619,313	1,360,686	2,209,291	470,595	0	**6,772,332**
Revenue within the Company	1,442,329	624,787	846	0	28,632	(2,096,594)	**0**
Segment revenue	**3,554,776**	**1,244,100**	**1,361,532**	**2,209,291**	**499,227**	**(2,096,594)**	**6,772,332**
Percentage	**52.49%**	**18.37%**	**20.10%**	**32.62%**	**7.37%**	**-30.95%**	**100.00%**

Note 1: The data above are from the segment information in Note 39 on page 78 of the Company's 2020 consolidated financial statements.

Note 2: It refers to the subsidiary Jing-Jan Retail Business Co., Ltd., which has been listed in Taipei Exchange. Please refer to the Company's annual report for relevant information.

Note 3: It refers to other income from operating hotels and selling cosmetics and skin care products by subsidiaries.

Not only is the Company dedicated to the construction of residential and commercial buildings for sale and lease, in recent years, we have also developed diversified businesses in hot spring hotels, department stores, bus station operations and cosmetics. We are now a keen investor in property development including elderly care and circular economy business. By sharing resources from a wide variety of parties, we hope to give our businesses a full play, further enhancing operational efficiency and strengthening the market competitiveness. The following is an operating overview of the business that has been divided into 2 categories: construction business and circular economy business.

3. Current Products and Services

(1) Construction (including leases and elderly care business)

A. Residential buildings - homes, stores, clubs, studios, parking lots, etc.

- In the public housing project “Radium Perfect Life” in Fuzhou, Banqiao, New Taipei City, Currently, the main products (174 units) are the storefronts and offices. There are also 446 units of affordable housing suited for renting, all of which have been rented out at present.
- As for the joint development project “S Super Station” at the Daqiaotou Station, Taipei City, the main products sold are 115 residential units.
- The project “Radium New Q Square” in Qingpu, near a Taiwan High Speed Rail station, features 151 residential units and 4 storefronts.
- In terms of “THE GENESIS” and the “Le Tau Chu Senior Happiness Home-Sanzhi”, the main products are 520 residential units of THE GENESI for sale, and 168 residential units of Le Tau Chu Senior Happiness Home-Sanzhi for rent.
- The youth housing project in New Taipei City " i Youth Housing” (Zhonghe and Sanchong branches), features 1,543 residential units for rent, all of which have been rented out.

B. Commercial buildings - department stores, offices, clubs, hotels, parking lots, etc.

C. Multi-use buildings - complex buildings that combine more than one of the above-mentioned functions.

(2) Circular Economy (including water resources, solar energy, and waste treatment)

A. Sewage treatment plant (water recycling center)

B. Solar power plant

C. Waste-to-energy resource recycling center (Changhua Coastal Industrial Park)
D. Organic sludge resource treatment pilot plant (water recycling center)

4. Developing Products and Services

(1) Construction (including leases and elderly care business)

Building on the past development experience, the Company continues to develop construction projects at transportation hubs, and launch high-quality products with representative characteristics, such as selecting bases with commercial marketability and scale conditions to launch complex functional buildings, or launching urban or suburban senior citizens' housing projects in locations with accessibility to public transportation.

(2) Circular Economy (including water resources, solar energy, and waste treatment)

In response to the government’s circular economy policy, the Company has adopted the expansion of the development of the environmental protection industry and enhancement of resource recycling operations as the goal, and is committed to solid waste treatment, organic biomass anaerobic treatment, sludge treatment, domestic wastewater and industrial wastewater treatment, as well as development of relevant businesses, such as the construction of a waste-to-energy resource recycling center and the construction of an organic sludge resource treatment pilot plant.

(II) Real Estate -Industry Overview

1. Construction (including leasing and elderly care business)

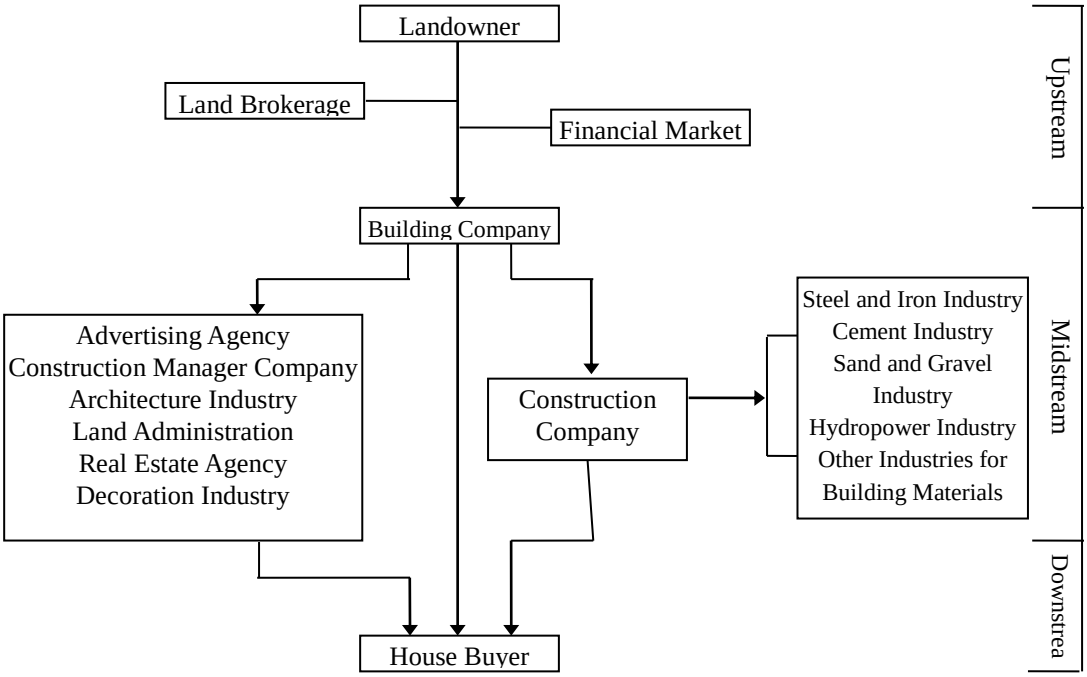
(1) Status and development of the industry

According to statistics from the Directorate-General of Budget, Accounting and Statistics, Ministry of the Interior, in 2020, the number of buildings sold and transferred across Taiwan reached 326,589, continuing the prosperity as in 2019. The number of transactions once again exceeded the mark of 300,000, a record high in six years, an increase of 8.76% compared to the previous year. Land transactions are also becoming more active. There were 616,000 land transactions registered in Taiwan in 2020, an increase of 12% compared with 2019, which was also a record high after the implementation of the Individual House and Land Transactions Income Tax in 2016. After the Central Bank’s warning in September 2020, the wait-and-see atmosphere in the housing market rose for a while. In October of the same year, the transaction volume immediately shrank by about 10%. In November, the measures for suppressing the real estate speculation were strengthened, but the housing market seemed to be stable and unaffected. The restrained atmosphere in buying in October began to be mitigated and stabilized in November, and the number of housing transactions even exceeded 35,000 in December. Benefiting from the success of the domestic pandemic control and prevention, coupled with the rapid stabilization and increase in transactions in the housing market after the interest rate cut, buyers, who adopted the wait-and-see approach in the past few years, have entered the market; therefore, the housing market is warming up and prosperous.

In addition, according to a Cathay Real Estate Index report and the analysis of real estate agents, the national housing market showed a pattern of price increases and stable transaction volume in 2020. The first quarter of 2020 was affected by the pandemic and the construction companies took a more conservative approach. However, with abundant global funds, housing prices in many countries showed an upward trend, and Taiwan was no exception. In the second and third quarters, there was an increase in the number of housing projects and the housing prices in various areas, which became stable in the fourth quarter. It is expected that the global

monetary easing policy and low interest rate environment will continue in 2021. As the real-price registration mechanism amendments, the prohibition of re-sale of pre-orders, and the Integrated Housing and Land Tax 2.0 will be launched soon, it is expected that in the first half of 2021, the industry will take a wait-and-see approach, and after the government establishes the real estate market business judgment index, it will be more positive about the sound development of the real estate market.

(2) Industry relevance of upstream, midstream and downstream companies



There are many industries that are connected to the construction industry; therefore, the construction industry is also known as a leading indicator. In the entire industry system, construction companies are in the position of coordination and integration.

(3) Product development trends

Location is still a key factor in the value of real estate, and the primary consideration is transportation and living functions. Therefore, the areas adjacent to the city center and transportation hubs still dominate the development trend of real estate products for a long time. However, with the environmental changes (such as greenhouse climate, diseases, and hygiene) and the advent of an aging society, home buyers have also begun to attach importance to residential housing products featuring technology, environmental protection, epidemic prevention and health, and suitability for the retirement life. Therefore, how to solve environmental protection and social issues through architectural planning, and introducing Intelligent Buildin, Green Buildings, or Universal Design (applicable for customers aged 0 to 100) will become the first choice for potential customers in the future.

A. Accessibility to transportation is the first choice (residential and office units)

Location is still the primary consideration for most homebuyers (such as transportation, school district, and living functions). In addition to the existing

MRT network in the Greater Taipei Area, Taoyuan Airport MRT, and Taiwan High Speed Rail, the “third ring lines and three lines” of MRT were also gradually put into trial operation in 2020. The construction of Taichung MRT is completed and is undergoing trial operation. There are 18 stations in the whole system, starting from the main station in Beitun via Wenxin Road, one of the main roads, to the Wuri Station. This system can be connected to Taiwan High Speed Rail and Taiwan Railways, making it easy to transfer between different transportation systems. It is not difficult to predict that in the future, urban construction in Taichung will also follow the MRT joint development model in Taipei. The Kaohsiung MRT has also been operating for several years. The underground lines of Taiwan Railways and the removal of elevated bridges have allowed the Kaohsiung City center to have increased area of the green landscape and more recreational space. However, because the acquisition of land in the city center is not easy, housing prices remain high. The convenient rail network connects the areas on the periphery, which gradually changes Kaohsiung people’s commuting and home buying habits. Therefore, if transportation is in place, regional development will be driven, and housing prices will naturally rise. The idea of "getting home when you arrive at the station" brought about by an MRT station in the metropolitan center is still the primary consideration for homebuyers.

B. Healthy retirement life

According to statistics from the Department of Statistics, Ministry of the Interior, the number of elderly people over 65 years old in Taiwan in 2019 will increase from 3.43 million in 2018 to 7.15 million in 2065, and their proportion of the total population will increase from 14.5% to 41.2%, resulting in a sharp increase in the old age dependency ratio and leading to a hidden concern about a heavy care burden. The social problems brought about by Taiwan’s aging population (the percentage of seniors over the age of 65 is higher than 14%) has led to more attention and discussion. The concept of old-age care for the new generation of elderly people is also very different from the past. With an aging society, coupled with the impact of low birth rates, the demand for long-term care will inevitably increase. Therefore, in recent years, the development of long-term care and the silver hair industry has become a focus in the policy, and relevant needs and business opportunities have gradually emerged. Many banks have also launched exclusive mortgage products (reverse mortgage) for the elderly group, with the aim of driving the development of the recreation and care industry of the elderly people.

In addition, in recent years, the living environment of Taiwanese people has been severely affected by air pollution (PM 2.5), ultraviolet rays, and the COVID-19 pandemic. People have also begun to choose new building materials that are healthy or anti-epidemic when buying homes. Therefore, product demand and business opportunities for healthy retirement life will gradually become the mainstream, which is expected to drive a new wave of real estate development.

C. Green building and community development

In recent years, the government has vigorously promoted sustainable smart cities (including energy conservation and environmental protection), encouraged commercial buildings or residential buildings to plan to be certified with different levels of marks and labels, and to incorporate smart technology to daily life. Among them, " Intelligent Building " is the integration of information and communication technology into a building to improve the management efficiency of the building and the living quality of users. The “green building” must meet

nine major indicators, namely biologicalty indicator, green area intensityr, base water conservation indicator, daily energy-saving indicator, CO2 reduction indicator, waste reduction indicator, water reduvtion indicators, indoor environment indicator, water pollutants and solid waste improvement indicator.

Taiwanese people are paying more attention to the environment of workplace (commercial office buildings) and quality of life (residential buildings). With their understanding of and emphasis on smart buildings and green buildings, such functions have been regarded as the standard by property buyers (general public or business owners). Therefore, such products will gradually become popular in the future, which is also an important trend in the development of intelligent green buildings.

(4) Competition

Real estate has the characteristics of immovability, so market competition is limited to individual areas. Only by launching superior products at the right time in accordance with characteristics and market needs in each area can businesses stand out in the competition. The Company keeps abreast of the demand and social development trends in the real estate market. With the Company's strengths of its internal excellent team and the planning and design of the external professional team, it has successively launched market-competitive projects, such as the “S Super Station” at the Daqiaotou Station, “Radium PerfectLife” in Fuzhou, Banqiao, Radium New Q Square” in Qingpu, near a Taiwan High Speed Rail station, and the elderly health care project “THE GENESIS” in Sanzhi, with excellent sales performance. This has demonstrated that the Company's competitiveness is above the average level of the industry.

2. Circular Economy (including water resources, solar energy and waste treatment)

(1) Status and development of the industry

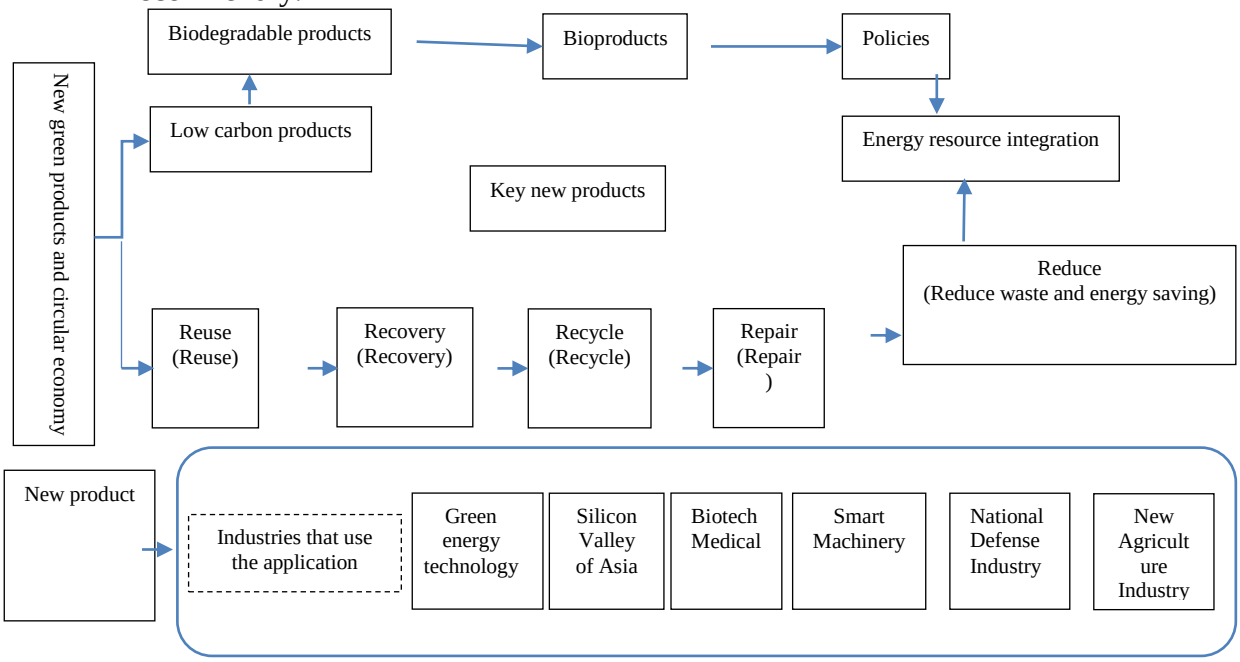
Traditional business development is a linear economic context of "mining, manufacturing, using, and discarding". In order to stimulate consumption, businesses continue to introduce new products. Consumers are accustomed to the economic development rule of "use and discard", which not only causes the depletion of the earth's resources, but generate waste. However, the earth's resources will not be endless, and waste will not vanish into thin air. Obviously, the traditional linear economy model has come to an end. Taiwan has gone through the era of rapid economic growth, but the price paid is excessive exploitation of natural resources and a great deal of environmental damage. In order to create a win-win situation for the economy and environmental protection, President Tsai Ing-wen has declared that "Taiwan will move towards an era of circular economy and convert waste into renewable resources." The government has even listed it as a part of the "five plus two industrial innovation" policy. Currently, what is emphasized is the circular economy concept of "sustainable recovery of resources and recycling" to replace natural resource extraction so as to achieve the vision of full recycling of materials and zero waste.

The Company established Rih Ding Water Enterprise Co., Ltd. in 2012, stepping into the Taoyuan Wastewater Sewerage System BOT Project, as the first step in the green energy and environmental protection business. Afterwards, Ding Sheng Green Energy Technology Co., Ltd. contracted with the second phase of the Taoyuan Wastewater Sewerage System BOT Project, the Company has planned to set up an organic sludge resource treatment pilot plant in Taoyuan North District

Water Recycling Center in response to the problem of decontamination of sewage-derived waste, and continues to plan and develop waste-to-energy power generation business in the Taoyuan Technology Industrial Park. Rih Zuan Green Energy Technology Co., Ltd. has been established, to management solar power plant in Qishan, Kaohsiung. In 2020, Jing Ding Green Energy Technology Co., Ltd. was established, to invest in the new "Build-Operate-Transfer (BOT) Project of Resource Processing Center in Changhua Coastal Industrial Park by Industrial Development Bureau, Ministry of Economic Affairs", planning, building, and operation of the waste-to-energy resource recycling centers, All of this aims to develop in the industries related to circular economy in the hope of further expanding the circular economy business field and achieving a win-win situation for green energy and environmental protection as well as revenue creation.

(2) Industry relevance of upstream, midstream and downstream companies

In line with the government's "5+2 Major Innovative Industries" policy that focuses on circular economy-related industries while working with other industries to provide support to one another in order to create new utilization of resources, allowing Taiwan's economic development to grow and at the same time being eco-friendly.



Source: Ministry of Economic Affairs Presentation

(3) Product development trends

Taiwan's waste recycling rate currently ranks third in the world. The government should continue to promote waste recycling policies to build Taiwan into a sustainable recycling home with zero waste and zero pollution. In the green and environmentally friendly economy, the biomass residues will be turned to feed, materials, fertilizer, and energy in order according to its value, as a source of energy resources for another material or product, or return to the production system for continuous circulation. This is an irreversible trend of the times.

Industrial waste can be roughly divided into five categories. The first category includes industrial waste generated in the manufacturing process of energy,

agriculture, metallurgy, textile, food and beverages, etc.; the second category includes all kinds of recyclable plastic wastes of different material types and grades, such as PET bottles; the third category includes construction waste generated from construction, road demolition, and excavation; the fourth category includes urban waste generated from general commerce, service industry, and people's livelihoods, such as paper, glass, organic matter, and metal; the fifth category includes household electrical appliances, small appliances, electronic and electrical tools, and other electronic product waste.

The aforementioned waste treatment and reuse are all within the scope of the Group's future development of new circular economy products.

(4) Competition

Circular economy has been a hot topic in recent years. At present, the world is still in its infancy in this regard, and its business opportunities are extremely tremendous. As an early promoter, a business can seize the opportunities in the circular economy market. In recent years, the Group has built and developed youth housing and public housing. Its participation in and implementation of public welfare and charity is also well-known. Now it is also expanding the development of the industries related to circular economy, with the aim of becoming one of the new engines driving Taiwan's future economy.

(III) Overview of technology and R&D

One of the Company's business philosophy is innovation and diversification. In addition to considering green building design during construction planning, smart building design has long been incorporated into its construction planning. In addition to regular research on well-developed technologies and applications in the market, it continues to invest resources in exploration of the lifestyle and needs of the elderly, and conceives how to integrate new technologies into buildings, so that consumers can enjoy a smarter and more convenient lifestyle, so as to enhance the connotation of housing projects.

The Company established Jing Ding Green Energy Technology Co., Ltd. in 2020 to invest in the " Build-Operate-Transfer (BOT) Project of Resource Processing Center in Changhua Coastal Industrial Park by Industrial Development Bureau, Ministry of Economic Affairs " to build a highly efficient waste heat treatment and energy conversion resource recycling center, which will not only solve the problem of waste water and sludge in industrial park and achieves reduction and regeneration purposes but also improves the efficiency of waste to energy to implement the concept of circular economy through the methods of efficient separation and waste fuelization. This will also help build a recycling demonstration site, change the image of the traditional waste treatment industry, and build "the first domestic waste-to-energy resource recycling center demonstration plant" as a new green landmark.

(IV) Long-term and short-term business development plans

1. Construction (including leasing and elderly care business)

(1) Short-term development plan

A. Construction project development

Prudently select land development projects surrounding major transportation facilities or with development potential, and actively work on urban renewal projects or public construction-related development promotion projects. In addition, continue to strengthen the management of sales of pre-sale housing projects and the sales of remaining housing units to reduce the cost of remaining

housing unit management, enhance the Company's working capital, and put assets to good use.

B. Product planning

Continuously improve product planning and design capabilities, take consumer needs as considerations, comply with the trends of green buildings, environmental protection, green energy, etc.; aim to meet customer needs and develop high-quality construction projects, and innovate products based on the experience in the development of complex functional property to avoid vicious price competition.

C. Customer services

Improve service quality to accentuate value of the construction projects by strengthening after-sales and post-rental customer services, such as convenient repair service procedures and good construction property management to increase customer satisfaction and recognition so as to enhance the brand image.

D. Human resource management

Strengthen employee education and training, improve employee quality and professional capabilities, pay attention to employee benefits, provide an excellent work environment, take care of their lives, establish a sound personnel system and allocate manpower properly, so that employees can maximize their functions at work.

E. Finances

Establish a complete financial operating procedure, improve the transparency of financial information, and increase the Company's funding sources and application flexibility through diversified funding channels.

F. Diversified operations

Actively participate in energy and environmental protection, water resources, and other businesses to develop the strengths in the circular economy industry in addition to operating subsidiaries with constant cash flows.

(2) Long-term development plan

A. Corporate brand

Implement the Company's core philosophy of "innovation, diversity, sustainability, symbiosis", continue to launch high-quality products in major metropolitan areas, and combine the service soft power of the Group's diversified resources to strengthen the brand image and reputation, to enable consumers to recognize the Company's brand value.

B. Construction project development

Actively develop new projects in all metropolitan areas in Taiwan, expand the Company's operating scale, and copy the successful experience of the composite development and operations of the Jiao-Jiu land BOT project and apply it to new projects. Meanwhile, target overseas markets and develop new projects at an appropriate time.

C. Information management:

Continue to invest to update computer software, hardware and new technologies and the establishment of the Company's internal management information system to improve the management process, increase work efficiency, and convert the customer service operation process to the information system to strengthen the competitiveness of the Company.

D. Talent cultivation

Continue the human resource training program, train professionals, and recruit excellent management talents to maintain the Company's sustainable development and provide higher-quality services.

E. Diversified operations

Have adopted a diversified investment strategy to expand the scale of business and diversify the operating risks and to create more diversified operating income and profit sources.

2. Circular Economy (including water resources, solar energy and waste treatment)

(1) Short-term development plan

Develop the self-owned land in the Taoyuan Technology Industrial Park as a circular economy demonstration park and connect it to the local resources to promote the integration of green energy resources and diversified and sustainable use, such as promoting the connection of waste-to-energy businesses, setting up an energy resource recycling supply center, developing waste heat recycling technology, constructing a biomass energy center for industrial waste, and integrating the recycling and reuse of effluents in the park.

Develop project planning and design, construction, management, operation, and R&D teams related to circular economy technologies, actively participate in government development projects or cross-industry collaboration to expand the business in the circular economy sector, accelerate the development of the Group, and fulfill its corporate social responsibility.

(2) Long-term development plan

At present, the Taoyuan Wastewater Sewerage System BOT Project is expected to process 200,000 tons of sewage per day after the completion of the entire project, which will create stable revenue for the Group in the long term.

In the Taoyuan Technology Industrial Park, we plan to adopt the latest waste-to-energy technology to convert general industrial waste and organic sludge into electrical energy, and sign an electricity purchase and sale contract with Taipower to sell the power in the category of waste-type renewable energy at a bulk sale price in accordance with the relevant regulations of the Renewable Energy Development Act.

We will strive to integrate industry-academia resources to strengthen industry-government-academia-research collaboration, engage in transformation towards environmental protection, safety, and high-value-added development, and promote technology integration and training of professionals. Furthermore, we will promote ecological design of products, introduce the life cycle concept to the planning and design stage, and adopt ecological design to allow products to be reused, dismantled, classified, and regenerated in the waste stage, to increase resource recycling and reuse, and assist enterprises in developing the business and operating model based on the circular economy concept.

II. Market and Sales Overview

(I) Market analysis

1. Construction (including leasing and elderly care business)

(1) Sales and supply areas of the Company's main products and services

The Company's main business is to entrust construction companies to build residential buildings and commercial and office buildings for sale and lease with a focus on the domestic market, particularly on Taipei and New Taipei Cities,

including the “S Super Station” at the Daqiaotou Station, “Radium Perfect Life” in Fuzhou, Banqiao, and Le Tau Chu Senior Happiness Home-Zhonghe. In 2020, the Company launched “Radium New Q Square” in Qingpu, Taoyuan City, near a Taiwan High Speed Rail station, and conducted marketing and promotion of THE GENESIS and the Le Tau Chu Senior Happiness Home-Sanzhi in New Taipei City at the end of the year. In the future, the Company will launch development projects, including a Kaohsiung City urban renewal project, a Taichung MRT joint development project, and a Taipei City urban renewal project.

(2) Market share

Because the real estate industry is based on individual area, the competition in the industry is not the same as that of general industries. It is usually a competition between individual projects in an area. The Company has continued to sell the storefronts, offices, and residential units of the three major projects, namely “Radium Perfect Life”, “S Super Station”, and “Radium New Q Square”, and has officially launched the GENESIS project in Sanzhi, New Taipei City at the beginning of 2021. This has demonstrated the Company's vision of and confidence in the development trend of real estate.

(3) The future supply and demand situation and growth of the market

A. Supply

According to statistics from My Housing, the number of projects introduced in northern Taiwan in 2020 was about NT$1.27 trillion, an annual increase of about 13% compared with NT$1.12 trillion in 2019. My Housing also estimated that the housing market price and transaction volume in 2021 would show moderate growth. In addition to the active land transactions in 2020 and the high number of building permits issued, it is estimated that the number of new housing projects launched in northern Taiwan for the whole year of 2021 will still have room for a 5% growth. The annual projects launched are expected to reach NT$1.34 trillion, surpassing the record high in 2013.

B. Demand and growth

In the past few years, under the influence of the government's policy of continuously suppressing the real estate market, the business of the overall market was mostly sluggish, and did not improve significantly. However, last year (2020) the total number of property and land transfers in Taiwan reached 326,000. In addition, the survey on buyers’ willingness by real estate agents found that buyers’ outlook on the market turned from pessimistic to neutral. With the decline in the housing market since 2014, many buyers have adopted a wait-and-see approach for a long time with an urgent need to get into the market. After confirming that the housing market has stabilized, many homebuyers entered the market as their confidence has recovered.

Due to the sudden outbreak of the COVID-19 pandemic in early 2020, the whole world was impacted in different degrees, and Taiwan’s entire real estate market was faced with great uncertainty. At present, the degree and time of its impact is still far from clear. Recalling the impact of SARS on the overall environment and the real estate market 17 years ago, people are worried about the current situation. Therefore, the Company will adopt cautious and timely countermeasures in response.

Although the market has ups and downs, as long as the external unfavorable factors are diminished and the economy continues to grow, there will still be basic rigid demand for real estate, either for self-occupation or commercial use. Particularly, in the developed urban areas, the supply is limited, and there is a demand for replacement of old property. Therefore, as long as the Company optimizes its product planning and establishes a clear brand positioning, it will still be able to effectively keep abreast of the market demand and achieve ideal sales performance.

(4) Competitive niche

A. Professional development evaluation

The Company has long attached great importance to the conditions of the land for construction, particularly the location with accessibility to transportation. For example, the MRT joint development project launched by the Company in the past or the T9 BOT project with the neighboring five transportation tools both feature the advantage of great accessibility to transportation. With the product planning and design content and the quality of the projects, both have achieved excellent sales results and contributed to the performance. In the future, the Company will fully evaluate the investment benefits, develop land with high-quality conditions and development potential, carefully design and plan projects, and continue to launch new projects.

B. Flexible design and planning

The Company has the experience of participating in different types of development projects, including MRT joint development projects, BOT projects, and superficies rights projects. Such construction projects involve many legal requirements and the development process is more complicated than the traditional model, and the Company always adheres to the concept of innovative thinking and continuously seeks solutions along the journey. As such, the Company can always transcend the constraints of the existing established model flexibly and make breakthroughs in project planning, which is evidenced by the Company’s complex functional buildings planned in the past or complex all-age healthy resident project currently under planning.

C. Innovative diversified development

In order to avoid the impact of the cyclical fluctuations of the real estate business on the Company's operations, the Company, in addition to the main business in construction, continues to invest in businesses with fixed operating income, such as the subsidiary Wan Da Tong Enterprise Co., Ltd. , which is responsible for the operation of the T9 BOT project and has stable rental income; subsidiary Jing-Jan Retail Business Co., Ltd. and subsidiary Radium-Kagaya International Hotel Co., Ltd. , responsible for the operation of shopping malls and a hot spring hotel in Beitou, respectively; and subsidiary Rih Ding Water Enterprise Co., Ltd. , responsible for the operation of the Taoyuan Wastewater Sewerage System BOT Project. At present, the Company's diversified development strategy has created positive results. The business categories are diversified. Each operating entity assists each other based on its characteristics and professional field to achieve the synergy effect while can also contribute to revenue stably individually. In the future, the Company will continue to maintain a diversified development strategy and extend its focus to green energy and

environmental protection businesses, such as circular economy, waste treatment, and renewable energy power generation.

(5) Favorable and unfavorable factors of development prospects

A. Favorable factors

a. The overall economy maintains a growth trend, which is conducive to people buying property

According to the forecast of the Chung-Hua Institution for Economic Research in November 2020, the economic growth rate in 2021 will be higher than that in 2020. The GDP growth rate in 2021 was 4.01%, an increase of 2.10 percentage points from 1.91% in 2020. Regarding private consumption, although the global pandemic has not yet been effectively controlled, the ban on travel abroad and international tourists to Taiwan may continue. However, considering that private consumption in 2021 is lower than the base period, and the fundamentals of Taiwan's stock markets are stable, the wages of employees have maintained a positive growth, and the increase in basic living expenses will help increase the people's individual income tax deductions and increase the people's disposable income, which may drive a strong rebound in private consumption. It is predicted that private consumption will grow by 3.18% in 2021, an increase of 4.79 percentage points from (1.61%) in 2020.

b. The government promotes major public construction projects to drive the housing market's performance

On July 7, 2017, the President promulgated the implementation of the Special Act for Forward-Looking Infrastructure to promote a forward-looking infrastructure program. A total of NT$420 billion is budgeted for a four-year period, and a special budget is later developed for three stages in the period (the first stage was from September 2017 to December 2018 with a total budget of NT$107.1 billion; the second stage was from 2019 to 2020, with a total budget of NT$222.9 billion; the third stage will be from 2021 to 2022, with a total budget of NT$229.8 billion). The program focuses on the eight major construction priorities, namely, green energy construction, digital construction, water environment construction, rail construction, urban and rural construction, construction of childcare friendly spaces in response to declining birthrates, food safety construction, and talent cultivation to promote employment. According to estimates by the Executive Yuan, for every NT$1 spent on the forward-looking program, the private investment will increase by about NT$0.78, and the real GDP will grow by NT$1.62. The real GDP can increase by 0.71% per year on average compared to the level, at which the program is not implemented, and approximately 108,000 people will be provided with job opportunities every year. Moreover, based on the past experience, investment in major public construction projects can often create positive effect on the surrounding real estate and promote the development of the housing market, particularly in the rail construction category.

c. Changes in the lifestyle of Taiwanese people, which will help facilitate the real estate demand.

With the change of social patterns, small families and declining birthrates have become a trend. Therefore, in recent years, the small two-bedroom and studio products in the metropolitan area have become the mainstream of the

market, and its proportion of the overall transactions has also maintained a growth trend with the growing number of households as an important product in the real estate market.

Furthermore, in recent years, Taiwanese people's concept of old-age care has been gradually adjusted. Taking into account the needs for a suitable retirement environment, health promotion, and their children's inability to properly take care of them, more and more senior people have accepted the concept of elderly health care housing year by year. This trend will be clearly reflected in the market demand in the future.

B. Unfavorable factors and countermeasures

a. It is not easy to obtain land in prime location

Land is the most basic raw material for construction. After years of development, land with development value has gradually decreased, and prices have continued to rise. In addition, large areas of public land will no longer be released according to government policies, which has caused the cost of land acquisition to rise, affecting the profit of development of construction projects.

b. Negative factors suppress the business in the housing market, and market buying momentum remains to be observed

In recent years, due to excessive supply, the real estate market has faced the pressure of inventory closeout and business cycle. The Individual House and Land Transactions Income Tax, Property Tax, poor performance of the overall domestic economy and no increase in real income, expected increase in interest rates, and political uncertainty have resulted in insufficient investment confidence in the housing market with a strong wait-and-see atmosphere in the market.

C. The Company's countermeasures

a. Carefully choose the location for projects and copy the development experience to expand business opportunities

In the face of continuously increasing land costs, the Company will continue to evaluate various types of sources of development projects, take urban areas with advantages in transportation and living functions as the top choice for development, and strengthen planning and design to create products with high added value and uniqueness to create revenue and reduce the impact of land costs. In addition, the Company will also strive to copy the past experience in complex building development. Either a new metropolitan area or an overseas transportation hub city will be the Company's targets. The Company aims to copy the successful experience to solve the problem of insufficient land sources and increase the opportunities to acquire land so as to create operating income.

b. Diversified operations

In order to avoid the fluctuations of business cycle in the housing market, the Company, in addition to the main business in construction, has continued to devote itself to the operation of businesses with fixed-income, such as asset management, shopping malls, hotels, sewage treatment, as well as cosmetics and skin care products in recent years. Since most of them are businesses that directly face end consumers and feature constant income, which will create stable cash flows and fixed income for the Group, and help diversify the risks of changes in the real estate business.

2. Circular Economy (including water resources, solar energy and waste treatment)

(1) Sales and supply areas of the Company's main products and services

The Taoyuan City Government commissioned the sub-subsidiary Ri-Ding Water Company to construct sewage pipelines and water resources recycling projects to build the Taoyuan Wastewater Sewerage System BOT Project into the largest sewer system BOT project in Taiwan. The first phase of the sewage treatment plant, which was completed and put into operation in 2016, has an average daily processing capacity of 50,000 tons, of which 6,000 tons of sewage are decomposed and filtered using the MBR system.

Furthermore, in response to the Taoyuan City Government's industrial innovation policy and the Central Government's renewable energy policy, the Company is also developing diversified plans in the Taoyuan Technology Industrial Park (No. 21, Kwun Tong Section) with the site as the cradle of innovative technologies for circular economy so as to further become a national demonstration zone to export technology.

The Industrial Development Bureau, Ministry of Economic Affairs, has entrusted Jing Ding Green Energy Technology Co., Ltd. to implement the "Build-Operate-Transfer (BOT) Project of Resource Processing Center in Changhua Coastal Industrial Park by Industrial Development Bureau, Ministry of Economic Affairs". In the project, the company will build and operate a waste-to-energy resource recycling center, adopt smart technology in operations, and maintenance and repair, and adopt ORS and IOI systems to assist with the operations and management, while using EPMS and MMIS systems to implement preventive maintenance management, applying digital communication tools and electronic equipment to record, analyze, and manage operation data effectively and in real time, as well as conducting internal and external monitoring and audits to maintain stable operations for more than 20 years so as to ensure operational safety.

(2) Market share

The area of operations of Taoyuan Wastewater Sewerage System BOT Project spans over 7,610 hectares, covering the administrative areas of Taoyuan District, Bade District, Guishan District and Luzhu District. The sewage collection area covers 6 urban planning areas including Taoyuan Expansion and Revision Project, Provincial Highway 1 (between Taoyuan and Neili), Nankan New Town, Guishan, bade (Danan area), Bade (including Bade expansion). According to the Taoyuan City Government's pipeline network connection period, the total number of households under management was 251,447. As of February 2021, the cumulative number of households that had completed the connection was 100,876, or around 40%.

In the future, the Company will step into the markets of waste-to-energy, food waste bioenergy reuse, reclaimed water utilization, and industrial waste sorting and reuse, and expand the business in a horizontal manner.

(3) The future supply and demand situation and growth of the market

Taiwan is small and densely populated. At present, unprocessed waste is only allowed to be buried in remote areas, and in case of emergency or disasters, except for the waste burial for the purpose of restoration of urban landscape, almost 90% of the waste is treated by incineration. The hazardous materials after incineration still need to be buried. There are currently more than 4 million cubic meters of public

landfills in operation. The public landfills in Taipei City, New Taipei City, Yilan, Hualien, and Lianjiang County are under the safe value. The remaining burial capacity will have a useful life of less than five years, and the landfill capacity tends to be insufficient.

The government's renewable energy development policy aims to reach a target that 20% of the total power generated is renewable energy by 2025. After the waste is generated, it will be removed. According to the statistics of the Environmental Protection Agency, Executive Yuan, the number of licensed public and private waste removal agencies has grown from 2,799 in 2008 to 4,294 in 2020, a growth rate of 53% over the 12 years. The number of licensed private waste treatment institutions has grown from 96 in 2008 to 188 in 2020, and the growth has doubled, which has shown that waste-to-energy business has great room for development and growth.

Moreover, there are still eight counties in the country that do not have independent waste disposal facilities and the capacity of the waste disposal facilities is seriously insufficient, which has caused the problem of garbage dumping in the country in the past two years. In addition, of the 24 incineration plants in Taiwan, 19 incineration plants at the end of 2016 were in service for over 15 years. Accounting for 79% of the 24 incineration plants, these 19 plants' processing capacity accounted for 87% of the total. Due to the obsolete equipment and the increased frequency of shutdowns as a result, the overall operation rate has been declining year by year and the processing capacity has decreased as a result. The risk of waste being not properly processed increases immediately; environmental sanitation problems may occur easily. As for the incineration plants in neighborhood in the era of increased environmental awareness, reconstruction of the original plant site or construction of a new site is not an easy task due to the public pressure. Coupled with the practical demand for increased incineration capacity and the huge cost of rebuilding incineration plant facilities, there is no way but to optimize and upgrade the original incineration plants and facilities at the original sites, which is an important mechanism where the public participates in the circular economy.

(4) Competitive niche

The Taoyuan Wastewater Sewerage System BOT Project is the largest sewerage system BOT project in Taiwan. Following the completion of the first phase of the sewage treatment plant in 2016, the second phase of the plant expansion project was completed at the end of 2020, with an average daily processing capacity of 100,000 tons. The performance and technological capabilities of sewage treatment are already among the top in Taiwan's industry. In the future, such technological capabilities will surely become a major driving force and niche for the Group's future horizontal and vertical growth.

The ideas developed in the past and the technologies developed by the Group in collaboration with various professional consultants in recent years have gradually led to positive results. At present, many partners in relevant industries have begun to discuss partnerships with the Group in this field, which is believed to not only create more revenue and contributions but also contribute to the society in the future.

(5) Favorable and unfavorable factors of development prospects

Based on global development and government policies, it is confirmed that circular economy is an inevitable new trend, and there is still great potential and space for its prospect and creative development, from which the Group also has

great room for innovation and sustainable development. However, because it is relatively unprecedented, laws and regulations sometimes become obstacles to innovation, and it takes time to continue to communicate and overcome them.

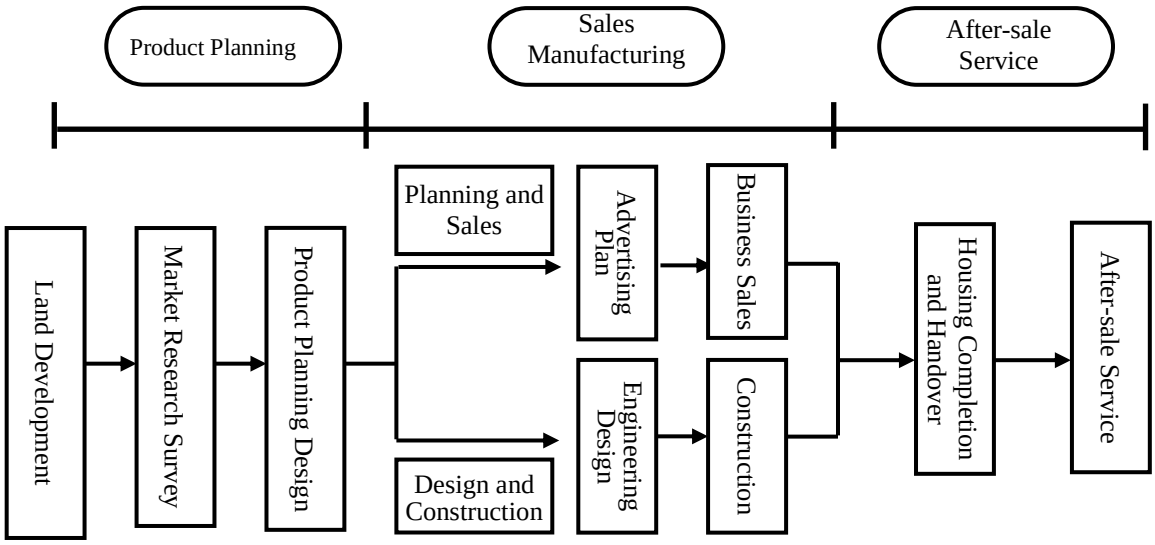
(II) Important Applications and Production Process of Primary Products

1. Construction (including leasing and elderly care business)

(1)Important Applications of Primary Products

Primary Products	Important Applications
Residential buildings	High-end residences, retail stores, parking lots, etc.
Commercial buildings	Department stores, offices, clubs, hotels, parking lots, etc.
Complex Buildings	Complex buildings that combine various functions including residences, offices, department stores and hotels.

(2)Production Process



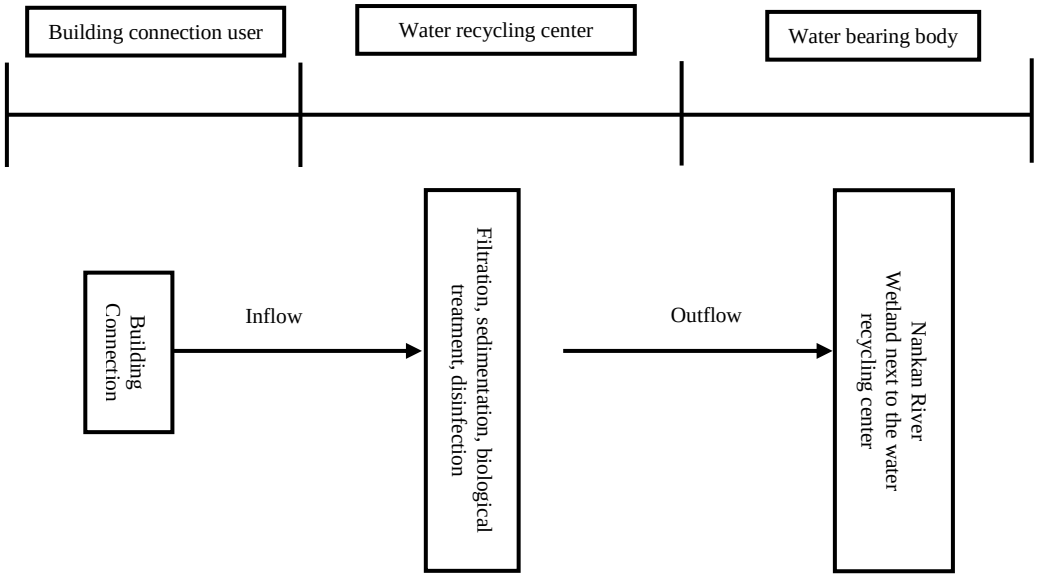
2. Circular Economy (including water resources, solar energy and waste treatment)

(1) Important Applications of Primary Products

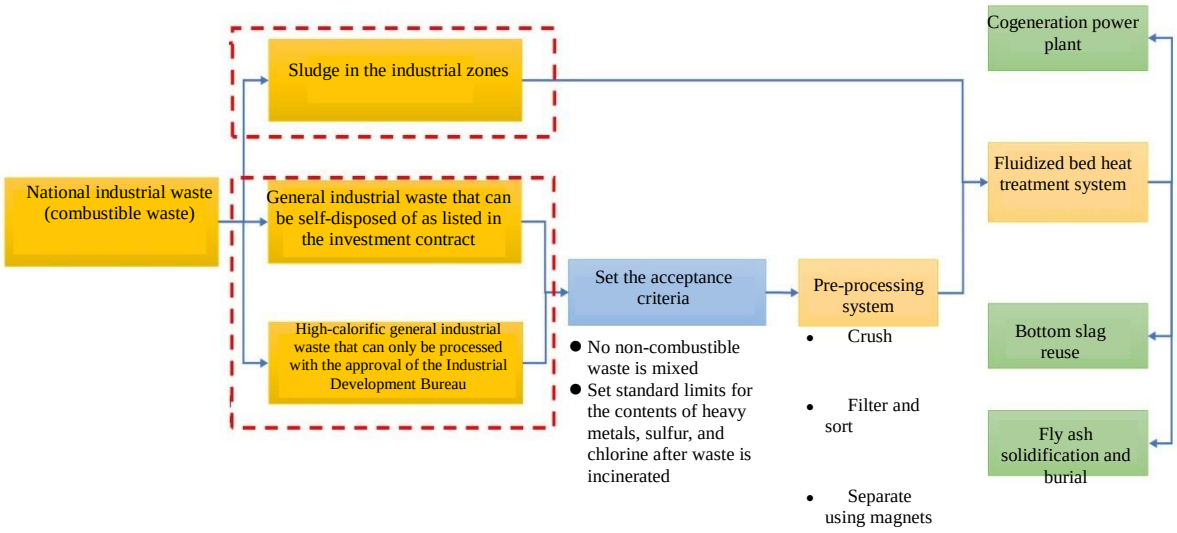
Primary Products	Important Applications
Treated domestic sewage	1.Ensure the cleanliness of effluent to maintain the ecosystem while at the same time improving the living environment and enhancing the health of residents. 2.As a second renewable water source, it provides water for industrial processes or domestic water.
Waste heat treatment and energy conversion resource recycling center	1. Solve the dilemma that sludge and business waste cannot be removed, reduce the treatment cost and increase the proportion of reusable resources. 2.Recover the heat energy of the heat treatment program to generate electricity with high efficiency.

(2) Production Process

Treated domestic sewage



Waste heat treatment and energy conversion resource recycling center)



(III) Supply of Primary Materials

1. Construction (including leasing and elderly care business)

(1) Construction Site

The Company has a project development division, and other than land released by the public sector, we also proactively seek out projects with reasonable prices and good locations that are worth developing. The Company makes an effort on assessment of land, whether through public tender, real estate agents, urban renewal or even joint development with landowners so as to grasp the market trends while increasing the expansion and feasibility for development.

(2) Construction Projects

Since the investment was made in Titan Development & Construction Co., Ltd., in 1997, we have achieved the goal of vertical integration of production process. Most of our construction projects are entrusted to Titan Development & Construction in order to fully grasp the project progress while controlling the project quality. However, given the fact that we attach great importance to optimal allocation of resources, some of our projects may be entrusted to those construction companies with outstanding quality and reputation.

2. Circular Economy (including water resources, solar energy and waste treatment)

The area of operations of Taoyuan Wastewater Sewerage System BOT Project spans over 7,610 hectares, covering the administrative areas of Taoyuan District, Bade District, Guishan District and Luzhu District. The sewage collection area covers 6 urban planning areas including Taoyuan Expansion and Revision Project, Provincial Highway 1 (between Taoyuan and Neili), Nankan New Town, Guishan, bade (Danan area), Bade (including Bade expansion).

In response to the development of the Group's waste-to-green-power circular business, it is necessary to grasp the sources of combustible waste resources and materials. In order to meet the Group's future needs for at least two factories in Taoyuan and the Changhua Coastal Industrial Park, it is necessary to keep abreast of the domestic production processes, quantity, and distribution for suitable resource waste and combustible general industrial waste and plan ahead, and formulate methods of matching, cleaning, processing, testing, and permit application in advance. In addition, after converting waste into green power, the renewable energy power plant will create potential resource waste, including bottom slag and fly ash, so the Company will plan and develop suitable regeneration technology, and collaborate with domestic high-tech manufacturers of waste acid (such as hydrofluoric acid) and resource waste to turn the waste into renewable resources. In 2020, 24 large incineration plants processed a total of 1.64 million tons of industrial waste (more than 1.43 million tons of industrial waste registers in 2019), which has impacted the amount of civil waste to be treated. The competent authority is considering prohibiting industrial waste from entering large incineration plants, starting from large to small quantities in the order of northern, southern, and then central Taiwan. Therefore, the Group has seized the opportunity to develop the waste-to-energy business.

(IV) The names of customers who have accounted for more than 10% of the total purchase (sales) in any of the last two years and the amount and proportion of their purchase (sales), together with the reasons for the increase or decrease

1. Information on major suppliers

Unit: NT$ thousand; %

Year	2019				2020			
Item	Name	Amount	As a percentage of total net purchases for the year (%)	Relationship with the Issuer	Name	Amount	As a percentage of total net purchases for the year (%)	Relationship with the Issuer
1	Jhong Yi Engineering Co., Ltd.	636,696	34.46	–	Jhong Yi Engineering Co., Ltd.	398,532	20.76	–

Year	2019				2020			
2	–	–	–	–	New Micropore Inc.	244,350	12.73	–
Others		1,210,769	65.54	–	Others	1,277,121	66.51	–
Net purchases		1,847,465	100.00	–	Net purchases	1,920,003	100.00	–

The largest supplier to the Company and its subsidiaries in the last two years was Jhong Yi Engineering Co. Jhong Yi Engineering Co., Ltd. is the vendor responsible for the development and construction of the branch sewerage network and line connections for customers of the Taoyuan Wastewater Sewerage System BOT Project. The New Micropore Inc., as the second largest supplier, was the contractor for the second phase of the Taoyuan Wastewater Sewerage System BOT Project in 2020.The rest of the suppliers did not account for more than 10% of the net purchase amount as the amount was dispersed.

2. Information on major customers (in terms of sales to them)

Unit: NT$ thousand; %

Year	2019				2020			
Item	Name	Amount	As a percentage of total net sales for the year (%)	Relationship with the Issuer	Name	Amount	As a percentage of total net sales for the year (%)	Relationship with the Issuer
1	Department of Water Resources, Taoyuan City Government (Note)	2,222,145	35.13	–	Department of Water Resources, Taoyuan City Government (Note)	2,209,291	32.62	–
Others		4,103,200	64.87	–	Others	4,563,041	67.38	–
Net sales		6,325,345	100.00	–	Net sales	6,772,332	100.00	–

Note: In relation to the operating revenue of the subsidiary Rih Ding Water Enterprise Co., Ltd., it is specified in the International Financial Reporting Interpretations (IFRIC 12) Service Concession Agreement that the operator has the contractual right to receive unconditionally from the government (the licensor) a specified or determinable amount of cash or other financial assets for a specified period of time. Therefore, financial assets (operating revenue) are recognized on the basis of current investment status.

In 2019, the customer that accounted for more than 10% of net sales in the consolidated financial statements was the Department of Water Resources of Taoyuan City Government. The Taoyuan Municipal Government is the organizer of the BOT project for the construction of the Taoyuan Sewerage System, which was developed by our subsidiary, Rih Ding Water Enterprise Co., Ltd. under International Financial Reporting Standards (IFRSs), the subsidiary Rih Ding Water Enterprise Co., Ltd. recognizes operating revenue from the amortization of construction fee and sewage treatment income received from the Department of Water Resources of Taoyuan City Government upon completion of the construction of sewage treatment facilities. As most of the other sales were made by general home buyers, there was no single sales counterparty accounting for more than 10% of the net sales.

(V) Production volume for the last two years

Unit: NT$ thousand

Year / Major Items	2019			2020		
	Production capacity (Note 1)	Production volume (Note 2)	Production value	Production capacity (Note 1)	Production volume (Note 2)	Production value
Radium Life Tech Co.– Hsin-Chuang Line's Diao-Qiao-Tou Station	–	115	110,408	–	–	–
Subsidiary– Rih Ding Water Enterprise Co., Ltd. Taoyuan Sewerage BOT Project	–	–	1,387,539	–	–	1,198,919
Subsidiary Ji Shun Life Ech Corp., Ltd. - Qingpu Project	–	–	132,531	–	–	221,532
Subsidiary Titan Development and Construction Co., Ltd. -Longtan Dapchi Project	–	–	2,439	–	–	145,574
Cost of sales from department store	–	–	152,208	–	–	130,630
Cost of hospitality services	–	–	140,805	–	–	124,541
Rental costs	–	–	200,689	–	–	230,897
Others	–	–	30,568	–	–	23,886
Total	–	–	2,157,187	–	–	2,075,979

Note 1: The concept of production capacity does not apply to the types of businesses operated by the Company and those specified in the consolidated financial statements.

Note 2: Referring to the number of households completed and carried over from each project in the year. The remaining projects are presented as "–" either because they have not yet been completed or because the concept of production volume is not applicable to the business type.

The Company and its subsidiaries are engaged in the following businesses: construction, building, department stores, hotels, leasing, asset management, sewage treatment and cosmetics/care products manufacturing. The contribution to output in the last two years was mainly from investment in construction projects. For year 2019 and 2020, they were primarily from the subsidiary's investment of the Taoyuan Wastewater Sewerage System BOT Project Other construction projects within the Group include the Qingpu project and the Longtan project, etc., and the change in production value from year to year is reflected in the progress of the projects.

In addition, the latest two years' output also includes the amount of purchases made by subsidiaries engaged in department stores and hotel operations, leasing costs for asset management, and manufacturing costs for cosmetics/care products.

(VI) Sales volume for the last two years

Unit: NT$ thousand

Year / Major Items	2019				2020			
	Internal Sales		External Sales		Internal Sales		External Sales	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Radium Life Tech Co. - Fuzhou Affordable Residence Project, Banqiao	22	615,143	–	–	6	190,356	–	–
Radium Life Tech Co.–Xinzhuang MRT Line Daqiaotou Station	20	496,916	–	–	66	1,655,330	–	–
Radium Life Tech Co.- Hsin-Chuang Line's Diao-Qiao-Tou Station	8	143,459	–	–	2	67,270	–	–
Radium Life Tech Co. - Ba Du project	6	74,939	–	–	3	28,085	–	–
Subsidiary Rih Ding Water Enterprise Co., Ltd. - Taoyuan Sewerage BOT Project	–	1,995,919	–	–	–	1,944,524	–	–
Income from sales of remaining houses	6	53,973	–	–	–	–	–	–
Construction and engineering revenue	–	9,685	–	–	–	143,438	–	–
Sales revenue from department store	–	1,039,246	–	–	–	992,187	–	–
Hospitality service revenue	–	301,235	–	–	–	276,939	–	–
Rental revenue	–	938,419	–	–	–	743,739	–	–
Others	–	646,224	–	10,187	–	725,151	–	5,313
Total	–	6,315,158	–	10,187	–	6,767,019	–	5,313

Note 1: Sales information is not available for other subsidiaries because the concept of sales volume is not applicable (no quantitative summation is possible).

The Company's consolidated statements of operating revenue include construction revenue, sales revenue from department store, hospitality service revenue and rental revenue. The completion of the Fuzhou Affordable Housing Project in Banqiao in 2019 resulted in a significant increase in operating income. The remainder included revenue from sewage treatment, department stores, hotel services and operating leases contributed by subsidiaries. Revenue from the Super Station in Daqiaotou will continue to be recognized in 2020, while other sources include revenue from sewage treatment, department stores, hotel services and operating lease income contributed by subsidiaries.

III. Information on Employees in the Last Two Years up to the Publication Date of this Annual Report (i.e. number of employees, average years of service and age, proportion by educational levels)

YEAR		2019	2020	2021 (As of March 31)
Number of Employees	Manager Officer	43	42	46
	Salesperson	35	31	31

YEAR		2019	2020	2021 (As of March 31)
	General Staff	766	752	728
	Total	844	825	805
Average Age		41.7	40.6	37.3
Average Years of Service		5.4	4.7	5.5
Education Level Distribution Ratio (%)	Doctor	1.88%	1.01%	1.07%
	Master	15.06%	7.96%	10.82%
	College	66.43%	77.70%	72.14%
	Senior High School	15.72%	12.10%	14.31%
	Below Senior High School	0.91%	1.23%	1.66%

Note: The total number of employees of the Company and each subsidiary.

IV. Environmental Protection Expenditure

The total amount of losses (including compensation) and penalties as a result of environmental pollution in the most recent fiscal year and up to the date of publication of the annual report. Explain future countermeasures (including improvement measures) and possible expenditures:

The amount of losses (including compensation) and penalties incurred by the Company's subsidiaries for polluting the environment in the latest year and up to the date of printing of the annual report are as follows, and the Company will strengthen the promotion of laws and regulations and the implementation of corporate governance mechanisms in the future.

Date of inspection	Disposition No.	Article(s) violated	Content of article(s) violated	Disposition Content	Amount of fine
2020/2/25	Taoyuan City Government, March 13, 2020, FU-HUAN-KUNG-TZU No. 1090059571	Article 23, Item 2 of the Air Pollution Control Act, and Articles 6, 7, 8, 9, 10, and 11 of the Management Regulations for Construction Project Air Pollution Control Facilities	Penalty in accordance with section 62(1)(4) of the Air Pollution Control Act	1. Failure to provide protection facilities within the construction site or between the car wash facility and the main road carriageway 2. Failure to take preventive measures on exposed surfaces of construction sites 3. Failure to provide car washing facilities at site entrances and exits 4.Failure to cover the outer edge of the construction scaffold with dust-proof nets	NT$100,000

V. Labor Relations

(I) The Company's various policies including employee welfare measures, continuing training, training, retirement systems and their implementation, as well as agreements between labor and management and various employee rights protection measures

1. Employee Welfare Measures:

Since the establishment, we have always placed great emphasis on harmonious industrial relations and employee benefits. Not only do we comply with regulations stated in the Labor Standards Act, on June 18, 1998, the Employee Welfare Committee was established after approval of Department of Labor, Taipei City Government (Taipei City (Labor) Yi-Zi Order No.8722073500). The following employee welfare activities are conducted as required by the regulations.

(1) Labor insurance, national health Insurance and labor pension contributions are provided as required by the regulations.
(2) Organize periodic tours.
(3) Employee group insurance.
(4) Gifts or money for 3 major festivals, birthdays, marriages, and birth.
(5) Consolation money for employees' hospitalization, funerals and bereavement.
(6) Employee recognition.
(7) Departmental friendship activities.
(8) Year-end party and lucky draws.
(9) Employees' regular health examination.
(10) Help to employees in the event of an emergency

In order to retain and cultivate outstanding talents, motivate employees to stay at the Company for a long time, and leverage their strengths, the Company provides incentive plans for the purpose of enhancing employees benefits and assisting employees with long-term savings, investment, and financial management. On October 20, 2020, the Company established the Radium Life Tech Co., Ltd. Employee Stock Ownership Plan to implement an employee stock ownership plan, applicable to formal employees of the Company and its subsidiaries' employees who have passed the probation period. Members contribute a certain amount from their monthly salary, and the members' company matches a certain percentage of that amount, which is then deposited into a trust account, which is managed and utilized by a trusted bank. It not only achieves the purpose of retaining talent but also assists employees in accumulating wealth, planning for future retirement lives, and achieving a win-win outcome and shared benefit for labor and management.

2. Employees' Training and Development:

In order to implement the purpose of talent cultivation, Radium has established a complete training and development system to enhance the professional knowledge and skills of all employees and to put more emphasis on high-potential management talents. The current training and development programs of the company are as follows:

(1) New Employee Orientation:

The training is to help new employees to understand the Company's background, rules and regulations, roles and responsibilities, as well as to integrate them into the corporate culture so that new employees could not only adapt to the workplace but also give full play to performance as soon as possible.

(2) Management Competency Training:

The training programs are planned for supervisors of each level to advance management competency and capability which may include, but are not limited to,

leadership, communication, adaptability, and crisis management.

(3) Professional Competency Training:

The inheritance of successful experience is significant for each of business unit so that the nominated employees are assigned to take part in training held by external institution or participate in well-designed internal training, consisting of courses and

lectures given by internal professionals or external industry experts specializing in domain knowledge, to gain knowledge and to advance skills.

(4) General Competency Training:

The design of the training emphasizes business-oriented mindset and interactive practice to assist employees to work effectively and efficiently. Employees are arranged to upgrade themselves to encounter new challenges with accumulation of their seniority and achieve the goals set by the organization.

(5) Language Training:

In response to globalization, internationalization and the long-term development strategies of the organization, employees are arranged courses to improve their language ability so as to apply in work and daily life. At the same time, it can also help employees to obtain the first-hand information such understanding the culture and history of other countries and then to communicate appropriately with foreigners as working.

(6) Diversity Lectures:

To broaden employees' horizon, several of experts and masters in different fields are invited to diversity lectures to share their domain knowledge and life experience,

which inspire employees to think cross-border and obtain multi-dimensional experience.

(7) E-Learning:

To satisfy the learning needs of employees and encourage them to learn proactively,

Radium builds a digital learning system and then provides online courses made by internal selected trainers or procured from external institutions for employees to learn

anytime and anywhere.

According to "Employee Training Management Regulation" and training and development needs, Radium plans management competency training, professional competency training, and general competency training annually to empower employees' competency and capability. At the same time, Radium provides training and development subsidy each year for every employee to choose work-related internal or external courses freely, enhancing overall human capital as well as business performance. The results of training and development of 2020 are referred to the table below:

Courses		Courses	Number of sessions	Total participants
I.	New Employee Orientation	3	97	776
II.	Management Competency Training	28	532	2,228
III.	Professional Competency Training	21	444	2,366
IV.	General Competency Training	6	98	720

Courses		Courses	Number of sessions	Total participants
V.	E-Learning	10	218	334
Total		68	1,389	6,424

3. The Company's personnel related to the transparency of financial information and their attained licenses as required by the competent authorities:
   (1) Jacksoft Certified CAATs Practitioner (JCCP): 1 in Audit Division.
   (2) Taiwan Certified Public Accountant: 1 in Audit Division.

4. Retirement System and its Implementation
   (1) In line with the regulations stipulated in the "Labor Standards Act", the Company has a defined benefit retirement plan that applies to workers whose seniority prior to the applicability of the "Labor Pension Act" enforced on July 1, 2005, and to employees' subsequent years of service who choose to opt for the "Labor Standards Act" after the implementation of the "Labor Pension Act". Employees who are qualified for retirement, under the defined benefit pension plan, retirement funds are calculated based on the average salary of the six months prior to retirement. Two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. On May 19, 1998, the Company established the Labor Pension Fund Supervisory Committee through the approval letter Bei-Shi-Fu-Lao-Er-Zi Order No. 8703955900. The Company contributes monthly an amount equal to 2% of the employee's month salary to the retirement fund deposited with Bank of Taiwan under the name of the Labor Pension Fund Supervisory Committee.
   (2) From July 1, 2005, the Company established a defined allocation retirement plan based on the "Labor Pension Act" to accommodate the new allocation system of labor retirement fund. For those who choose the carrying account (new system), not less than 6% of the monthly wages will be allocated to their personal account opened by the Bureau of Labor Insurance, Ministry of Labor.

5. Agreement between Labor and Management
   (1) The Company plans HR Management Regulations in accordance with laws and regulations and carries out reviews on related personnel system while establishing strategies to accommodate changes in the social and economic environment. The Company also attaches great importance on the employee's salaries and benefits - in terms of the remuneration system: not only are the employee's bonuses linked to the Company's operating performance, but personal performances are equally crucial, so that the Company and employees can jointly create a win-win situation; in terms of the welfare system: the Employee Welfare Committee plans diversified welfare measures to enhance the friendship among co-workers as well as looking after the employee's physical and mental health. Moreover, we also provide an excellent workplace and smooth labor-management communication channel. A labor-management meeting is held each quarter and the "Employee Care Letterbox" has been set up to promote communication exchange between the employee and employer for harmonious industrial relations.
   (2) We have established the "Improvement Proposal Management Measures" to encourage employees to propose company improvements and innovative suggestions on their own initiative. As a consequence, we hope to improve work efficiency and customer service quality while effectively saving costs and

increasing income. The proposals by the employee are served as an important reference for the Company's management.

(3) The Company has had harmonious industrial relations over the years without any major disputes between the employee and employer.

6. Employee Rights Protection Measures:

(1) Employee's Work Environment and Personal Safety Protection Measures

A. Disaster Preventive Measures and Responses

(a) The Company has established the "Safety and Health Work Rules" as required by the "Occupational Safety and Health Act". All employees and non-employees of the Company must comply with these Rules in the workplace. Through promoting awareness of occupational hazards and safety and health education, occupational hazards can be effectively prevented, protecting the safety and health of our employees.

(b) Hold Regular Education & Training and Fire Safety Drills

b-1 New employees: Labor safety training courses are arranged in the training of new recruits to allow new employees to have basic knowledge regarding the Company's safety and health management.

b-2 In-service employees: Fire and disaster prevention drills are held on a regular basis to allow employees to have basic first aid knowledge, and for them to be familiar with escape routes while strengthening their capability in the event of an emergency.

(c) Formulate occupational safety and health management plans and enforce the government's policy in strengthening the implementation and promotion of safety and health as well as environmental protection through execution, review and revision. Also, safety and health information is also being promoted on the Company's internal website (EIP). Through carrying on with the PDCA Procedure, risk of hazards is reduced year by year, reaching the ultimate goal of zero disasters.

(d) At Radium, we also take references from the "Taiwan Occupational Safety and Health Management System (TOSHMS)" promulgated by the Council of Labor Affairs of the Executive Yuan with an aim of strengthening the cooperation between the Company and employees in order to continuously enforce safety and health self-management activities. By taking this approach, occupational hazards can be reduced and, occupational safety and health facilities improved, further protecting the safety and health of employees and improving the safety and health standards.

B. Access Control Security

(a) 24-hour strict access control system.

(b) Established a police-civilian connection for comprehensive protection.

(c) Entered a contract with a security company to ensure all-day access security.

C. Workplace Health Promotion

(a) Employee health examination: an annual health examination to all employees is provided. The Company also works with several major hospitals and health examination centers and has set up a blood pressure machine in the Company to ensure the health of each employee.

(b) Daily health exercise: daily health exercise helps start a good day. Through our daily morning exercise, we encourage employees to stretch their muscles and bones to boost their working spirit.

(c)Establishing on-site health care: we provide the promotion and enforcements of

health services to improve and maintain the physical and mental health of all employees. We also assist in organizing health education events to raise awareness on health concepts.

D. Insurance and medical assistance

(a) Aside from the statutory labor insurance coverage for employees, we also provide employee group insurance. Relief to employees or their heirs is also provided in the event of a serious accident or death.

(b) In addition to the basic protection including labor and national health insurance as required by the law, we also provide comprehensive employee group insurance protection including occupational hazard, life insurance, accident insurance, medical insurance, cancer insurance and travel insurance (for traveling activities).

E. Mental health

(a) Gender equality in the workplace: sexual harassment prevention measures, complain and disciplinary guiltiness have been formulated.

(b) Employee care letterbox: in an effort to ensure all employees are happy in the working environment, we have set up an employee care letterbox in the hope that all employees can use this communication channel to convey their voices and suggestions to the Company so that communication between work and life can be exchanged. Where there is a major event that affects the Company's operations, employees will be notified via email or EIP to ensure timely communication.

(II) Employee conduct or code of ethics

The Company has established the "Instructions for Employee's life", which Article 11 states:

Article 11 Conflict of Interest

Employees shall not take part in activities that are harmful to the Group:

1. Employees are prohibited from investing, financing, and trading with suppliers, customers, contractors or competitors related to the Group or serve as a consultant to avoid affecting the independence of the employee in their duties. In the event of an employee breaking the rule, which has been proven to be true, the employee shall be dismissed.
2. Employees must avoid unhealthy habits and unnecessary entertainment; the president (and below) is prohibited from accepting gifts and hospitality from suppliers, customers, contractors or competitors related to the Group. In the event where refusing is impossible, supervisors must be notified immediately and if it cannot be achieved, the supervisor must be notified within one day of the date of the incident (excluding official holidays). If an employee accepts gifts and hospitality from customers without notifying their supervisor, the employee shall be disciplined with a major demerit. If the case is significant which has been proven to be true, the employee shall be dismissed.

In addition, the Company's "Rewards and Disciplinary Measures" clearly states basis for rewards and disciplines for employees to be aware of the required behavioral standards. Rewards and disciplines of the employee will be used as a reference for personal performance evaluation. The aforementioned mentioned "Notice to Employees" and "Rewards and Disciplinary Measures" are announced on the Company's internal website (EIP). As a part of the Company, employees shall maintain healthy ethics and values and abide by these regulations.

In order to implement the Ethical Corporate Management Best Practice Principles and to effectively control and manage reported cases, and to establish smooth reporting channels and fair investigation procedures to correct possible misconduct, the Company has formulated the Reporting Management Regulations as approved by the board of directors, and established a whistleblower mailbox on the official website of the Group for internal and external personnel. Once a reported case is accepted, the confidentiality of the identity of the whistleblower and the content reported will be ensured throughout the investigation process. If an employee is proved to have violated rules, it shall be handled in accordance with the Company's Regulations of Reward and Punishment Management. If there is indeed a violation of relevant laws and regulations as proved in the investigation, the Company will take appropriate legal actions when necessary to protect the Company's reputation and rights and interests.

(III) List any loss sustained as a result of labor disputes in the most recent fiscal year and up to the date of publication of the annual report, disclose an estimate of losses incurred to date or likely to be incurred in the future, and indicate mitigation measures being or to be taken. State the fact if they cannot be reasonably estimate:

1.The Company has had harmonious industrial relations over the years without any major disputes between the employee and employer.

2.The Company plans HR Management Regulations in accordance with laws and regulations and carries out reviews on related personnel system while establishing strategies to accommodate changes in the social and economic environment. In addition to attaching great importance on the employee's salaries and benefits, the Company also provides an excellent workplace and smooth labor-management communication channels. A labor-management meeting is held each quarter and the "Employee Care Letterbox" has been set up to promote communication exchange between the employee and employer for smooth harmonious industrial relations.

VI. Important Contract

The supply and sales contracts, technical cooperation contracts, construction contracts, long-term loan contracts and other contracts of significance to shareholders' equity that were in force as at the date of printing of the annual report and that expired in the latest year

Serial No.	Company	Nature of the Contract	Counterparty to the contract	Start and end dates of the contract	Main Content	Restrictions Terms and Conditions
1	Radium Life Tech Co., Ltd.	Development investment contract	Taipei City Government	From 2009/2/19 to The Completion and Delivery Date	Land Development Investment Agreement for Daqiao Elementary Station, Xinzhuang Line (MRT)	N/A
2	Radium Life Tech Co., Ltd.	Land Tender for Sale Contract	Construction & Planning Agency, Ministry of the Interior	From the signing date of 2011/11/21 to the performance of all obligations under the contract	Planning, Development, Construction, Sale and Leasing of Fu-Jou Affordable Housing, Banqiao, New Taipei City	Note 1

Serial No.	Company	Nature of the Contract	Counterparty to the contract	Start and end dates of the contract	Main Content	Restrictions Terms and Conditions
3	Radium Life Tech Co., Ltd.	Engineering Contract	Dehwa Construction Co., Ltd.	From the signing date of 2016/1/13 to the completion date of the project	Contract for Phase III Construction Works of the Land Development Investment Agreement for Daqiao Elementary Station, Xinzhuang Line (MRT)	N/A
4	Radium Life Tech Co., Ltd.	Engineering Contract	Yongwei Mechanical and Electrical Engineering Co., Ltd.	From the signing date of 2016/1/13 to the completion date of the project	Contract for Phase III E&M Works of Land Development Investment Agreement for Daqiao Elementary Station, Xinzhuang Line (MRT)	N/A
5	Radium Life Tech Co., Ltd.	Engineering Contract	TITAN DEVELOPMENT AND CONSTRUCTION CO., LTD.	From the signing date of 2020/2/27 to the completion date of the project	Elderly Care Project - Sanzhi - Sanzhi East Side Project	N/A
6	Radium Life Tech Co., Ltd.	Contract of Credit Award	4 banks including Chinatrust Commercial Bank	From 2019/8/22 to the date of liquidation of the financing	Joint Credit Agreement for the Land Development Project of Daqiao Elementary Station, Xinzhuang Line (MRT)	N/A
7	Radium Life Tech Co., Ltd.	Contract of Credit Award	Bank of Taiwan, Mega International Commercial Bank, Taiwan Cooperative Bank and five other banks	From the signing date of 2018/12/7 to the date of liquidation of the financing	Joint Credit Agreement	Note 2
8	Titan Development and Construction Co., Ltd.	Urban Regenerator's Project Implementation Contract	Taiwan Railway Administration, Ministry of Transportation and Communications	From the signing date of 2020/2/6 to the completion date	Urban renewal project in the old dormitory area east of Kaohsiung Railway Station	N/A
9	Wan Da Tong Enterprise Co., Ltd.	Development and operation contract	Taipei City Government / Taiwan Railway Administration, Ministry of Transportation and Communications / Department of Rapid Transit Systems, Taipei City Government	From the signing date of 2004/12/27 to the termination of the surface rights contract	Development and operation of the T9 BOT	Note 3
10	Wan Da Tong	Establishment of the surface	Taipei City Government/Taiwan	50 years from the signing date of the	Right to develop and operate the surface	N/A

Serial No.	Company	Nature of the Contract	Counterparty to the contract	Start and end dates of the contract	Main Content	Restrictions Terms and Conditions
	Enterprise Co., Ltd.	rights contract	Railway Administration, Ministry of Transportation and Communications	contract on 2005/1/26	rights of the T9 BOT	
11	Wan Da Tong Enterprise Co., Ltd.	Lease agreement	Jing-Jan Retail Business Co., Ltd.	Signed on 2009/6/24 for a term of 20 years from the commencement of the lease	Operation of a shopping mall at the T9 BOT	N/A
12	Wan Da Tong Enterprise Co., Ltd.	Lease agreement	L'HOTEL DE CHINE CORPORATION	Signed on 2005/8/11 for a term of 20 years from the commencement of the lease	Operation of a hotel at the T9 BOT	N/A
13	Wan Da Tong Enterprise Co., Ltd.	Lease agreement	VIE SHOW CINEMAS CO., LTD.	Signed on 2006/4/19 for a term of 20 years from the commencement of the lease	Operation of a movie theater at the T9 BOT	N/A
14	Wan Da Tong Enterprise Co., Ltd.	Lease agreement	PRESIDENT BEING CORP.	2018/1/1~2025/12/31	Operation of a gym at the T9 BOT	N/A
15	Wan Da Tong Enterprise Co., Ltd.	Contract of Credit Award	15 Banks including Taiwan Cooperative Bank and Mega International Commercial Bank	2007/5/15-2022/5/15	Joint Credit Agreement for the T9 BOT	Note 4
16	Zhao Yao Enterprise Co., Ltd.	Establishment of the surface rights contract	Northern Region Office, National Property Administration, Ministry of Finance	2011/1/12~2061/1/11	Establishment of surface rights and development rights over state-owned non-public land at Lot 63, Second Subsection, Fuxing Section, Taipei City	Note 5
17	Zhao Yao Enterprise Co., Ltd.	Contract of Credit Award	King's Town Bank Co., Ltd.	2018/8~2033/8	Credit Agreement for Development of Surface Rights over state-owned non-public land at Second Subsection, Fuxing Section, Taipei City	N/A
18	Zhao Yao Enterprise Co., Ltd.	Lease agreement	CLI Investment Limited, Taiwan Branch	15 years from the day after the expiry of the rent-free period for the decoration	Hotel operating lease agreement based on surface rights and development rights established over	Note 6

Serial No.	Company	Nature of the Contract	Counterparty to the contract	Start and end dates of the contract	Main Content	Restrictions Terms and Conditions
					state-owned non-public land at Lot 63, Second Subsection, Fuxing Section, Taipei City	
19	Rih Yao Development Co., Ltd.	Establishment of the surface rights contract	Taipei City Government	From the signing date of 2020/10/25 until all obligations under the contract are fulfilled	Surface rights and development rights established over state-owned non-public land at Lot 63, Second Subsection, Fuxing Section, Taipei City	Note 7
20	Rih Yao Development Co., Ltd.	Contract of Credit Award	Taiwan Shin Kong Commercial Bank Co., Ltd.	2019/9/16-2024/9/16	Establishment of the surface rights and development rights over state-owned non-public land at Second Subsection, Fuxing Section, Taipei City	N/A
21	Rih Yao Development Co., Ltd.	Lease agreement	The Home Hotel	15 years from the earlier of the date of expiration of the rent-free period for the decoration or the date of commencement of business of the subject property (hotel) and issuance of invoice	Hotel operating lease agreement based on surface rights and development rights established over state-owned non-public land at Second Subsection, Fuxing Section, Taipei City	N/A
22	Rih Ding Water Enterprise Co., Ltd.	Investment contract	Taoyuan City Government	35 years from the day following the signing date of 2012/10/29	Taoyuan Wastewater Sewerage System BOT Project	Note 8
23	Rih Ding Water Enterprise Co., Ltd.	Engineering Contract	Titan Development and Construction Co., Ltd.	From the contract date of 2013/10/15 to the completion of the first phase of the project	Phase I Construction Contracting and Construction Management for the Taoyuan Wastewater Sewerage System BOT Project	Note 9
24	Rih Ding Water Enterprise Co., Ltd.	Engineering Contract	Titan Development and Construction Co., Ltd.	From the signing date of 2016/3/21 to the completion of the project	Phase I Subsequent Interceptor E&M Works, Pipeline Works, Customer Pipeline Connection Works, etc. for Taoyuan Wastewater	N/A

Serial No.	Company	Nature of the Contract	Counterparty to the contract	Start and end dates of the contract	Main Content	Restrictions Terms and Conditions
					Sewerage System BOT Project	
25	Rih Ding Water Enterprise Co., Ltd.	Engineering Contract	Titan Development and Construction Co., Ltd.	From the contract date of 2017/10/12 to the completion of the project	Phase II main and secondary trunk mains, branch mains and customer line connections and construction management for the Taoyuan Wastewater Sewerage System BOT Project	N/A
26	Rih Ding Water Enterprise Co., Ltd.	Engineering Contract	Ding-Sheng Green Energy Technology Co., Ltd.	From the contract date of 2019/07/01 to the completion of the project	Sewage Treatment Plant (Stage II) Expansion Project for the Taoyuan Wastewater Sewerage System BOT Project	N/A
27	Rih Ding Water Enterprise Co., Ltd.	Engineering Contract	Ding-Sheng Green Energy Technology Co., Ltd.	From the contract date of 2020/03/19 to 2022/12/31	Commissioned by Taoyuan North District Water Reclamation Centre for the procurement of labour services - the Taoyuan Wastewater Sewerage System BOT Project	N/A
28	Rih Ding Water Enterprise Co., Ltd.	Contract of Credit Award	12 banks including Mega International Commercial Bank	10 years from 2018/8/24	Joint Credit Agreement for Phase II of the Construction Project for the Taoyuan Wastewater Sewerage System BOT Project	Note 10
29	Rih Siang Property Management Co., Ltd.	Construction and operation contract	New Taipei City Government Urban and Rural Development Bureau	From the date of signing the contract on 2013/5/15 until the performance of all obligations under the contract	Planning, design, construction, operation and management of the BOT site for the construction of youth housing in New Taipei City, as well as repair, maintenance, renewal and addition of related facilities and equipment	Note 11
30	Rih Siang Property Management Co., Ltd.	Contract of Credit Award	7 banks including Mega International Commercial Bank	2020/1~2027/1	Joint Credit Agreement for the New Taipei City Youth Housing Construction and Operation Transfer Project (BOT)	Note 12
31	Ji Shun Life	Co-operative	Private landowners	From the signing	Co-operative Land	N/A

Serial No.	Company	Nature of the Contract	Counterparty to the contract	Start and end dates of the contract	Main Content	Restrictions Terms and Conditions
	Ech Co., Ltd.	Land Building Contract	(Unrelated party)	date to the completion of the contract	Building Contract at Ching Sheng Section, Chungli District, Taoyuan City	
32	Ji Shun Life Ech Co., Ltd.	Contract for Construction Works	Titan Development and Construction Co., Ltd.	From the contract date 2015/12/7 to the completion of the project	Preliminary Works for the Co-operative Land Building Project at Ching Sheng Section, Chungli District, Taoyuan City	N/A
33	Ji Shun Life Ech Co., Ltd.	Contract for Construction Works	Titan Development and Construction Co., Ltd.	From the signing date 2017/3/22 to the completion of Public Facilities and handover to the Management Committee	New Construction Works for the Co-operative Land Building Project at Ching Sheng Section, Chungli District, Taoyuan City	N/A
34	Ji Shun Life Ech Co., Ltd.	Development investment contract	Taichung City Government	From 2020/12/25 to The Completion and Delivery Date	The Land Development Project of WuRi WenXin BeiTun Line G6 Station of TaiChung Mass Rapid Transit Systems	N/A
35	Ji Shun Life Ech Co., Ltd.	Development investment contract	Taichung City Government	From 2020/12/25 to The Completion and Delivery Date	The Land Development Project of WuRi WenXin BeiTun Line G8a Station of TaiChung Mass Rapid Transit Systems	N/A
36	Ji Shun Life Ech Co., Ltd.	Contract of Credit Award	Agricultural Bank of Taiwan	2017/8~2022/8	Credit Agreement on New Construction Works in the Co-operative Land Building Project at Ching Sheng Section, Chungli District, Taoyuan City	Note 13
37	Rih Zuan Green Energy Technology Co., Ltd.	Power purchase and sale contract	Taiwan Power Company	20 years from the date of first-time integration of generating units	Barging of Renewable Energy in the Northern Section of Chihshan District, Kaohsiung City	N/A
38	Jing Ding Green Energy Technology Co., Ltd.	Investment contract	Industrial Development Bureau, Ministry of Economic Affairs	24 years from the signing date of the contract on 2020/9/30, including EIA/construction	Build-Operate-Transfer (BOT) Project of Resource Processing Center in Changhua Coastal Industrial Park	N/A

Serial No.	Company	Nature of the Contract	Counterparty to the contract	Start and end dates of the contract	Main Content	Restrictions Terms and Conditions
				period of 2 years and operation period of 20 years	by Industrial Development Bureau, Ministry of Economic Affairs	
39	Jing Ding Green Energy Technology Co., Ltd.	Contract for construction and operation services entrusted to third parties	Ding-Sheng Green Energy Technology Co., Ltd.	From the signing date of 2020/9/14, same as the duration of the investment contract		N/A
40	Ding Sheng Green Energy Technology Co., Ltd.	Contract for construction works entrusted to third parties	CTCI Corporation	To be completed 2 years from the contract date of 2020/9/14, after the EIA has been approved and the Industrial Development Bureau, MOEA has agreed to commence work on site		N/A
41	Ding Sheng Green Energy Technology Co., Ltd.	Contract to engage a third party to provide operation and maintenance services	ECOVE Environment Services Corporation	From the signing date of 2020/9/14, same as the duration of the investment contract		N/A

Note 1: (1) The license to use the property shall be obtained by 31 December 2014 at the latest, and the handover to the purchaser shall commence by 31 March 2015.

(2) Except for the ground floor, which shall be used for commercial and service facilities, the rest of the houses to be built in this case shall be planned as suitable residential units. (3) The Company shall use 10% of the total number of suitable residential units for rental purposes (the rest shall be sold) for a period of not less than 10 years, and shall be responsible for the management of such units, after which the Company shall be free to dispose of them. (4) The average selling price of suitable residential units for sale shall be in accordance with the following regulations: The average selling price of the main building and the common parts shall not exceed NT$195,000 per ping. The average selling price per ping of ancillary structures (balconies) shall not exceed NT$64,300 per ping. Parking spaces, commercial and service facilities on the ground floor may be freely disposed of by the Company without the aforementioned restriction on the average selling price per ping.

Note 2: The Company is required to issue an equity transfer contract, and the current ratio shall be maintained at 75% (inclusive), the gearing ratio shall not exceed 450% (inclusive), the interest coverage ratio shall be maintained at 2 times or more, and the tangible net worth shall not be less than NT$6.5 billion. (The above ratios are based on the consolidated financial statements).

Note 3: (1) At Wan Da Tong Enterprise Co., Ltd., the shareholders' equity as a percentage of total assets at the end of each accounting year from 2006 to the expiry date of the Development and Operation Deed shall not be less than 15%. (2) Wan Da Tong Enterprise Co., Ltd. shall not assign, donate, divide, create a pledge of or dispose of in any other manner the rights and obligations under the Development and Operation Agreement without the consent of Party A. The same applies to the creation of surface rights. (3) (3) The management of the residences and offices constructed by Wan Da Tong Enterprise Co., Ltd. pursuant to

the Development and Operation Deed shall be delivered to the Active Trust in full. (4) Upon the expiration of the development and operation contract, Wan Da Tong Enterprise Co., Ltd. shall transfer the land, operating assets or facilities to Party A without compensation in accordance with the procedures stipulated in the contract.

Note 4: The ratio of shareholders' equity to total assets of Wan Da Tong Enterprise Co., Ltd. shall not be less than 30% and the interest cover shall not be less than 300% after 100 years.

Note 5: (1) The duration of the surface rights in this case shall be 50 years in total. (2) Zhao Yao Enterprise Co., Ltd. shall pay the land rent on a monthly basis from the date of signing this contract. (3) Zhao Yao Enterprise Co., Ltd. shall not lease or lend the surface rights to others for building purposes. If the surface right or the building on the ground is leased or loaned to others for non-construction use, the end of the period of its use shall not be after the end of the period of continuation of the surface right.

Note 6: The Company is acting as a joint and several guarantors under this agreement. Zhao Yao Enterprise Co., Ltd., a subsidiary of the Company, agrees to perform this lease.

Note 7: (1) The period of continuance of the surface right in this case is 50 years. (2) Rent shall be charged on an annual basis from the date of surrender to Rih Yao Development Co., Ltd. on completion of the site. The annual rent shall be adjusted in accordance with the adjustment of the land premium in each phase. (3) Riyao shall construct the police station cum multi-purpose building on the Site with itself as the promoter. Riyao shall not change the name of the builder except with the prior written consent of Party A. (4) Rih Yao Development Co., Ltd. shall not assign the surface rights and ownership of all buildings owned by Rih Yao Development Co., Ltd. to third parties (including but not limited to by way of trust or securitization of real estate) or encumber or divide such rights, nor shall Rih Yao Development Co., Ltd. contribute to other rights or create other burdens.

Note 8: (1) The term of the licence in this case shall be 35 years in total. However, in the event of early termination or extension in accordance with the provisions of this Contract, the term shall expire or be extended at an earlier date. (2) The maximum period of construction of the first phase of the Project shall not exceed five years from the day following the date of execution of the Contract. (3) The scale of construction of the treatment plant and the number of users connected to the pipeline shall be specified. (4) A minimum of 30% of own funds shall be maintained during the permitted period.

Note 9: (1) The construction of sewage treatment plants (including booster stations) and their ancillary facilities shall be fully accepted and completed by 28 October 2015. (2) The construction of sewer trunk pipes, branch pipes and ancillary facilities in Taoyuan area (excluding the Bade extension area) shall be fully accepted and completed by October 28, 2017. (3) The construction management of the various phases of the project shall be completed by the completion of the first phase of the project.

Note 10: The debt ratio of Rih Ding Water Enterprise Co., Ltd. shall remain below 200% (inclusive) from 2018 to 2019, 160% (inclusive) from 2010 to 2023 and 130% (inclusive) from 2024 to 2027, and the debt service ratio shall remain above 120% (inclusive).

Note 11: (1) The term of this Contract shall be 70 years from the date of this Contract, including the "Construction Period" and the "Operation Period". The construction period shall be 3 years from the date of this Contract. The operation period shall be 67 years from the date of commencement of the operation of the Project. Rih Siang Property Management Co., Ltd. shall commence all operations of the Project no later than 4 years from the date of signing of this Contract. (2) At least 70% of the total floor area of the building shall be used as residential units. (3) The ownership of the building shall not be sold or pre-sold. (4) The rates of the residential units shall be set by Rih Siang Property Management Co., Ltd. at its own discretion, provided that at least 30% of the rates shall not exceed 80% of the market rent and shall be announced at the time of leasing and opening of tenant applications. The same applies to adjustments. (5) Rih Siang Property Management Co., Ltd. shall invest no less than 30% of its own capital in the construction cost of the project.

Note 12: Rih Siang Property Management Co., Ltd. shall maintain a liquidity ratio of 100% or more and a debt ratio of 250% or less.

Note 13: In this development case, a trust is required to be delivered to the granting bank for the base and an undertaking must be signed for its performance.

Financial Highlights

I. Condensed Financial Statements in the Past Five Years

(I) Condensed Consolidated Financial Statements

1. Condensed Consolidated Balance Sheet–IFRS

Unit: NT$ Thousand

Item \ Year		Financial Information in the Past Five Years (Note 1)				
		2016	2017	2018	2019	2020
Current Assets		50,179,539	42,312,037	17,392,970	16,282,095	14,326,158
Property, Plant and Equipment (Note 2)		8,214,637	8,109,982	8,488,398	9,399,501	9,383,154
Intangible Assets		2,368,417	2,565,067	2,765,330	3,218,112	3,433,187
Other Assets (Note 2)		15,222,985	21,125,419	22,183,818	27,170,588	29,651,297
Total Assets		75,985,578	74,112,505	50,830,516	56,070,296	56,793,796
Current Liabilities	Before Distribution	51,047,667	48,274,605	18,193,787	15,416,349	11,949,456
	After Distribution	51,047,667	48,274,605	18,909,322	15,963,734	(Note 3)
Noncurrent Liabilities		15,471,367	16,571,650	20,053,394	28,370,156	32,606,765
Total Liabilities	Before Distribution	66,519,034	64,846,255	38,247,181	43,786,505	44,556,221
	After Distribution	66,519,034	64,846,255	38,962,716	44,333,890	(Note 3)
Equity Attributable to Shareholders of the Parent		9,074,851	8,613,898	12,039,273	11,738,636	11,703,137
Share Capital		8,944,192	8,944,192	8,944,192	9,123,076	9,000,946
Capital Surplus	Before Distribution	4,676,046	3,293,407	1,299,578	1,299,873	1,307,843
	After Distribution	4,676,046	1,240,379	1,299,578	1,299,873	(Note 3)
Retained Earnings	Before Distribution	(4,544,547)	(3,622,604)	1,799,863	1,319,021	1,394,262
	After Distribution	(4,544,547)	(3,622,604)	905,444	771,636	(Note 3)
Other Equity		(840)	(1,097)	(4,360)	(3,334)	86
Treasury Share		–	–	–	–	–
Non-controlling Interests		391,693	652,352	544,062	545,155	534,438
Total Equity	Before Distribution	9,466,544	9,266,250	12,583,335	12,283,791	12,237,575
	After Distribution	9,466,544	9,266,250	11,867,800	11,736,406	(Note 3)

Note 1: The condensed consolidated balance sheets from2016 to 2020 are prepared based on IFRS, and consolidated financial statements of each year was certified and audited by CPAs.

Note 2: The asset not implemented revaluation from 2016 to 2020.

Note 3: The amount not approved by shareholder meeting.

2. Condensed Consolidated Statement of Comprehensive Income

Unit: NT$ Thousand

Item \ Year		Financial Analysis in the Past Five Years (Note 1)				
		2016	2017	2018	2019	2020
Operating Revenue		3,356,781	14,212,716	31,947,334	6,325,345	6,772,332
Gross Profit		1,794,157	4,071,190	7,232,206	2,789,118	2,708,884
Income from Operations		(4,964,270)	(128,417)	4,287,880	611,347	452,500
Non-Operating Income and Expenses		123,601	(340,482)	(534,397)	191,228	549,158
Profit before Income Tax		(4,840,669)	(468,899)	3,753,483	802,575	1,001,658
Net Profit from Continuing Operation		(4,949,781)	(709,247)	3,446,029	466,337	667,285
Loss from Discontinued Operation		–	–	–	–	–
Net Profit (Loss)		(4,949,781)	(709,247)	3,446,029	466,337	667,285
Other Comprehensive Income (Loss), Net of Income Tax		(540)	3,070	(2,395)	4,271	3,472
Total Comprehensive Income		(4,950,321)	(706,177)	3,443,634	470,608	670,757
Net Profit Attributable to Owners of the Parent		(4,969,149)	(758,152)	3,368,318	406,731	622,688
Net Income Attributable to Non-controlling Interests		19,368	48,905	77,711	59,606	44,597
Comprehensive Income Attributable to the Owners of the Parent		(4,969,689)	(755,082)	3,366,176	410,700	626,046
Comprehensive Income Attributable to Non-controlling Interests		19,368	48,905	77,458	59,908	44,711
Earnings Per Share	(Note 2)	(5.56)	(0.85)	3.77	0.45	0.69
	(Note 3)	(5.45)	(0.83)	3.69	0.45	0.69

Note1: The condensed consolidated statements of comprehensive income from 2016 to 2020 are prepared based on IFRS, and consolidated financial statements of each year was certified and audited by CPAs.

Note 2: Based on the weighted average shares outstanding in each year.

Note 3: Based on the weighted average shares outstanding in each year, and retrospectively adjusted weighted average shares outstanding of previous year increased due to the unappropriated earnings and issuance of share dividends from capital surplus.

(II) Condensed Parent Company Only Financial Statements

1. Condensed Parent Company Only Balance Sheet–IFRS

Unit: NT$ Thousand

Item \ Year		Financial Analysis in the Past Five Years (Note 1)				
		2016	2017	2018	2019	2020
Current Assets		41,732,154	36,922,246	12,155,313	10,390,248	9,213,568
Property, Plant and Equipment (Note 2)		7,874	66,446	276,738	111,699	109,474
Intangible Assets		9,293	6,164	4,546	4,335	7,186
Other Assets (Note 2)		19,024,914	21,324,462	23,110,392	26,760,652	26,346,895
Total Assets		60,774,235	58,319,318	35,546,989	37,266,934	35,677,123
Current Liabilities	Before Distribution	45,249,363	41,573,622	13,361,126	9,902,564	6,639,094
	After Distribution	45,249,363	41,573,622	14,076,661	10,449,949	(Note 3)
Noncurrent Liabilities		6,450,021	8,131,798	10,146,590	15,625,734	17,334,892
Total Liabilities	Before Distribution	51,699,384	49,705,420	23,507,716	25,528,298	23,973,986
	After Distribution	51,699,384	49,705,420	24,223,251	26,075,683	(Note 3)
Share Capital		8,944,192	8,944,192	8,944,192	9,123,076	9,000,946
Capital Surplus	Before Distribution	4,676,046	3,293,407	1,299,578	1,299,873	1,307,843
	After Distribution	4,676,046	1,240,379	1,299,578	1,299,873	(Note 3)
Retained Earnings	Before Distribution	(4,544,547)	(3,622,604)	1,799,863	1,319,021	1,394,262
	After Distribution	(4,544,547)	(1,569,576)	905,444	771,636	(Note 3)
Other Equity		(840)	(1,097)	(4,360)	(3,334)	86
Treasury Share		–	–	–	–	–
Total Equity	Before Distribution	9,074,851	8,613,898	12,039,273	11,738,636	11,703,137
	After Distribution	9,074,851	8,613,898	11,323,738	11,191,251	(Note 3)

Note 1: The condensed parent company only balance sheets from 2016 to2020 are prepared based on IFRS, and parent company only financial statements of each year was certified and audited by CPAs.

Note 2: The asset not implemented revaluation from 2016 to 2020.

Note 3: The amount not approved by shareholder meeting.

2. Condensed Parent Company Only Statement of Comprehensive Income

Unit: NT$ Thousand

Item \ Year		Financial Analysis in the Past Five Years (Note 1)				
		2016	2017	2018	2019	2020
Operating Revenue		113,843	10,211,226	28,119,062	1,475,855	2,115,392
Gross Profit		45,305	1,841,963	4,756,413	238,391	379,910
Income from Operations		(5,167,602)	(1,175,606)	2,987,703	(667,434)	(612,376)
Non-Operating Income and Expenses		199,743	419,178	382,332	1,097,793	1,255,479
Profit before Income Tax		(4,967,859)	(756,428)	3,370,035	430,359	643,103
Net Profit from Continuing Operation		(4,969,149)	(758,152)	3,368,318	406,731	622,688
Loss from Discontinued Operation		–	–	–	–	–
Net Profit (Loss)		(4,969,149)	(758,152)	3,368,318	406,731	622,688
Other Comprehensive Income (Loss), Net of Income Tax		(540)	3,070	(2,142)	3,969	3,358
Total Comprehensive Income		(4,969,689)	(755,082)	3,366,176	410,700	626,046
Earnings Per Share	(Note 2)	(5.56)	(0.85)	3.77	0.45	0.69
	(Note 3)	(5.45)	(0.83)	3.69	0.45	0.69

Note 1: The condensed parent company only statements of comprehensive income from 2016 to 2020 are prepared based on IFRS, and parent company only financial statements of each year was certified and audited by CPAs.

Note 2: Based on the weighted average shares outstanding in each year.

Note 3: Based on the weighted average shares outstanding in each year, and retrospectively adjusted weighted average shares outstanding of previous year increased due to the unappropriated earnings and issuance of share dividends from capital surplus.

(III) Auditor's Opinions in the past five years

Year	Accounting Firm	CPAs	Audit Opinion
2016	Deloitte & Touche	Yang, ChingCheng、Gung, Jerry	An Unqualified Opinion
2017	Deloitte & Touche	Gung, Jerry、Liu, Walter	An Unqualified Opinion
2018	Deloitte & Touche	Gung, Jerry、Liu, Walter	An Unqualified Opinion
2019	Deloitte & Touche	Gung, Jerry、Liu, Walter	An Unqualified Opinion
2020	Deloitte & Touche	Gung, Jerry、Liu, Walter	An Unqualified Opinion

II. Financial Analysis in the Past Five Years

(I) Financial Ratio

1. Financial Ratio of Consolidated Statement –IFRS

Analysis item \ Year		Financial Analysis in the Past Five Years (Note 1)				
		2016	2017	2018	2019	2020
Capital Structure Analysis	Debts Ratio(%)	87.54	87.49	75.24	78.09	78.45
	Long-term Funds to Property, Plant, and Equipment (%)	298.81	310.54	378.07	426.71	472.22
Liquidity Analysis	Current Ratio (%)	98.29	87.64	95.59	105.61	119.88
	Quick Ratio (%)	20.58	20.43	41.71	40.44	42.64
	Times Interest Earned	(3.24)	0.19	4.42	1.90	2.14
Operating Performance Analysis	Average Collection Turnover (Times)	5.11	19.30	44.71	9.71	12.10
	Days Sales Outstanding	71.42	18.91	8.16	37.59	30.16
	Average Inventory Turnover (Times)	0.04	0.29	1.21	0.36	0.43
	Average Payable Turnover (Times)	0.38	2.15	5.34	0.94	1.56
	Average Inventory Turnover Days	9,125.00	1,258.62	301.65	1,013.88	848.83
	Property, Plant and Equipment Turnover Rate (Times)	0.41	1.74	3.85	0.71	0.72
	Total Asset Turnover Rate (Times)	0.04	0.19	0.51	0.12	0.12
Profitability Analysis	Return on Total Assets (%)	(5.96)	(0.12)	6.68	2.06	2.27
	Return on Equity (%)	(42.82)	(8.02)	33.37	3.92	5.69
	Pre-tax Income to Paid-in Capital Ratio (%)	(54.12)	(5.24)	41.97	8.80	11.13
	Net Margin (%)	(147.46)	(4.99)	10.79	7.37	9.85
	Earnings per Share (NT$) (Note 2)	(5.56)	(0.85)	3.77	0.45	0.69
	Earnings per Share (NT$) (Note 3)	(5.45)	(0.83)	3.69	0.45	0.69
Cash Flow	Cash Flow Ratio (%) (Note 4)	–	5.71	97.80	–	–
	Cash Flow Adequacy Ratio (%) (Note 4)	41.41	85.26	99.41	149.30	228.79
	Cash Flow Reinvestment Ratio (%) (Note 4)	–	10.94	56.80	(1.85)	(1.32)
Leverage	Operating Leverage (Note 5)	–	–	1.21	2.61	3.18
	Financial Leverage (Note 5)	–	–	1.27	(3.35)	(1.45)
Please explain the reasons of the financial ratio changes in the past two years. (Analysis may be omitted if the changes hadn't reached 20%.) Please refer to (II) Analysis of financial ratio changes.						

Note 1: The financial ratios of consolidated statements from 2016 to 2020 are prepared based on IFRS, and consolidated financial statements of each year was certified and audited by CPAs.

Note 2: Based on the weighted average shares outstanding in each year.

Note 3: Based on the weighted average shares outstanding in each year, and retrospectively adjusted weighted average shares outstanding of previous year increased due to the unappropriated earnings and issuance of share dividends from capital surplus.

Note: 4: "–" is for negative net cash provided by operating activities.

Note 5: If the income from operations of a year is negative, the financial ratio will not be calculated, and expressed as "–"

2. Financial Ratio of Parent Company Only Statement –IFRS

Analysis item \ Year			Financial Analysis in the Past Five Years (Note 1)				
			2016	2017	2018	2019	2020
Capital Structure Analysis	Debts Ratio (%)		85.06	85.22	66.13	68.50	67.19
	Long-term Funds to Property, Plant, and Equipment (%)		197,166.26	25,201.96	8,016.91	24,498.31	26,525.04
Liquidity Analysis	Current Ratio (%)		92.22	88.81	90.97	104.92	138.77
	Quick Ratio (%)		11.97	13.22	22.06	12.53	23.31
	Times Interest Earned		(4.67)	(0.28)	5.48	1.91	2.51
Operating Performance Analysis	Average Collection Turnover Rate (Times)		8.51	336.30	408.08	12.86	24.92
	Days Sales Outstanding		42.89	1.08	0.89	28.38	14.64
	Average Inventory Turnover (Times)		0.00	0.25	1.16	0.13	0.20
	Average Payable Turnover (Times)		0.03	4.26	11.94	0.72	2.35
	Average Inventory Turnover Days		0.00	1,460.00	314.65	2,807.69	1,825.00
	Property, Plant and Equipment Turnover Rate (Times)		11.24	274.79	163.87	7.59	19.12
	Total Asset Turnover Rate (Times)		0.00	0.17	0.59	0.04	0.05
Profitability Analysis	Return on Total Assets (%)		(7.71)	(0.65)	8.15	1.96	2.59
	Return on Equity (%)		(42.98)	(8.53)	32.61	3.42	5.31
	Pre-tax Income to Paid-in Capital Ratio (%)		(55.54)	(8.42)	37.67	4.71	7.14
	Net Margin (%)		(4,364.91)	(7.39)	11.97	27.55	29.43
	Earnings per Share (NT$)	(Note 2)	(5.56)	(0.85)	3.77	0.45	0.69
		(Note 3)	(5.45)	(0.83)	3.69	0.45	0.69
Cash Flow	Cash Flow Ratio (%) (Note 4)		–	2.31	137.55	–	4.18
	Cash Flow Adequacy Ratio (%) (Note 4)		48.33	95.41	119.53	251.00	533.80
	Cash Flow Reinvestment Ratio (%) (Note 4)		–	5.72	82.37	(2.60)	(0.92)
Leverage	Operating Leverage (Note 5)		–	–	1.07	–	–
	Financial Leverage (Note 5)		–	–	1.23	–	–
Please explain the reasons of the financial ratio changes in the past two years. (Analysis may be omitted if the changes hadn't reached 20%.) Please refer to (II) Analysis of financial ratio changes.							

Note 1: The financial ratios of parent company only statements from 2016 to 2020 are prepared based on IFRS, and parent company only financial statements of each year was certified and audited by CPAs.

Note 2: Based on the weighted average shares outstanding in each year.

Note 3: Based on the weighted average shares outstanding in each year, and retrospectively adjusted weighted average shares outstanding of previous year increased due to the unappropriated earnings and issuance of share dividends from capital surplus

Note: 4: "–" is for negative net cash provided by operating activities.

Note 5: If the income from operations of a year is negative, the financial ratio will not be calculated, and expressed as "–"

Formula of financial analysis calculation are as following:

1. Capital Structure Analysis
   (1) Debt Ratio = Total Liabilities / Total Assets
   (2) Long-term Fund to Property, Plant and Equipment Ratio = (Shareholders' Equity + Noncurrent Liabilities) / Net Property, Plant and Equipment

2. Liquidity Analysis
   (1) Current Ratio = Current Assets / Current Liabilities
   (2) Quick Ratio = (Current Assets - Inventories - Prepaid Expenses) / Current Liabilities
   (3) Times Interest Earned = Earnings before Interest and Taxes / Interest Expenses

3. Operating Performance Analysis
   (1) Average Collection Turnover = Net Sales / Average Trade Receivables
   (2) Days Sales Outstanding = 365 / Average Collection Turnover
   (3) Average Inventory Turnover = Cost of Sales / Average Inventory
   (4) Average Payment Turnover = Cost of Sales / Average Trade Payables
   (5) Average Inventory Turnover Days = 365 / Average Inventory Turnover
   (6) Property, Plant and Equipment Turnover = Net Sales / Average Net Property, Plant and Equipment
   (7) Total Assets Turnover = Net Sales / Average Total Assets

4. Profitability Analysis
   (1) Return on Total Assets = (Net Income + Interest Expenses * (1 - Effective Tax Rate)) / Average Total Assets
   (2) Return on Equity Attributable to Shareholders of the Parent = Net Income / Average Equity
   (3) Net Margin = Net Income / Net Sales
   (4) Earnings Per Share = (Net Income Attributable to Shareholders of the Parent - Preferred Stock Dividend) / Weighted Average Number of Shares Outstanding

5. Cash Flow
   (1) Cash Flow Ratio = Net Cash Provided by Operating Activities / Current Liabilities
   (2) Cash Flow Adequacy Ratio = Five-year Sum of Cash from Operations / Five-year Sum of Capital Expenditures, Inventory Additions, and Cash Dividend
   (3) Cash Flow Reinvestment Ratio = (Cash Provided by Operating Activities - Cash Dividends) / (Gross Property, Plant and Equipment + Long-term Investments + Other Noncurrent Assets + Working Capital)

6. Leverage
   (1) Operating Leverage = (Net Sales - Variable Cost) / Income from Operations
   (2) Financial Leverage = Income from Operations / (Income from Operations - Interest Expenses)

(II) Analysis of financial ratio changes

1. Financial Ratio of Consolidated Statement –IFRS

Item	2019	2020	Change (%)	Description
Average Collection Turnover (Times)	9.71	12.10	24.61%	In 2020, the residual houses kept on being sold, so the operating revenue, operating costs, and profit increased from 2019, and the related financial ratios also improved compared with that in 2019.
Average Payable Turnover (Times)	0.94	1.56	65.96%	
Return on Equity (%)	3.92	5.69	45.15%	
Pre-tax Income to Paid-in Capital Ratio (%)	8.80	11.13	26.48%	
Net Margin (%)	7.37	9.85	33.65%	
Earnings Per Share	0.45	0.69	53.33%	
Cash Flow Adequacy Ratio	149.3	228.79	53.24%	In 2020, the construction projects were successively completed and delivered and the income were recognized. The inventories continued to decrease, and the cash flow adequacy ratio increased compared with that in 2019.
Cash Flow Reinvestment Ratio	(1.85)	(1.32)	(28.65)%	In 2020, cash flow reinvestment ratio increased compared with that in 2019, because the distributed cash dividends decreased compared with that in 2019.
Financial Leverage	(3.35)	(1.45)	(56.72)%	In 2020, due to the impact of the pandemic, and increased borrowings for the operation and preparation for new construction project, the income from operations is not sufficient to offset the interest expense, resulting increased financial leverage compared with that in 2019.

2. Financial Ratio of Parent Company Only Statement –IFRS

Item	2019	2020	Change (%)	Description
Current Ratio (%)	104.92	138.77	32.26	In 2020, the short-term borrowings were repaid successively, so the current liabilities decreased, and the related financial ratios improved compared with that in 2019.
Quick Ratio (%)	12.53	23.31	86.03	
Times Interest Earned	1.91	2.51	31.41	In 2020, the residual houses kept on being sold, so the construction revenue, sales costs, and profit increased, and the related financial ratios also improved compared with that in 2019.
Average Collection Turnover (Times)	12.86	24.92	93.78	
Days Sales Outstanding	28.38	14.64	(48.41)	
Average Inventory Turnover (Times)	0.13	0.20	53.85	
Average Payable Turnover (Times)	0.72	2.35	226.39	
Average Inventory Turnover Days	2,807.69	1,825.00	(35.00)	
Property, Plant and Equipment Turnover Rate (times)	7.59	19.12	151.91	
Total Asset Turnover Rate (Times)	0.04	0.05	25.00	
Return on Total Assets (%)	1.96	2.59	32.14	
Return on Equity (%)	3.42	5.31	55.26	
Pre-tax Income to Paid-in Capital Ratio (%)	4.71	7.14	51.59	
Earnings Per Share	0.45	0.69	53.33	
Cash Flow Ratio	–	4.18	–	In 2020, the residual houses kept on being sold, so the net cash inflow from operating activities, with the decreased inventories, the related ratio increased compared with that in 2019.
Cash Flow Adequacy Ratio	251.00	533.80	112.67	
Cash Flow Reinvestment Ratio	(2.60)	(0.92)	(64.62)	Cash flow reinvestment ratio in 2020 increased compared with that in 2019, because the distributed cash dividends decreased compared with that in 2019.

Note: If the net cash provided by operating activities is negative, the financial ratio will not be calculated, and expressed as "–"

III. The Review Report of the Most Recent Financial Report by the Audit Committee

Radium Life Tech Co., Ltd.

Audit Committee's Review Report

We have audited the 2020 business report and financial reports (incl. consolidated and standalone financial statements). The aforementioned financial statements and earnings distribution table are audited by Deloitte Taiwan, and the CPAs have issued a report with unqualified opinions. The business report, financial statements and the motion for earnings distribution stated above have been reviewed by the Audit Committee and no discrepancy has been found. We have presented you the reports based on the provisions stipulated in Article 14-4 in the Securities and Exchange Act and Article 219 in the Company Act.

Regards,

2021 Shareholders' meeting of Radium Life Tech Co, Ltd.

Convener of the Audit Committee：K. C. Chou

March 26, 2021

IV. The most recent annual financial report, including a CPA's audit report, a two-year comparative balance sheet, a statement of comprehensive income, a statement of changes in equity, a cash flow statement, and notes or annexes: Please see p.162 to p.253 of the annual report.

V. A parent company only financial statement for the most recent fiscal year, certified by a CPA: Please see p.254 to p.327 of the annual report.

VI. If the company or its affiliated companies have experienced financial difficulties in the most recent fiscal year and up to the date of publication of the annual report, the annual report shall explain how said difficulties will affect the company's financial situation: None.

Review and Analysis of Financial Position and Financial Performance and Risk Issue

I. Financial Position

Comparative Analysis Table of Financial Position

Unit: NT$ Thousand

Item	2019	2020	Difference		Description
			Amount	Percentage	
Current Assets	16,282,095	14,326,158	(1,955,937)	(12.01)%	Note 1
Property, Plant and Equipment	9,399,501	9,383,154	(16,347)	(0.17)%	
Intangible Assets	3,218,112	3,433,187	215,075	6.68%	
Other Assets	27,170,588	29,651,297	2,480,709	9.13%	
Total Assets	56,070,296	56,793,796	723,500	1.29%	
Current Liabilities	15,416,349	11,949,456	(3,466,893)	(22.49)%	Note 2
Noncurrent Liabilities	28,370,156	32,606,765	4,236,609	14.93%	Note 3
Total Liabilities	43,786,505	44,556,221	769,716	1.76%	
Share Capital	9,123,076	9,000,946	(122,130)	(1.34)%	
Capital Surplus	1,299,873	1,307,843	7,970	0.61%	
Retained Earnings	1,319,021	1,394,262	75,241	5.70%	
Other Equity	(3,334)	86	3,420	(102.58)%	
Non-controlling Interests	545,155	534,438	(10,717)	(1.97)%	
Total Equity	12,283,791	12,237,575	(46,216)	(0.38)%	

Description: (if the changes between two consecutive years are over 10%, and the amount reaching 1% of the 2020 annual total asset, the analysis is provided)

Note 1: The continuous selling of residual houses in 2020 resulted in significant decrease in inventories

Note 2: Due to the repayment of short-term borrowings, and payments to vendors and reserved payment in 2020.

Note 3: Due to working capital necessaries increased in the borrowings and issued bonds payable.

II. Financial performance

(I) Comparative Analysis Table of Financial Performance

Unit: NT$ Thousand

Item	2019	2020	Difference		Description
			Amount	Percentage	
Operating Revenue	6,325,345	6,772,332	446,987	7.07%	Note 1
Operating Income	611,347	452,500	(158,847)	(25.98)%	
Profit before Income tax	802,575	1,001,658	199,083	24.81 %	

Note 1: In 2020, the construction projects were successively delivered and the gains were recognized. The consolidated operating revenue and net income before tax both increased compared with that in 2019.

(II) Sales volume forecast and the basis therefore, and describe the effect upon the company's financial operations as well as measures to be taken in response.

The Group's revenue and profit targets for 2021 are based on the estimates of the three pillar operations: construction & development, business operation, and circular economy group. In terms of the construction & development business, it is estimated that the revenue will mainly come from the MRT Daqiaotou Station Joint Development Project and the revenue recognized from the subsidiary Ji Shun Life Ech Co., Ltd's's Qingpu Project in Taoyuan after completion. In terms of circular economy business, the revenue is mainly from the stable revenue of the subsidiary Rih Ding Water Enterprise Co., Ltd's Taoyuan wastewater sewage system BOT project, and Ding Sheng Green Energy Technology Co., Ltd's effort in creating revenue in circular economy. In terms of the business operation, the stable year-on- year increase of revenue from the Taipei Bus Station, Qsquare, and Radium-Kagaya International Hotel operated by subsidiaries is expected to contribute to the group's profits to create mutual benefit, balance the group's business affected by the fluctuations in the construction business, and contribute relatively stable income.

III. Cash flow

(I) Analysis of Changes in Cash Flow

Items \ Year	2019	2020	Percentage of change
Cash Flow Ratio	–	–	–
Cash Flow Adequacy Ratio	149.30	228.79	53.24%
Cash Flow Reinvestment Ratio	(1.85)	(1.32)	(28.65)%

Note: If the net cash provided by operating activities is negative, the cash flow ratio will be expressed as "–".

Description for percentage of change:

1. In 2020, the construction projects were successively delivered and the gains were recognized. The inventories continued to decrease, and the cash flow adequacy ratio increased compared with that in 2019.
2. The Company issued cash dividends in 2020 and 2019, respectively, resulting in a negative cash flow reinvestment ratio; the cash flow reinvestment ratio in 2020 increased compared with that in 2019, due to the decrease in cash dividends distributed in 2020 compared to 2019.

(II) Remedies to improvement illiquidity:

The analysis of cash flow in the consolidated statements is as the following

Unit: NT$ Thousand

Opening cash balance (1)	Net cash flow from operating activities for the entire year (2)	Net cash flow from investments and financing activities for the entire year (3)	Effect of exchange rate changes on cash and cash equivalents (4)	Closing cash balance (1)+(2)+(3)+(4)
3,503,812	(204,553)	266,096	55	3,565,410

There was no illiquidity of the Company and each subsidiary in 2020

(III) Cash flow analysis of the year ahead:

Unit: NT$ Thousand

Cash balance at beginning (1)	Projected net cash flow from operating activities in current period(2)	Projected net cash outflow from investments and financing activities in current period (3)	Projected amount of cash surplus (1)+(2)+(3)	Remedies for cash deficits	
				Investment plans	Financing plans
3,565,410	1,482,298	(917,475)	4,130,233	–	–

In 2021, expects to recognize the income from the completion of selling the residual houses from the MRT Daqiaotou Station Joint Development Project, and the income from the completion of selling and delivery of subsidiary's Qingpu Project, as well as the net cash inflows from operating activities from the stable incomes of its subsidiaries, Rih-Ding Water, Jing-Jan Retail Business, and Wan-Da-Tong. In the current period, as repaying the construction loans along with house delivery and repaying various long-term loan principals, a cash surplus will be generated from combining investment activities and financing activities.

In general, in the current period (2021), the Group will not have illiquidity.

IV. Impact to the Financial Business by the Significant Capital Expenditures in the Previous Year: None.

V. Main Reasons of Improvement Plan for Re-Investment Policy, Profit or Loss for Previous Years:

(I) The current operation of the Company's re-investees is as the following:

1. Ji Shun Life Tech Co., Ltd. is a reinvested subsidiary for the purpose of increasing the diversification of the Company's construction and development projects. In addition to providing construction business development, design, marketing, customer's service, property management and other services for the Group, this company is mainly committed to urban renewal development business and elderly care business operations. The company sold the construction project, "Radium's New Q Square" in Qingpu in 2020. Since the construction project has not been completed and delivered, the development income has not yet been recognized. The Company recognized the reinvestment losses from Ji Shun in 2020 for NT$54,368 thousand. (excluding the reinvestment gains and losses recognized by Ji Shun itself).
2. Wan Da Tong Enterprise Co., Ltd. is a project company established to accommodate the bidding requirements of the T9 BOT project of Taipei City Government. It is responsible for the development, construction, operation and management of the bus terminal and the affiliated businesses of the T9 BOT project. Since entering the operating period of the BOT business in 2009, the operating conditions have been stable and good, mainly due to the rental income of various rental properties. In 2018, it applied for the Subsidy Program for Smart city and Rural Living Application-Integrated ticketing with mobile payment service" proposed by the Industrial Development Bureau, MOEA, and passed the review. In November 2020, the two-year " Smart city and Rural Living Application-Integrated ticketing with mobile payment service " program was completed, becoming the only joint ticketing system in Taiwan that integrates multiple schedules of bus operators, to bring more diversified and convenient ticketing method for passengers. Through the convenient transportation, the gap between urban and rural areas are being close, and the vigorous development of the local tourism industry is driven. In 2020, the Company recognized a total of NT$223,389 thousand dollars of reinvestment gains from Wan Da Tong through the direct and indirect shareholding.
3. Titan Development and Construction Co., Ltd. is a reinvested subsidiary, for the purpose of strengthening the quality control of the construction and grasp the progress of projects for the Group. This company mainly contracts the Group's internal construction projects in 2020, including the Taoyuan wastewater sewerage project and the Taoyuan Qingpu project, with external contracted project, Longtan Lake. The Company recognized the reinvestment income of Titan Development and Construction in 2020 as NT$6,184 thousand (excluding the reinvestment gains and losses recognized by Titan Company itself).

4. Jing-Jan Retail Business Co., Ltd. is mainly responsible for operating the shopping mall in Q Square. Since opening at the end of 2009, it has been benefited from the excellent site with five-railway joint construction at Taipei Station, and continuous adjustment of tenants, and successful marketing strategy. In recent years, the scale of operations has continued to grow steadily. This Company began trading in the TPEx on March 31, 2018, and “Q square Xiaobitan in MEHAS” was grand opened in March 2020. In 2020, the Company recognized Jing-Jan Retail Business's reinvestment gains through indirect shareholding for NT$189,580 thousand. (excluding the reinvestment gains and losses recognized by Jing-Jan Retail Business itself).
5. Radium-Kagaya International Hotel Co., Ltd. Is the Company's introduction of the Japanese hotel brand, Kagaya, which has been ranked first at the "Top 100 Hot Springs" in Japan for more than 30 years. With Kagaya, it is jointly responsible for the operation and management of a hot spring hotel in Beitou. In 2020, due to the impact of the COVID-19, the tourist staying rate and operating performance were short of the expectation; however, the Company has been still committed to operational adjustments. With the marketing strategies enhanced via the existing sales channels, and continuous development of new channels, while reducing costs and expenses, this resulted in improved operation performance. In 2020, the Company recognized Radium-Kagaya’s reinvestment losses NT$16,511 thousand.
6. Jing-Jan Investment Holding Co., Ltd. established company by 100% conversion of the subsidiary, Jing-Jan Retail Business at the end of 2012, as an organization adjustment in the Group based on the specialty division. In early 2013, the Company subscribed the new shared by Jing-Jan Investment Holding with Titan Development and Construction, and paid the consideration with the shares of Wan Da Tong Enterprise. Therefore, Jing-Jan Investment Holding held two companies, Jing-Jan Retail Business and Wan Da Tong Enterprise through the adjustment of the group’ organization, As Jing-Jan Investment Holding has the plan to application for listing at TPEx, another 25% of Jing-Jan Retail Business’ shares have been released. As of the end of December 2020, Jing-Jan Investment Holding separately holds 75% and 71.65% of the two said companies. The Company indirectly holds Jing-Jan Retail Business and Wan Da Tong Enterprisethrough Jing-Jan Investment Holding. In 2020, the Company recognized Jing-Jan Investment Holding reinvestment gains of NT$572 thousand. (excluding the reinvestment gains and losses recognized by Jing-Jan Investment Holding itself).
7. Rih Ding Water Enterprise Co., Ltd. is a project company established by the Company to implement the "Taoyuan wastewater Sewage System BOT project” Rih Ding Water established in September 2012, and the first wastewater treatment plant construction was completed in 2015; the operation began at the end of January 2016, and entered the operating period. The station is called "Taoyuan North District Water Resources Recycle Center." The company entered the second wastewater treatment plant construction in 2019 and completed the construction at the end of 2020. The number of households serviced in Taoyuan area had reached approximately 100,000. The Company recognized reinvestment gain from RihDing Water Enterprise approximately of NT$879,241 thousand in 2020.
8. Rih Siang Property Management Co., Ltd. is a project company established by the Company to implement the "BOT Project for New Taipei City Youth Residence Building" in May 2013. There are four sites include “New North Youth Social Housing i Go Home Zhonghe” and “New North Youth Social Housing i Go Home Sanchong 1~3”. 70% of the entire project was planned to be rental housing and has been fully rented out. In the future, will be committed to the activation and utilization of 30% of the ancillary business facilities of the entire project, as the healthy residence leased to elderlies, and

the stable rental income is expected be infused. Because the income is not enough to cover operating costs, long-term lease depreciation of buildings, and overheads, the Company recognized reinvestment losses of Rixiang Leasing in 2020 for NT$ 27,759 thousand.

9. Rih Yao Development Co., Ltd is a project company established to develop the Dunnan Police Station's superficies. The Usage license of the project was obtained at the end of 2014. It is planned to be used the building as boutique business hotel for lease. It is operated and managed by the lessee, Home Hotel Co., Ltd. The business hotel has been in operation since July 2015. Although Rih Yao Development Co., Ltd. had the rental income from Home Hotel in 2020, but it was not enough to cover the depreciation of buildings, related overheads and interest costs, the Company recognized the reinvestment loss of NT$47,666 thousand.
10. Zhao Yao Enterprise Co., Ltd. is a project company established to develop and construction of the superficies of Land No. 63, second section of Fuxing Section, Da'an District, Taipei City. The project was completed at the end of 2014 and obtained the use permit. The original plan was to sell the residence of right-of-use, but in recent years, due to factors such as housing market declined and a significant increase in the tax burden on superficies, the Company signed a lease contract with a tenant to rent for operate as a high-end hotel in 2016. The Company began to collect rental income from hotel rentals from June, 2017. It was insufficient to cover related rental costs, operating expenses, and interest expenses, which resulted in losses. The Company’s reinvestment losses recognized in 2020 were NT$118,653 thousand.
11. PRIT Biotech Co., Ltd. is a reinvestment made in August 2014, through the subsidiary Radium Far East Co., Ltd. The Company develops online sales of beauty and skin care products based on its own development of core patented technologies and materials related to beauty and skin care. During the COVID-19 pandemic in 2020, the consumers’ demand for cosmetics declined, and its income was insufficient to cover related operating expenses, and thus losses incurred. The Company recognized the reinvestment losses through indirect shareholding in 2020 for NT$6,845 thousand.
12. Wan Tong Digital Technology Co., Ltd. is a new established subsidiary of the Company in May 2019, in response to the development of diversified industries as well as extending its business reach to the e-commerce shopping platform. During the COVID-19 pandemic in 2020, it was shocked the digital e-commerce market. The consumers’ shopping habits changed, and the platform functions became more diversified. After setting up a shopping website in March 2020, the sales were short of expectation. As the competitive market conditions needs great costs and expenses will be required for the company's long-term operation, the operation of shopping websites was suspended, and the business has been stopped in September 2020. The Company recognized the reinvestment losses in 2020 for NT$11,878 thousand.
13. Ding Sheng Green Energy Technology Co., Ltd. is the Company's investment in environmental protection and renewable energy development, to create substantial benefits of environmental protection and green energy, and achieve the purpose of resource regeneration and sustainable operation. It was a newly established subsidiary in January 2019, at the initial stage, the principle is to achieve breakeven. In 2020, it mainly contracted the group's internal construction projects, including the construction of the Taoyuan wastewater treatment plant construction. In December 2020, it formed a collaborative alliance with ECOVE Environment Services Corp. have been awarded the tender of “Build-Operate-Transfer (BOT) Project of Resource Processing Center in Changhua Coastal Industrial Park by Industrial Development Bureau, Ministry of Economic Affairs”, and established Jing Ding Green Energy Technology Co., Ltd. to

be responsible for the operation of this BOT project in the next 20 years. The Company recognized the reinvestment gains from Ding-Sheng Green Energy in 2020 for NT$20,532 thousand.

14. Clever Base Investments Limited is a holding company for the indirect investments in mainland China; including other reinvestment, namely Radium Far East Co., Ltd, Ji Sheng Zih Chan Development Co., Ltd, Rih Ding Circular Economy Investment Holdings Co., Ltd, Jing Ding Green Energy Technology Co., Ltd, and Rih Zuan Green Energy Technology Co., Ltd, Jing-Jan Digital Square Co., Ltd, Xin Xiu Ge Hotel Co., Ltd, Li Chiang Development Co., Ltd. and LiJiang Business Consulting (Shanghai), the Company recognized losses from the above-mentioned reinvested in 2020 for NT$55,286 thousand as a sum.

(II) At Radium, we take an incredibly very careful approach when it comes to making investments and keep a close eye on the financial condition and operations of the investee company at all times. We hope to get hold of the latest operating status of the investee to be used as the basis for the Company's control and efficiency evaluation of the investee.

(III) In the future, we will make additional investments in a timely manner on subsidiaries depending on their operational needs to support their development or operation plans. At the same time, we take a serious approach to review and evaluate relevant industries with solid profitability as investment targets.

VI. Risks

(I) Impacts of fluctuations in interest rates and foreign exchange rates and inflation on the Company's profitability and action plans:

1. The impact of changes in interest rates on the Company's profitability and action plans in the most recent fiscal year and up to the date of publication of the annual report:

According to the Central Bank's joint meeting of governors and supervisors on March 18, 2021, as the COVID-19 pandemic gradually came under control, global economic and trading activities gradually recovered, and the prices of commodities including international crude oil rose along with it, the international institutions predicted that global economy will resume growth in this year (2021), and the inflation rate will pick up moderately.

As the economy is still affected by the pandemic, major economies continue to adopt accommodative monetary and expansionary fiscal policies. International institutions predicted that the global economy is expected to resume growth this year, but the penetration and effectiveness of vaccines are still unstable, and the recent rise in the long-term governmental bond yields of major economies may trigger financial tightening and financial vulnerabilities such as the large scale of global debt, development of the U.S-China relationship, and the risks of climate change, are all the uncertainties factors affecting the global economic outlook. Against the backdrop of the domestic and overseas economic and financial situation, the recovery of the global economy is expected. However, facing a high degree of uncertainty, the major economies maintain accommodative monetary policy and continue to implement large-scale economic stimulus. Currently, the domestic prices and inflation outlooks are moderate. The domestic economy is expected to grow steadily, and the Board of Central Bank believes that maintaining policy interest rates unchanged and continuing the accommodative monetary policies will help the prices and financial stability, while supporting economic growth. Due to the accommodative monetary environment, interest rates have been cut and remained at a low level, which is relatively postive to

the construction industry to which the Company belongs.

In addition to maintaining close contact with banks and paying attention to interest rate trends, the company and its subsidiaries have gradually shown their operating results in recent years. The stable cash flow generated by their operations will be a powerful tool for the construction and development of the Group. Backing up, increase the proportion of self-owned funds and reduce dependence on banks.

2. The impact of changes in foreign exchange rates on the Company's profitability and action plans in the most recent fiscal year and up to the date of publication of the annual report:

   The Company and its subsidiaries are all in domestic-demand industries; therefore, foreign exchange rates do not pose significant impact.

3. The impact of changes in inflation on the Company's profitability and action plans in the most recent fiscal year and up to the date of publication of the annual report:

   The profit and loss performance of the Company and its subsidiaries are not likely to be impacted by inflation.

(II) Main reasons and action plans of policies for engaging in highly risky and highly leveraged investments, lending funds to others, endorsements and guarantees, derivatives transactions, and profits or losses:

1. The Company and its subsidiaries all focus on our business operations and do not engage in highly risky and highly leveraged investments.
2. The Company and its subsidiaries are all in domestic-demand industries and do not engage in derivative transactions. When lending funds to others or providing endorsements/guarantees for others, we comply with the “Regulations for Lending Funds to Others”” and the “Regulations for Providing Endorsement/Guarantee” formulated by each company.

(III) Future R&D Plans and Expected R&D Expense Input:

The Groups operate covering construction, department store, hotel, leasing industry, asset management, wastewater sewerage treatment, energy technical service, and cosmetics & skincare products manufacturing industries. Other than the biotech cosmetics & skincare manufacturing and wastewater sewerage treatment, the R&D is not applicable to the remaining business. The estimated R&D expenditure is about NT$1,000 thousand in 2021. The main focus is the development and testing of common raw materials between the anti-inflammatory and anti-allergic foods and cosmetics, to cope with the short, medium and long-term plans and business strategies of the products; in addition, the research on the pandemic-containing and anti-pandemic-oriented functional peptides and nanomaterials is the key theme this year. The development of related products and validation of their efficacy will be conducted. In the wastewater sewerage treatment industry plans to develop and establish a smart water management system and will invest NT$5,714 thousand in 2021. The system operation strategy may be adjusted in time based on the sewage volume and water quality status, and the collection and analysis of on-site related data, to ensure that the stability of the effluent water quality and the improvement of operation effectiveness of the treatment system, to further minimize the treatment cost.

(IV) Impact on the Company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response:

The Company and each subsidiary pay close attention to domestic and international political and economic developments and legal changes regarding pre-sale contracts,

Personal Data Protection Act, the Integrated Housing and Land Tax. We abide by these guidelines when conducting business as well as evaluating the Company's taxes and operations to protect the interests of the Company.

(V) Effect on the company's financial operations of developments in science and technology as well as industrial change, and measures to be taken in response.

The businesses the Company and its subsidiaries operate in cover construction, department store, hotel, rental & leasing, asset management, sewage treatment, energy technical service, and cosmetics & skincare products manufacturing industries. Other than the biotech cosmetics & skincare manufacturing, the changes do not affect the finance and business of the Company materially. In the cosmetics and skin care products manufacturing industry, we will continue to work with domestic research institution on the research and improvement of related technologies, and the feasibility of technology commercialization; in terms of changes in the real estate industry, we will continue to observe the impacts from the government's housing market and interest rate policies on the real estate market. In the department store industry, the prevalence of online shopping has had an impact on physical department stores. The management has formulated relevant strategies to respond to it. Through the O2O, the continuous growth momentum of the mall is maintained.

With the development of technology, the information security risks faced by enterprises are increasing. The Company conducts information security inspections by internal audit units and external accountants every year, including information risks such as information security policies, establishment of information security organizations, personnel security and management, asset classification and control, physical and environmental safety management, and communication and operation management are evaluated. In addition to the implementation reports of the information unit to the Board of Directors, the audit unit also regularly reports to the Board of Directors for inspected deficiencies and improvement plans.

The Company has established relevant information security management measures pursuant to laws and regulations, and implements information work plans accordingly; the appropriate protection measures for information assets are provided to ensure their confidentiality, integrity, and availability. The design and implementation effectiveness of various related operations are reviewed periodically, to respond to changes in the Company's internal and external environments, and reduce the Company's information security risks.

In order to reduce the risk of information system interruption affecting business operations, the impacts of man-made operations and natural disasters on information assets are regularly evaluated, and the disaster recovery plans are formulated with regular drill to ensure the continuous operation of the Company's business. Establish access control for the computer room and notifications are actively made through monitoring equipment, to prevent equipment from theft or maliciously damaged. Due to the challenges faced resulted from the digital age by information security, we continue to monitor the evolving trends of the information environment, regularly review information security protection mechanisms and solutions, and build multiple security protection systems such as firewalls, antivirus walls, and email protection. In addition, in conjunction with the information security policy, the information security related knowledge is regularly promoted to enhance the information security awareness of all colleagues.

(VI) Effect on the company's crisis management of changes in the company's corporate image, and measures to be taken in response.

Ever since established, Radium Group had gone through a lot of global challenges. Starting from construction and building business, with management guidance and strategies of "Innovation, Diversity, Sustainability and Co-living," Radium had built numbers of MRT joint construction projects. Following TOD and orbital economy technique concepts, Radium targets to create public benefits with networks of public transportation.

Furthermore, Radium develops businesses in elderly care and circular economy based on social needs and corporate responsibilities. Radium understands social responsibility needs to be fully aware by every manager and employee, including taking good care of safety and environmental friendly in every operation, design and technique, along with fulfilling social demands and preventing global risks in advance.

As a responsible company running with ESG, Radium Group's construction projects are all developed with green building practices, and have been awarded Green Building certifications or on the way for awarding. Take "Radium Perfect Life" the Double-Diamond-Grade Green Building as example, the community's green areas can reduce carbon dioxide emissions by 3,001 metric tons per year, which is equivalent to 7.7 fold of the annual carbon adsorption capacity of Daan Forest Parks.

Radium is speeding up at the same time its elderly care business with benchmark project "Radium Silver Life." Based on the ideal of taking good care of the whole society, the project is developed and consolidated with experiences from former CEO and architect of both famous elderly care centers Sanzhi Shuanglian Health Center the Tucheng Changyu Hospital and the Shuanglian Health Center. Radium plans to develop a safe and worry free environment for the elderly.

Simultaneously, Radium keeps investing into circular economy business. The subsidiary Rih-Ding Water Enterprise Co. has completed the second phase expansion project of Taoyuan North District Water Resources Recycling Center in Dec. 2020 and reached 100,000 households in Taoyuan along with tons of reusable water generated utilizing advanced technology. Radium Group is developing technology to recycle biogas for power generation able to support operation of the sewer system. With Radium Group's years of experience and effort, we wish to support more the future prosperous developments in sustainability and renewable energy for Taiwan.

(VII)Expected benefits and possible risks associated with any merger and acquisitions, and corresponding measures being or to be taken: None.

(VIII)Expected benefits and possible risks associated with any plant expansion, and corresponding measures being or to be taken: None.

(IX) Risks of sales or purchasing operations, and corresponding measures: None.

1. Purchase: none

In terms of construction and wastewater sewerage treatment industries, the purchases divided into the acquisition of land for construction and the contracting of projects. As landowners are all different, there is no risk of concentration of purchases. In terms of project contraction, Titan Development & Construction responsible for construction projects, the subsidiary also carefully selects and evaluates the most apt contractors depending on the nature of the project; there is no risk of concentration of purchases. In terms of Qsquare, Radium-Kagaya hotel and cosmetics & skincare products manufacturing industries, we primarily purchase from shopping mall tenants,

hotel suppliers and ingredients, as well as suppliers for cosmetic & skincare raw materials. With the purchase objects being diversified, there is no risk of concentration of purchases.

2. Sales: none.

In terms of construction, rental and leasing industries - there are many house buyers and renters are diversified. In terms of energy technical services - the first subcontracts its projects and labor contracts internally while proactively expanding its external business. In terms of Qsquare, Radium-Kagaya hotel, cosmetics & skincare products manufacturing industries-the sales objects are general consumers with diversified customer segments. In terms of the asset management industry -the T9 BOT is responsible for which is leased to hotels, shopping malls, cinemas, clubs and highway passenger transport *operations* in accordance with the property planning; there is no risk of concentration of sales.

(X) Effect and risks of sizable transfers or swaps of equity shares by Directors, Supervisors, and dominant shareholders holding more than 10% of the stake of the Company, and the remedy: None.

(XI) Effect and risks from the changing of hands in management and the remedy: None.

(XII) Litigious and non-litigious matters; the directors, supervisors, general managers and substantial principals of the Company, the majority shareholders and affiliated companies with a shareholding ratio of more than 10% have been determined or are included in the lawsuit; non litigation or administrative litigation results may have a significant effect on the Company's shareholders' equity or securities price as of the publication of the annual report:

1. Some of the buyers of the Company’s first-floor units of the Fu-Jou Affordable Housing Project in Banciao filed a lawsuit for the termination of the sale and purchase contract. The Company has reached a settlement with most of the buyers who filed a lawsuit. There is currently only one lawsuit still on trial in the court of first instance. In addition, some buyers filed lawsuits claiming that the Company failed to issue a notice of the delivery the housing project in time and that they requested default interest accrued, except for five cases that have been affirmed by the court of second instance (the Company won two cases while winning part of the other three cases) and one case that the Company reach the settlement in the second-instance trial, there are three more cases still on trial in the third-instance court.
2. Rih Yao has leased buildings to Home Hotel ("Home Hotel") since August 14, 2013. However, Home Hotel stated that due to the impact of the COVID-19 pandemic, there was an imbalance in its operating income and expenditure. Since May 2020, it has not paid rents to Rih Yao. Both parties failed to negotiate the rent adjustment. Home Hotel has successively filed two applications for provisional injunction, requesting the court to order Rih Yao to prohibit Rih Yao from presenting for payment for checks dated between May and July 2020 and August and December 2020. The Taiwan Taipei District Court approved the applications and implemented them accordingly. Rih Yao has filed and interlocutory appeal against the rulings on the two provisional injunction above, and it is currently on trial in the Supreme Court. In addition, Home Hotel also filed complaint to the court for a discretionary reduction of the rent from March 2020 to December 2021; meanwhile, it requested provisional injunction maintaining a temporary status quo for the deposit, for the court to order a

prohibition for Rih Yao from exercising of its rights. Both are pending at the Taipei District Court.

(XIII) Other important risks and corresponding measures: None.

VII. Other Important Matters: None.

Special Disclosures

I. Information Relating to the Company's Affiliated Companies

(I) Overview of the Company's affiliated companies

1. Organizational table of affiliated companies

2. Basic information of affiliated companies

December 31, 2020; Unite: NT$ Thousand

Company	Date of Incorporation	Address	Paid-In Capital	Primary business or Production
Ji Shun Life Tech Co., Ltd.	2005.07.07	13F, No. 209, Section 1, Civic Boulevard, Taipei City	700,000	Residential and Building Development & Lease and Sale Business
Zhao Yao Enterprise Co., Ltd.	2010.12.07	3F-11F. No. 23, Lane 27, Section 4, Ren'ai Road, Daan District, Taipei City; No. 25, 3F-11F. No. 25, Lane 27, Section 4, Ren'ai Road, Daan District, Taipei City; 2F-14F. No. 27 Lane 27, Section 4, Ren'ai Road, Daan District, Taipei City	2,350,000	Residential and Building Development & Lease and Sale Business
Rih Yao Development Co., Ltd.	2010.09.17	13F, No. 209, Section 1, Civic Boulevard, Taipei City	950,000	Residential and Building Development & Lease and Sale Business
Rih Siang Property Management Co., Ltd.	2013.05.01	14F, No. 209, Section 1, Civic Boulevard, Taipei City	2,300,000	Residential and Building Development & Lease and Sale Business
Radium Far East Co., Ltd.	1959.03.03	5F-2, No. 270, Sec. 4, Zhongxiao East Road, Taipei City	388,000	Residential and Building Development & Lease and Sale Business
Li Chiang Development Co., Ltd.	2008.04.08	13F, No. 209, Section 1, Civic Boulevard, Taipei City	1,000,000	Residential and Building Development & Lease and Sale Business
Rih Ding Circular Econ Inv Hldg Co., Ltd.	2020.03.05	14F, No. 209, Section 1, Civic Boulevard, Taipei City	635,000	Investment
Rih Zuan Green Energy Technology Co., Ltd.	2016.06.22	14F, No. 209, Section 1, Civic Boulevard, Taipei City	45,000	Energy Technical Services
Titan Development and Construction Co., Ltd.	1991.04.01	5F-2, No. 270, Sec. 4, Zhongxiao East Road, Taipei City	1,200,000	Comprehensive Construction Activities
Jing-Jan Investment Holdings Co., Ltd.	2012.12.12	13F, No. 209, Section 1, Civic Boulevard, Taipei City	1,500,000	Investment
Radium-KaGaYa International Hotel. Co., Ltd.	2004.05.28	No. 236, Guangming Road, Beitou District, Taipei City	150,000	International and General Tourist Hotels
Xin Xiu Ge Hotel Co., Ltd.	1969.11.25	No. 238, Guangming Road, Beitou District, Taipei City	125,000	Regular Hotel
Wan Tong Digital Technology Co., Ltd.	2019.05.23	14F, No. 209, Section 1, Civic Boulevard, Taipei City	30,000	Retail
Li Jiang Business Consulting (Shanghai)	2010.08.26	Room 102, Building 49, No. 709, Lingshi Road, Zhabei District, Shanghai	52,288	Business and Corporate Management Consulting Services
Clever Base	2007.01.08	Offshore Chambers,	64,174	Investment

Company	Date of Incorporation	Address	Paid-In Capital	Primary business or Production
Investments Limited		P. O. Box 217 Apia, Samoa		
Ji Sheng Zih Chan Development Co., Ltd.	2009.09.29	13F, No. 209, Section 1, Civic Boulevard, Taipei City	87,000	Residential and Building Development & Lease and Sale Business
Prit Biotech Co., Ltd.	2000.02.18	3F-1, No.50, Lane 462, Gongyi Road, Zhunan Town, Miaoli County	241,190	Biotechnology and Cosmetic Manufacturing
Rih Ding Water Enterprise Co., Ltd.	2012.09.24	No. 177, Section 1, Fuhua Road, Luzhu District, Taoyuan City	4,496,400	Sewage Treatment
Ding Sheng Green Energy Technology Co., Ltd.	2019.01.04	14F, No. 209, Section 1, Civic Boulevard, Taipei City	50,000	Energy Technical Services
Jing-Jan Retail Business Co., Ltd.	2007.09.20	No. 1, Section 1, Chengde Road, Taipei City	600,000	Department Stores
Wan Da Tong Enterprise Co., Ltd.	2004.10.28	13F, No. 209, Section 1, Civic Boulevard, Taipei City	5,220,150	Residential and Building Development & Lease and Sale Business
Rih Ding Investments Limited (Note 1)	2013.12.24	Suites 2302-6,23/F Great Eagle CTR 23 Harbour Rd. Wanchai, Hong Kong	894	Investment
Jing Ding Green Energy Technology Co., Ltd.	2020.09.18	No. 76, Pinghe 1st Street, Changhua City, Changhua County	20,000	Energy Technical Services
Jing-Jan Digital Square Co., Ltd.	2012.10.26	4F, No. 1, Sec. 1, Chengde Road, Taipei City	20,000	Retail sale of Other Integrated

Note 1: The deregistration of Rih-Ding Company was completed on February 25, 2021
Note 2: The deregistration of Kai-Chuang International Co., Ltd. was completed on April 8, 2020.
Note 3: The deregistration of Sharp China Investments Limited was completed on April 17, 2020.

3. Information on the shareholders if construed as having control and in joint holding with the subsidiaries: None.

4. The industries covered by the group enterprises: construction, buildings, department stores, hotels, rental & leasing, asset management, sewage treatment, investment, energy technical services, retail, biotechnology, and cosmetic manufacturing.

5. Information on directors, supervisors and presidents of affiliated companies:

December 31, 2020; unit: share

Company	Title	Name or Representative	Shares held directly and indirectly and ratio	
			Number of Shares	Shareholding Ratio
Ji Shun Life Tech Co., Ltd.	Chairman Director Director and President Supervisor	Radium Life Tech Co., Ltd. Representative: Liu Yao Kai Representative: Lin Rong Shian Representative: Jim Lee Representative: Lin Hua Chun	70,000,000	100.00%
Zhao Yao	Chairman	Radium Life Tech Co., Ltd.	235,000,000	100.00%

Company	Title	Name or Representative	Shares held directly and indirectly and ratio	
			Number of Shares	Shareholding Ratio
Enterprise Co., Ltd.	Director Director Supervisor	Representative: Lin Rong Shian Representative: Liu Yao Kai Representative: Lin Hua Chun Representative: Kerwin Go		
Rih Yao Development Co., Ltd.	Chairman Director Director Supervisor	Radium Life Tech Co., Ltd. Representative: Lin Rong Shian Representative: Shen Ching Peng Representative: Liu Yao Kai Representative: Lin Hua Chun	95,000,000	100.00%
Rih Siang Property Management Co., Ltd. (Note1)	Chairman Director Director and President Supervisor	Radium Life Tech Co., Ltd. Representative: Lin Rong Shian Representative: Liu Yao Kai Representative: Jim Lee Representative: You Wan Ying	230,000,000	100.00%
Radium Far East Co., Ltd.	Chairman Director Director Supervisor	Radium Life Tech Co., Ltd. Representative: Lin Rong Shian Representative: Liu Yao Kai Representative: Lin Yi Chun Lin Rong Chang	38,773,373	99.93%
Li Chiang Development Co., Ltd.	Chairman Director Director and President Supervisor	Radium Life Tech Co., Ltd. Representative: Lin Rong Shian Representative: Lin Hua Chun Representative: Kerwin Go Representative: Lin Rong Chang	100,000,000	100.00%
Rih Ding Circular Econ Inv Hldg Co., Ltd.	Chairman Director Director Director Director Supervisor	Radium Life Tech Co., Ltd. Representative: Shen Ching Peng Representative: Lin Rong Shian Representative: Liu Chia Jun Representative: Lin Hua Chun Representative: Hu Nien Ying Representative: Kerwin Go	63,500,000	100.00%
Rih Zuan Green Energy Technology Co., Ltd.	Chairman Director Director Supervisor	Radium Life Tech Co., Ltd. Representative: Lin Rong Shian Representative: Kerwin Go Representative: Lin Yi Chun Lin Hua Chun	4,050,000	90.00%
Titan Development and Construction Co., Ltd. (Note2)	Chairman Vice Chairman Director Supervisor President	Radium Life Tech Co., Ltd. Representative: Chen Ching Hsiang Representative: Lin Rong Huan Representative: Lin Hua Chun Representative: Chung Chang Jen Den Liang Dun	120,000,000	100.00%
Jing-Jan Investment Holdings Co., Ltd.	Chairman Director Director Supervisor	Radium Life Tech Co., Ltd. Representative: Lin Rong Shian Representative: Lin Yi Chun Representative: Gong Ming Chou Lin Hua Chun	146,784,894	97.86%
Radium-KaGa Ya International Hotel. Co., Ltd.	Chairman Director Director	Radium Life Tech Co., Ltd. Representative: Kerwin Go Representative: You Wan Ying Representative: Tokumitsu Atsuhito	15,000,000	100.00%

Company	Title	Name or Representative	Shares held directly and indirectly and ratio	
			Number of Shares	Shareholding Ratio
(Note3)	Supervisor President	Representative: Lin Hua Chun Kuo Ling Ling		
Xin Xiu Ge Hotel Co., Ltd. (Note4)	Chairman Director Director Supervisor	Radium Life Tech Co., Ltd. Representative: Lin Rong Shian Representative: Lin Hua Chun Representative: Kerwin Go Representative: Liu Yao Kai	125,000	100.00%
Wan Tong Digital Technology Co., Ltd.	Chairman Director Director Supervisor	Radium Life Tech Co., Ltd. Representative: Lin Rong Shian Representative: Kerwin Go Representative: Ko Su Yin Lin Hua Chun	2,700,000	90.00%
Li Jiang Business Consulting (Shanghai) (Note5)	Director	Liu Wen Chi	—	100.00%
Clever Base Investments Limited	Director	Radium Life Tech Co., Ltd. Representative: Lin Rong Shian	2,080,000	100.00%
Ji Sheng Zih Chan Development Co., Ltd.	Chairman Director Director Supervisor	King's Town Bank Representative: Lin Yi Chun Representative: Lin Rong Shian Representative: Liu Yao Kai Representative: Lin Hua Chun	8,700,000	100.00%
Prit Biotech Co., Ltd. (Note6)	Chairman Vice Chairman Director Director Director Supervisor Supervisor Supervisor	Lin Rong Shian Radium Far East Co., Ltd. Representative: Wen Chung Nan Representative: Kerwin Go Representative: Wu Jin Lie Representative: Chen Chien Lung Lin Hua Chun Ding-Sheng Digital Life Co., Ltd. Representative: Lin Chun Hung Representative: Yang Chi Yu	9,000,000	37.28%
Rih Ding Water Enterprise Co., Ltd.	Chairman Director Director and President Supervisor	Rih Ding Circular Econ Inv Hldg Co., Ltd. Representative: Lin Rong Shian Representative: Shen Ching Peng Representative: Hu Nien Ying Representative: You Wan Ying	449,640,000	100.00%
Ding Sheng Green Energy Technology Co., Ltd.	Chairman Vice Chairman and President Director Director Director	Rih Ding Circular Econ Inv Hldg Co., Ltd. Representative: Shen Ching Peng Representative: Liu Chia Jun Representative: Lin Rong Shian Representative: Kerwin Go Representative: Lin Hua Chun	5,000,000	100.00%
Jing-Jan Retail Business Co., Ltd. (Note7)	Chairman Director Director and President	Jing-Jan Investment Holdings Co., Ltd. Representative: Lin Yi Chun Representative: Lin Rong Shian Representative: Ko Su Yin	45,001,258	73.39%

Company	Title	Name or Representative	Shares held directly and indirectly and ratio	
			Number of Shares	Shareholding Ratio
	Director Director Director Independent Director Independent Director Independent Director	Representative: Wang Da-Chen Huang Bin Hsi Ku Ji Ren Yang Chao Rong Cheng Yen Yi Liu Yong Chiao		
Wan Da Tong Enterprise Co., Ltd. (Note8)	Chairman Director Director and President Supervisor	Jing Jan Investment Holdings Co., Ltd. Representative: Lin Rong Shian Representative: Lin Yi Chun Representative: Gong Ming Chou Lin Hua Chun	522,015,000	98.47%
Rih Ding Investments Limited	Director	Clever Base Investments Limited Representative: Lin Rong Shian	30,000	100.00%
Jing Ding Green Energy Technology Co., Ltd. (Note9)	Chairman Director Director Director Director Director Supervisor Supervisor	Radium Life Tech Co., Ltd. Representative: Lin Rong Shian Representative: Lin Hua Chun Representative: Tina Chen Ding Sheng Green Energy Technology Co., Ltd. Representative: Shen Ching Peng Representative: Liu Chia Jun ECOVE Environment Services Corp. Representative: Liao Chung Che Representative: Lee Ding Kuo Kerwin Go Lin Meng Chi	1,400,000	70%
Jing-Jan Digital Square Co., Ltd. (Note10)	Chairman Director Director Supervisor	Jing Jan Retail Business Co., Ltd. Representative: Lin Yi Chun Representative: You Wan Ying Representative: Wang Da Chen Representative: Lin Hua Chun	2,000,000	73.39%

Note 1: The representative of director and President of Rih Siang, Mei Yung Ho was replaced by Jim Lee on January 1, 2021.

Note 2: The representative of director at Titan Company, Chen Ching Hsiang was replaced by Tseng Ching Tsung on February 26, 2021, who was elected as the Chairman in the Board meeting on the same day.

Note 3: On March 8, 2021, the Board of Directors approved Ms. Sheng, Wei Jen to be appointed as the President of Radium Kagaya.

Note 4: The face value per share of Xin xiu ge is NTD1,000.

Note 5: It is a limited company so there are no shares.

Note 6: The Company holds 9,000 thousand shares (37.31%) of Prit Biotech through Radium Far East, owned 99.93%; therefore, the Company's indirect shareholding at PRIT Biotech is 37.28%.

Note 7: The Company holds 45,001 thousand shares (75%) of Jing Jan Retail Business through Jing Jan Investment Holding, owned 97.86%; therefore, the Company's indirect shareholding at Jing-Jan Retail Business is 73.39%.

Note 8: The Company not only directly owns 148,000 thousand shares (28.35%) of Wan Da Tong, but also holds 374,015 thousand shares (71.65%) of Wan Da Tong through Jing Jan Investment

Holding, owned 97.86%; therefore the Company's indirect shareholding at Wan Da Tong is 98.47%.

Note 9: The Company not only directly owns 740 thousand shares (37%) of Jing Ding Green Energy, but also holds 660 thousand shares (33%) of Jing Ding Green Energy through Ding Sheng Green Energy Tehnology, owned 100%; therefore, the Company's indirect shareholding at Jing Ding Green Energy is 70%.

Moreover, Mr. Lin Meng Chi, resigned from the position as Supervisor of Jing Ding Green Energy on February 19, 2021; the seat is vacant now.

Note 10: The Company holds 2,000 thousand shares (100%) of Jing Jan Digital Square, through Jing Jan Retail Business, owned 73.39%; therefore, the Company' indirect shareholding at Jing Jan Digital Square is 73.39%.

Note 11: The Company's board of directors resolved to adjust the organizational structure on April 6, 2020. Rih Ding Circular Investment issued new shares and obtained 100% of the Company's shares in Rih Ding and Ding Sheng through share swap arrangements.

6. Financial situation and results of operations of affiliated companies for 2020

Unit: In NT$1000, except for earnings per share

Name of Enterprise	Capital	Total Assets	Total Liabilities	Net Worth	Operating revenue	Operating profit (loss)	Profit (loss) after tax of the period	EPS after tax
Ji Shun Life Tech Co., Ltd.	700,000	2,104,032	1,388,362	715,670	37,006	(53,801)	(56,102)	(0.80)
Zhao Yao Enterprise Co., Ltd.	2,350,000	3,413,168	1,949,389	1,463,779	66,344	(66,123)	(118,653)	(0.50)
Rih Yao Development Co., Ltd	950,000	1,927,697	1,179,239	748,458	42,761	(21,500)	(47,664)	(0.50)
Rih Siang Property Management Co., Ltd.	2,300,000	3,991,409	2,059,110	1,932,299	230,508	(6,997)	(27,747)	(0.12)
Radium Far East Co., Ltd.	388,000	556,724	116,831	439,893	11,862	(6,767)	(7,993)	(0.21)
Li Chiang Development Co., Ltd.	1,000,000	1,921,955	1,401,774	520,181	0	(12,052)	(44,928)	(0.45)
Rih Ding Circular Econ Inv Hldg Co., Ltd.	635,000	5,714,179	205	5,713,974	618,968	616,774	616,777	9.71
Rih Zuan Green Energy Technology Co., Ltd.	45,000	123,146	76,708	46,438	15,064	2,319	282	0.06
Titan Development and Construction Co., Ltd.	1,200,000	4,168,601	2,256,268	1,912,333	1,499,399	8,853	122,341	1.02
Jing Jan Investment Holdings Co., Ltd.	1,500,000	5,750,968	1,281	5,749,687	315,090	313,221	315,675	2.10
Radium-KaGaYa International Hotel. Co., Ltd.	150,000	504,722	394,252	110,470	286,555	(20,104)	(18,103)	(1.21)
Xin Xiu Ge Hotel Co., Ltd.	125,000	150,626	105,628	44,998	0	(5,494)	(4,030)	(32.24)
Wan Tong Digital Technology Co., Ltd.	30,000	9,830	410	9,420	330	(14,514)	(13,198)	(4.40)
Li Jiang Business Consulting (Shanghai)	52,288	2,959	0	2,959	181	(1,878)	(1,905)	– (註 1)
Clever Base Investments Limited	64,174	5,630	196	5,434	0	(629)	(1,438)	(0.69)
Ji Sheng Zih Chan Development Co., Ltd.	87,000	81,841	130	81,711	0	(531)	(476)	(0.05)
Prit Biotech Co., Ltd.	241,190	209,299	32,308	176,991	54,641	(24,791)	(18,360)	(0.76)
Rih Ding Water Enterprise Co., Ltd.	4,496,400	12,553,773	6,927,668	5,626,105	2,209,291	694,948	879,241	1.96
Ding Sheng Green Energy Technology Co., Ltd.	50,000	193,023	122,548	70,475	420,143	24,659	20,355	4.07
Jing Jan Retail Business Co., Ltd	600,000	7,668,859	6,514,026	1,154,833	1,355,073	271,899	203,214	3.39
Wan Da Tong Enterprise Co., Ltd.	5,220,150	8,605,813	2,395,295	6,210,518	822,415	327,469	227,048	0.43
Rih Ding Investments Limited	894	170	0	170	0	(69)	(68)	(2.27)
Jing Ding Green Energy Technology Co., Ltd.	20,000	20,994	1,536	19,458	0	(677)	(541)	(0.27)
Jing Jan Digital Square Co., Ltd.	20,000	20,838	3,707	17,131	6,858	292	553	0.28

Note 1: It is a limited company, and thus EPS after tax is not applicable.

(II) Consolidated financial statements and statements of affiliated companies: Please refer to p.162 to p.253.

(III) Affiliation report: Not applicable.

II. Any offering of securities through private placement in the most recent year to the date this report was printed: None.

III. The holding or disposition of Company shares by subsidiaries in the most recent year to the date this Report was printed: None.

IV. Other supplementary information: None.

V. Incidents that significantly affected the shareholder's equity or stock price of the Company as specified in Subparagraph 2, Paragraph 3 of Article 36 of the law in the most recent year to the date this Report was printed, if applicable, and specify one-by-one: None.

Radium Life Tech Co., Ltd.

The First Secured Ordinary Corporate Bonds Issued in 2017

1. Name of Bonds: The First Secured Ordinary Corporate Bonds (hereinafter referred to as the "Company's bonds") Issued in 2017 by Radium Life Tech Co., Ltd.
2. Total Amount: NT$1 billion.
3. Par Value: NT$1,000,000.
4. Issue Price: The bonds were issued at full par value on the issue date.
5. Period: 5 years from September 14, 2017 to September 14, 2022.
6. Coupon Rate: Fixed annual rate at 1.02%
7. Principal Repayment: In one lump sum at the end of 5 years from the issue date.
8. Interest Calculation and Payment Method: Interest is calculated yearly from the issue date accordance to the coupon rate. Interest is paid on each NT$1 million bond up to the dollar, rounded to the nearest dollar. If the principal and interest repayment date of the Company's bonds falls on a day when the bank in the place of payment is closed, the principal and interest shall be paid on the next working day, and no additional interest shall be paid. No interest will be paid if the principal and interest are received past due date.
9. Guarantee: The Company's bonds are guaranteed by Taiwan Cooperative Bank in accordance with the Appointment Agreement.
10. Underwriting Method: The underwriting is entrusted to the securities dealer to the public in the form of negotiation and sale.
11. Underwriting or Distribution Institution: Taiwan Cooperative Securities.
12. Trustee: Jih Sun International Bank, Ltd. is the creditor's trustee for the bonds of the Company. The creditor exercises the right and responsibility to check and supervise the Company's performance of the Company's bond issuance, and has entered into a trust deed. All creditors holding the Company's bonds, regardless of whether they are subscribed at the time of issuance of purchased later, shall agree to acknowledge the rights and obligations of the Trust Deed entered between the Company and the trustee. The trustee is granted full power of attorney which cannot be revoked in the middle of the process. As for the contents of the Trust Deed, the creditor is welcome to come to the Company or the trustee's premises to inquire during the prescribed business hours.
13. Principal and Interest Repayment Agency: The Company entrusts the Sales Department of Taiwan Cooperative Bank to handle matters relating to the repayment of principal and interest. The Bank also allocates the principal and interest based on the information of bond owners provided by Taiwan Depository & Clearing Corporation. The principal and interest payment agency then prepares a withholding voucher and send it to the bond owner.
14. Notification Method: Matters concerning notifying creditors of the Company's bonds, unless otherwise prescribed by laws and regulations, will be announced on the MOPS (http://mops.twse.com.tw) or are handled in accordance with regulations promulgated by Taiwan Depository & Clearing Corporation.
15. Bond Form: The Company's bonds are issued in scripless form and registered with the Taiwan Depository & Clearing Corporation.
16. All bonds recovered (including those bought back from the secondary market) or repaid by the Company shall be cancelled immediately; they shall not be sold or reissued.
17. Sales Target: Only for professional investors as defined in the "Taipei Exchange Rules Governing Management of Foreign Currency Denominated International Bonds".

Issuer: Radium Life Tech Co., Ltd.
Person in Charge: Lin Rong Shian
September 14, 2017

Radium Life Tech Co., Ltd.
The Second Secured Ordinary Corporate Bonds Issued in 2017

1. Name of Bonds: The Second Secured Ordinary Corporate Bonds (hereinafter referred to as the "Company's bonds") Issued in 2017 by Radium Life Tech Co., Ltd.
2. Total Amount: NT$500 million.
3. Par Value: NT$1,000,000.
4. Issue Price: The bonds were issued at full par value on the issue date.
5. Period: 5 years from November 23, 2017 to November 23, 2022.
6. Coupon Rate: Fixed annual rate at 1.02%
7. Principal Repayment: In one lump sum at the end of 5 years from the issue date.
8. Interest Calculation and Payment Method: Interest is calculated yearly from the issue date accordance to the coupon rate. Interest is paid on each NT$1 million bond up to the dollar, rounded to the nearest dollar. If the principal and interest repayment date of the Company's bonds falls on a day when the bank in the place of payment is closed, the principal and interest shall be paid on the next working day, and no additional interest shall be paid. No interest will be paid if the principal and interest are received past due date.
9. Guarantee: The Company's bonds are guaranteed by Taiwan Business Bank in accordance with the Appointment Agreement.
10. Underwriting Method: The underwriting is entrusted to the securities dealer to the public in the form of negotiation and sale.
11. Underwriting or Distribution Institution: Taiwan Cooperative Securities.
12. Trustee: Jih Sun International Bank, Ltd. is the creditor's trustee for the bonds of the Company. The creditor exercises the right and responsibility to check and supervise the Company's performance of the Company's bond issuance, and has entered into a trust deed. All creditors holding the Company's bonds, regardless of whether they are subscribed at the time of issuance of purchased later, shall agree to acknowledge the rights and obligations of the Trust Deed entered between the Company and the trustee. The trustee is granted full power of attorney which cannot be revoked in the middle of the process. As for the contents of the Trust Deed, the creditor is welcome to come to the Company or the trustee's premises to inquire during the prescribed business hours.
13. Principal and Interest Repayment Agency: The Company entrusts the Zhongshan Road Branch of Taiwan Cooperative Bank to handle matters relating to the repayment of principal and interest. The Bank also allocates the principal and interest based on the information of bond owners provided by Taiwan Depository & Clearing Corporation. The principal and interest payment agency then prepares a withholding voucher and send it to the bond owner.
14. Notification Method: Matters concerning notifying creditors of the Company's bonds, unless otherwise prescribed by laws and regulations, will be announced on the MOPS (http://mops.twse.com.tw) or are handled in accordance with regulations promulgated by Taiwan Depository & Clearing Corporation.
15. Bond Form: The Company's bonds are issued in scripless form and registered with the Taiwan Depository & Clearing Corporation.
16. All bonds recovered (including those bought back from the secondary market) or repaid by the Company shall be cancelled immediately; they shall not be sold or reissued.
17. Sales Target: Only for professional investors as defined in the "Taipei Exchange Rules Governing Management of Foreign Currency Denominated International Bonds".

Issuer: Radium Life Tech Co., Ltd.
Person in Charge: Lin Rong Shian
November 23, 2017

Radium Life Tech Co., Ltd.
The First Secured Ordinary Corporate Bonds Issued in 2019

1. Name of Bonds: The First Secured Ordinary Corporate Bonds (hereinafter referred to as the "Company's bonds") Issued in 2019 by Radium Life Tech Co., Ltd.
2. Total Amount: NT$1 billion.
3. Par Value: NT$1,000,000.
4. Issue Price: The bonds were issued at full par value on the issue date.
5. Period: 5 years from July 1, 2019 to July 1, 2024.
6. Coupon Rate: Fixed annual rate at 0.8%
7. Principal Repayment: In one lump sum at the end of 5 years from the issue date.
8. Interest Calculation and Payment Method: Interest is calculated yearly from the issue date accordance to the coupon rate. Interest is paid on each NT$1 million bond up to the dollar, rounded to the nearest dollar. If the principal and interest repayment date of the Company's bonds falls on a day when the bank in the place of payment is closed, the principal and interest shall be paid on the next working day, and no additional interest shall be paid. No interest will be paid if the principal and interest are received past due date.
9. Guarantee: The Company's bonds are guaranteed by Taiwan Cooperative Bank in accordance with the Appointment Agreement.
10. Underwriting Method: The underwriting is entrusted to the securities dealer to the public in the form of negotiation and sale.
11. Underwriting or Distribution Institution: Taiwan Cooperative Securities.
12. Trustee: Yuanta Commercial Bank Co., Ltd. is the creditor's trustee for the bonds of the Company. The creditor exercises the right and responsibility to check and supervise the Company's performance of the Company's bond issuance, and has entered into a trust deed. All creditors holding the Company's bonds, regardless of whether they are subscribed at the time of issuance of purchased later, shall agree to acknowledge the rights and obligations of the Trust Deed entered between the Company and the trustee. The trustee is granted full power of attorney which cannot be revoked in the middle of the process. As for the contents of the Trust Deed, the creditor is welcome to come to the Company or the trustee's premises to inquire during the prescribed business hours.
13. Principal and Interest Repayment Agency: The Company entrusts the Sales Department of Taiwan Cooperative Bank to handle matters relating to the repayment of principal and interest. The Bank also allocates the principal and interest based on the information of bond owners provided by Taiwan Depository & Clearing Corporation. The principal and interest payment agency then prepares a withholding voucher and send it to the bond owner.
14. Notification Method: Matters concerning notifying creditors of the Company's bonds, unless otherwise prescribed by laws and regulations, will be announced on the MOPS (http://mops.twse.com.tw) or are handled in accordance with regulations promulgated by Taiwan Depository & Clearing Corporation.
15. Bond Form: The Company's bonds are issued in scripless form and registered with the Taiwan Depository & Clearing Corporation.
16. All bonds recovered (including those bought back from the secondary market) or repaid by the Company shall be cancelled immediately; they shall not be sold or reissued.
17. Sales Target: Only for professional investors as defined in the "Taipei Exchange Rules Governing Management of Foreign Currency Denominated International Bonds".

Issuer: Radium Life Tech Co., Ltd.
Person in Charge: Lin Rong Shian
July 1, 2019

Radium Life Tech Co., Ltd.
The First Secured Ordinary Corporate Bonds Issued in 2020

1. Name of Bonds: The First Secured Ordinary Corporate Bonds (hereinafter referred to as the "Company's bonds") Issued in 2020 by Radium Life Tech Co., Ltd.
2. Total Amount: NT$1 billion.
3. Par Value: NT$1,000,000.
4. Issue Price: The bonds were issued at full par value on the issue date.
5. Period: 5 years from June 1, 2020 to June 1, 2025.
6. Coupon Rate: Fixed annual rate at 0.68%
7. Principal Repayment: In one lump sum at the end of 5 years from the issue date.
8. Interest Calculation and Payment Method: Interest is calculated yearly from the issue date accordance to the coupon rate. Interest is paid on each NT$1 million bond up to the dollar, rounded to the nearest dollar. If the principal and interest repayment date of the Company's bonds falls on a day when the bank in the place of payment is closed, the principal and interest shall be paid on the next working day, and no additional interest shall be paid. No interest will be paid if the principal and interest are received past due date.
9. Guarantee: The Company's bonds are guaranteed by First Bank in accordance with the Appointment Agreement.
10. Bond Form: The Company's bonds are issued in scripless form and registered with the Taiwan Depository & Clearing Corporation.
11. Trustee: Land Bank of Taiwan is the creditor's trustee for the bonds of the Company. The creditor exercises the right and responsibility to check and supervise the Company's performance of the Company's bond issuance, and has entered into a trust deed. All creditors holding the Company's bonds, regardless of whether they are subscribed at the time of issuance of purchased later, shall agree to acknowledge the rights and obligations of the Trust Deed entered. The trustee is granted full power of attorney which cannot be revoked in the middle of the process. As for the contents of the Trust Deed, the creditor is welcome to come to the Company or the trustee's premises to inquire during the prescribed business hours.
12. Principal and Interest Repayment Agency: The Company entrusts the Dunhua Branch of First Bank to handle matters relating to the repayment of principal and interest. The Bank also allocates the principal and interest based on the information of bond owners provided by Taiwan Depository & Clearing Corporation. The principal and interest payment agency then prepares a withholding voucher and send it to the bond owner.
13. Underwriting Method: The underwriting is entrusted to the securities underwriter to the public in the form of negotiation and sale
14. Underwriting Institution: First Securities Inc.
15. Notification Method: Matters concerning notifying creditors of the Company's bonds, unless otherwise prescribed by laws and regulations, will be announced on the MOPS (http://mops.twse.com.tw).
16. Sales Target: Only for professional investors as defined in the "Taipei Exchange Rules Governing Management of Foreign Currency Denominated International Bonds".

Issuer: Radium Life Tech Co., Ltd.
Person in Charge: Lin Rong Shian
June 1, 2020

Radium Life Tech Co., Ltd.
The second Secured Ordinary Corporate Bonds Issued in 2020

1. Name of Bonds: The second Secured Ordinary Corporate Bonds (hereinafter referred to as the "Company's bonds") Issued in 2020 by Radium Life Tech Co., Ltd.
2. Total Amount: NT$1 billion.
3. Par Value: NT$1,000,000.
4. Issue Price: The bonds were issued at full par value on the issue date.
5. Period: 5 years from July 1, 2020 to July 1, 2025.
6. Coupon Rate: Fixed annual rate at 0.65%
7. Principal Repayment: In one lump sum at the end of 5 years from the issue date.
8. Interest Calculation and Payment Method: Interest is calculated yearly from the issue date accordance to the coupon rate. Interest is paid on each NT$1 million bond up to the dollar, rounded to the nearest dollar. If the principal and interest repayment date of the Company's bonds falls on a day when the bank in the place of payment is closed, the principal and interest shall be paid on the next working day, and no additional interest shall be paid. No interest will be paid if the principal and interest are received past due date.
9. Guarantee: The Company's bonds are guaranteed by First Bank in accordance with the Appointment Agreement.
10. Bond Form: The Company's bonds are issued in scripless form and registered with the Taiwan Depository & Clearing Corporation.
11. Trustee: Land Bank of Taiwan is the creditor's trustee for the bonds of the Company. The creditor exercises the right and responsibility to check and supervise the Company's performance of the Company's bond issuance, and has entered into a trust deed. All creditors holding the Company's bonds, regardless of whether they are subscribed at the time of issuance of purchased later, shall agree to acknowledge the rights and obligations of the Trust Deed entered. The trustee is granted full power of attorney which cannot be revoked in the middle of the process. As for the contents of the Trust Deed, the creditor is welcome to come to the Company or the trustee's premises to inquire during the prescribed business hours.
12. Principal and Interest Repayment Agency: The Company entrusts the Dunhua Branch of First Bank to handle matters relating to the repayment of principal and interest. The Bank also allocates the principal and interest based on the information of bond owners provided by Taiwan Depository & Clearing Corporation. The principal and interest payment agency then prepares a withholding voucher and send it to the bond owner.
13. Underwriting Method: The underwriting is entrusted to the securities underwriter to the public in the form of negotiation and sale
14. Underwriting Institution: First Securities Inc.
15. Notification Method: Matters concerning notifying creditors of the Company's bonds, unless otherwise prescribed by laws and regulations, will be announced on the MOPS (http://mops.twse.com.tw).
16. Sales Target: Only for professional investors as defined in the "Taipei Exchange Rules Governing Management of Foreign Currency Denominated International Bonds".

Issuer: Radium Life Tech Co., Ltd.
Person in Charge: Lin Rong Shian
July 1, 2020

Radium Life Tech Co., Ltd.
The Third Secured Ordinary Corporate Bonds Issued in 2020

1. Name of Bonds: The Third Secured Ordinary Corporate Bonds (hereinafter referred to as the "Company's bonds") Issued in 2020 by Radium Life Tech Co., Ltd.
2. Total Amount: NT$1 billion.
3. Par Value: NT$1,000,000.
4. Issue Price: The bonds were issued at full par value on the issue date.
5. Period: 5 years from December 29, 2020 to December 29, 2025.
6. Coupon Rate: Fixed annual rate at 0.55%
7. Principal Repayment: In one lump sum at the end of 5 years from the issue date.
8. Interest Calculation and Payment Method: Interest is calculated yearly from the issue date accordance to the coupon rate. Interest is paid on each NT$1 million bond up to the dollar, rounded to the nearest dollar. If the principal and interest repayment date of the Company's bonds falls on a day when the bank in the place of payment is closed, the principal and interest shall be paid on the next working day, and no additional interest shall be paid. No interest will be paid if the principal and interest are received past due date.
9. Guarantee: The Company's bonds are guaranteed by Taiwan Business Bank in accordance with the Appointment Agreement.
10. Underwriting Method: The underwriting is entrusted to the securities dealer to the public in the form of negotiation and sale.
11. Underwriting or Distribution Institution: Taiwan Cooperative Securities.
12. Trustee: Land Bank of Taiwan, Ltd. is the creditor's trustee for the bonds of the Company. The creditor exercises the right and responsibility to check and supervise the Company's performance of the Company's bond issuance, and has entered into a trust deed. All creditors holding the Company's bonds, regardless of whether they are subscribed at the time of issuance of purchased later, shall agree to acknowledge the rights and obligations of the Trust Deed entered between the Company and the trustee. The trustee is granted full power of attorney which cannot be revoked in the middle of the process. As for the contents of the Trust Deed, the creditor is welcome to come to the Company or the trustee's premises to inquire during the prescribed business hours.
13. Principal and Interest Repayment Agency: The Company entrusts the Sales Department of Taiwan Business Bank to handle matters relating to the repayment of principal and interest. The Bank also allocates the principal and interest based on the information of bond owners provided by Taiwan Depository & Clearing Corporation. The principal and interest payment agency then prepares a withholding voucher and send it to the bond owner.
14. Notification Method: Matters concerning notifying creditors of the Company's bonds, unless otherwise prescribed by laws and regulations, will be announced on the MOPS (http://mops.twse.com.tw) or are handled in accordance with regulations promulgated by Taiwan Depository & Clearing Corporation.
15. Bond Form: The Company's bonds are issued in scripless form and registered with the Taiwan Depository & Clearing Corporation.
16. Sales Target: Only for professional investors as defined in the "Taipei Exchange Rules Governing Management of Foreign Currency Denominated International Bonds".

Issuer: Radium Life Tech Co., Ltd.
Person in Charge: Lin Rong Shian
December 29, 2020

Representation Letter

Considering that the companies to be included into the consolidated financial statements of associates under the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” were the same as those to be included into the consolidated financial statements of the parent and subsidiaries under the International Financial Reporting Standard 10,“Consolidated Financial Statememt.”, and the relevant information to be disclosed in the consolidated financial statements of associates has already been disclosed in the consolidated financial statements of the parent and subsidiaries, no consolidated financial statements of associates were prepared separately.

It is hereby certified that the information disclosed herein is true and correct.

Radium Life Tech Co., Ltd.

Rong Shian Lin
Chairman

March 26, 2021

Independent Auditor's Report

The Board of Directors and Shareholders
Radium Life Tech Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Radium Life Tech Co., Ltd. (the "Company") and its subsidiaries (collectively, the "Group") as of December 31, 2020 and 2019 and the relevant consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and relevant notes to the consolidated financial statements, including a summary of significant accounting policies "(collectively referred to as the consolidated financial statements)".

In our opinion, the accompanying consolidated financial statements present 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, the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission (FSC) 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 our 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 our 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 our audit of the parent company only 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 in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the consolidated financial statements for the year ended December 31, 2020 are stated as follows:

Valuation of property inventories

As shown in Note 12 to the consolidated financial statements, as of December 31, 2020, the property in the inventory category of the consolidated balance sheet (including property under development, property to be developed, and buildings and land held for sale) totaled NT$8,529,995 thousand, accounting for 15% of the consolidated total assets; therefore, it is material. As the allowance for inventory valuation loss of relevant property involves significant judgments on accounting estimates and other important judgments by the management, the relevant details are as described in Note 5 to the consolidated financial statements, so we have listed it as a key audit matter.

The audit procedures performed by us for the valuation of property inventories include:

1. The amount of property under development recognized is NT$1,701,880 thousand, accounting for about 20% of the total inventories. We have obtained relevant information on the estimated remaining cost of the property under development, and sampled the basis for such estimates; calculated the expected total revenue based on the recent transaction prices near the property under development from a selling price disclosure website, and compared them with the sum of the property under development and the estimated remaining investment costs recognized in the account.
2. The portion of the property to be developed and the buildings and land held for sale recognized is NT$6,828,115 thousand, which accounts for about 79% of the total inventories, and we have obtained the net realizable value and impairment assessment data calculated by the Group for the above-mentioned property inventories and reviewed whether the assessment results were reasonable.

Other Matters

We have audited and issued an unqualified opinion on the parent compant only financial statements of the Company as at and for the years ended December 31, 2020 and 2019.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by 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 they 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 operations, or has no realistic alternative but to do so.

Those charged with governance (including 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 statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high-level 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. Misstatement 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 the users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the generally accepted auditing standards in the Republic of China, we exercise professional judgement and maintain professional skepticism 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 the management.
4. Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, and 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 uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures 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 auditor's 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 disclosure, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or 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. We remain solely responsible for our audit opinion.

We communicated 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 identified during our audit.

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

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of 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 regulations precludes public disclosure about the matters 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 reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Gung, Jerry and Liu, Walter.

Gung, Jerry Liu, Walter

Deloitte & Touche
Taipei, Taiwan
Republic of China
March 26, 2021

Notice to Readers

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

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

Radium Life Tech Co., Ltd. and Subsidiaries

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2020 AND 2019

(In Thousands of New Taiwan Dollars)

	2020		2019	
ASSETS	Amount	%	Amount	%
Current assets				
Cash and cash equivalents (Notes 4 & 6)	$ 3,565,410	6	$ 3,503,812	6
Financial assets at fair value through profit or loss - current (Notes 4 & 7)	12,940	-	9,795	-
Financial assets at amortized cost - current (Notes 4, 9, 25 & 33)	399,316	1	996,312	2
Contract assets - current (Notes 4, 25 & 28)	58,346	-	266,371	-
Notes receivable, net (Notes 4, 10 & 25)	19,833	-	18,752	-
Trade receivables , net (Notes 4, 10, 25 & 28)	440,680	1	636,358	1
Finance lease receivables, net (Notes 4 & 11)	26,469	-	23,292	-
Other receivables (Note 4)	30,365	-	27,419	-
Current tax assets	7,839	-	9,993	-
Inventories (Notes 4, 5, 12, 25 & 33)	8,607,636	15	9,547,895	17
Prepayments (Note 33)	622,714	1	498,545	1
Refundable deposits - current (Note 25)	249,095	1	372,240	1
Other current assets (Note 14, 25 & 33)	238,493	-	371,311	1
Incremental costs of obtaining contracts (Notes 4 & 28)	47,022	-	-	-
Total current assets	14,326,158	25	16,282,095	29
Non-current assets				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 & 8)	58,795	-	56,297	-
Financial assets at amortized cost - non-current (Notes 4, 9 & 33)	2,629,129	5	1,299,948	2
Investments accounted for using equity method (Notes 4 & 15)	10,003	-	6,441	-
Contract assets - non-current (Notes 4 & 28)	964,115	2	1,350,377	2
Property, plant and equipment (Notes 4, 17 & 33)	9,383,154	16	9,399,501	17
Right-of-use assets (Notes 4, 18 & 33)	940,592	2	970,956	2
Investment properties, net (Notes 4, 19 & 33)	15,148,759	27	15,857,435	28
Intangible assets (Notes 4, 20 & 33)	3,433,187	6	3,218,112	6
Goodwill (Notes 4 & 21)	36,288	-	36,288	-
Deferred tax assets (Notes 4 & 30)	242,488	-	240,136	1
Refundable deposits - non-current	350,179	1	338,773	1
Finance lease receivables - non-current, net (Notes 4 & 11)	76,944	-	82,568	-
Non-current assets - others (Notes 4, 14 & 33)	9,194,005	16	6,931,369	12
Total non-current assets	42,467,638	75	39,788,201	71
TOTAL	$ 56,793,796	100	$ 56,070,296	100
LIABILITIES AND EQUITY				
Current liabilities				
Short-term borrowings (Notes 22, 25 & 33)	$ 4,334,782	8	$ 3,435,053	6
Short-term bills payable (Notes 22, 25 & 33)	259,324	-	3,116,424	6
Contract liabilities - current (Notes 4, 25, 28 & 32)	410,273	1	807,731	1
Notes payable	8,341	-	2,455	-
Trade payables	2,231,271	4	2,966,876	5
Other payables	1,980,007	3	2,029,253	4
Current tax liabilities	42,970	-	93,216	-
Lease liabilities - current (Notes 4 and 18)	198,659	-	207,696	-
Current portion of long-term borrowings and bonds payable (Notes 22, 25 & 33)	2,196,987	4	2,480,206	4
Other current liabilities (Note 25)	286,842	1	277,439	1
Total current liabilities	11,949,456	21	15,416,349	27
Non-current liabilities				
Bonds payable (Note 23)	5,500,000	10	2,500,000	5
Long-term borrowings (Notes 22 & 33)	23,615,129	42	22,427,524	40
Provisions - non-current (Notes 4 & 24)	309,956	-	311,280	1
Deferred income tax liabilities - land value increment tax	18,937	-	18,937	-
Deferred income tax liabilities - income tax (Notes 4 & 30)	712,161	1	497,229	1
Lease liabilities - non-current (Notes 4 and 18)	2,191,691	4	2,337,031	4
Net defined benefit liabilities - non-current (Notes 4 and 26)	15,512	-	15,770	-
Guarantee deposits received	237,379	-	256,885	-
Other non-current liabilities	6,000	-	5,500	-
Total non-current liabilities	32,606,765	57	28,370,156	51
Total liabilities	44,556,221	78	43,786,505	78
Total equity attributable to owners of the Company (Note 27)				
Share capital				
Ordinary shares	9,000,946	16	9,123,076	16
Capital surplus	1,307,843	2	1,299,873	2
Retained earnings				
Legal reserve	220,659	1	179,986	1
Special reserve	3,334	-	4,360	-
Unappropriated earnings	1,170,269	2	1,134,675	2
Total retained earnings	1,394,262	3	1,319,021	3
Total other equity	86	-	(3,334)	-
Total equity attributable to owners of the Company	11,703,137	21	11,738,636	21
Non-controlling interests	534,438	1	545,155	1
Total equity	12,237,575	22	12,283,791	22
TOTAL	$ 56,793,796	100	$ 56,070,296	100

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

Radium Life Tech Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2020		2019	
	Amount	%	Amount	%
TOTAL OPERATING REVENUE (Notes 4, 28 & 32)	$ 6,772,332	100	$ 6,325,345	100
TOTAL OPERATING COSTS (Notes 12 & 29)	(4,063,448)	(60)	(3,536,227)	(56)
GROSS PROFIT	2,708,884	40	2,789,118	44
OPERATING EXPENSES (Notes 29 & 32)				
Selling and marketing expenses	(689,473)	(10)	(646,351)	(10)
General and administrative expenses	(1,556,318)	(23)	(1,509,226)	(24)
Research and development expenses	(9,509)	-	(14,542)	-
Expected credit impairment loss	(1,084)	-	(7,652)	-
Total operating expenses	(2,256,384)	(33)	(2,177,771)	(34)
OPERATING INCOME	452,500	7	611,347	10
NON-OPERATING INCOME AND EXPENSES (Notes 15, 29 & 32)				
Interest income	508,728	7	411,150	7
Other income	850,541	13	603,019	10
Other gains and losses	(48,446)	(1)	(33,221)	(1)
Finance costs	(765,227)	(11)	(793,884)	(13)
Share of profit or loss on associates and joint ventures accounted for using equity method	3,562	-	4,164	-
Total non-operating income and expenses	549,158	8	191,228	3
PROFIT BEFORE INCOME TAX	1,001,658	15	802,575	13
INCOME TAX EXPENSE (Notes 4 & 30)	(334,373)	(5)	(336,238)	(6)
NET PROFIT FOR THE YEAR	667,285	10	466,337	7

(Continued)

	2020		2019	
	Amount	%	Amount	%
Other comprehensive income/(loss)				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit plans	($ 62)	-	$ 2,943	-
Unrealized gain/(loss) from investments in equity instruments at fair value through other comprehensive income	3,479	-	1,481	-
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translating the financial statements of foreign operations	55	-	(153)	-
Other comprehensive income for the year, net of income tax	3,472	-	4,271	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 670,757	10	$ 470,608	7
NET PROFIT ATTRIBUTABLE TO				
Owners of the Company	$ 622,688	9	$ 406,731	6
Non-controlling interests	44,597	1	59,606	1
	$ 667,285	10	$ 466,337	7
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO				
Owners of the Company	$ 626,046	9	$ 410,700	6
Non-controlling interests	44,711	1	59,908	1
	$ 670,757	10	$ 470,608	7
EARNINGS PER SHARE (Note 31)				
Basic	$ 0.69		$ 0.45	
Diluted	$ 0.69		$ 0.45	

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

Radium Life Tech Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

(In Thousands of New Taiwan Dollars)

	Total equity attributable to owners of the Company									
	Share Capital		Retained Earnings			Other equity items				
	Ordinary Shares	Capital Surplus	Legal Reserve	Special Reserves	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	UnrealizedGain/(loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2019	$ 8,944,192	$ 1,299,578	$ -	$ -	$ 1,799,863	($ 1,291)	($ 3,069)	$ 12,039,273	$ 544,062	$ 12,583,335
Effect of retrospective application and retrospective restatement	-	-	-	-	4,198	-	-	4,198	5	4,203
BALANCE AFTER RESTATEMENT AS OF JANUARY 1 , 2019	8,944,192	1,299,578	-	-	1,804,061	(1,291)	(3,069)	12,043,471	544,067	12,587,538
Appropriation of 2018 earnings										
Legal reserve appropriated	-	-	179,986	-	(179,986)	-	-	-	-	-
Special reserve appropriated	-	-	-	4,360	(4,360)	-	-	-	-	-
Cash dividends distributed by the company	-	-	-	-	(715,535)	-	-	(715,535)	-	(715,535)
Stock dividends distributed by the company	178,884	-	-	-	(178,884)	-	-	-	-	-
Net income in 2019	-	-	-	-	406,731	-	-	406,731	59,606	466,337
Other comprehensive income in 2019, net of income tax	-	-	-	-	2,943	(153)	1,179	3,969	302	4,271
Total comprehensive income in 2019	-	-	-	-	409,674	(153)	1,179	410,700	59,908	470,608
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	295	-	-	(295)	-	-	-	-	-
Non-controlling interests	-	-	-	-	-	-	-	-	(58,820)	(58,820)
BALANCE AT DECEMBER 31, 2019	9,123,076	1,299,873	179,986	4,360	1,134,675	(1,444)	(1,890)	11,738,636	545,155	12,283,791
Appropriation of 2019 earnings										
Legal reserve appropriated	-	-	40,673	-	(40,673)	-	-	-	-	-
Cash dividends distributed by the company	-	-	-	-	(547,385)	-	-	(547,385)	-	(547,385)
Reversal of special reserves	-	-	-	(1,026)	1,026	-	-	-	-	-
Net income in 2020	-	-	-	-	622,688	-	-	622,688	44,597	667,285
Other comprehensive income in 2020, net of income tax	-	-	-	-	(62)	55	3,365	3,358	114	3,472
Total comprehensive income in 2020	-	-	-	-	622,626	55	3,365	626,046	44,711	670,757
Retirement of treasury shares	(122,130)	7,970	-	-	-	-	-	(114,160)	-	(114,160)
Non-controlling interests	-	-	-	-	-	-	-	-	(55,428)	(55,428)
BALANCE AT DECEMBER 31, 2020	$ 9,000,946	$ 1,307,843	$ 220,659	$ 3,334	$ 1,170,269	($ 1,389)	$ 1,475	$ 11,703,137	$ 534,438	$ 12,237,575

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

Radium Life Tech Co., Ltd. and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

(In Thousands of New Taiwan Dollars)

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	$ 1,001,658	$ 802,575
Adjustments for:		
Depreciation expenses	938,314	938,631
Amortization expenses	119,395	110,730
Expected credit loss recognized on receivables	1,084	7,652
Net gains on financial assets or liabilities at fair value through profit or loss	(144)	(492)
Interest expenses	765,227	793,884
Interest income	(508,728)	(411,150)
Share of profit or loss on associates and joint ventures accounted for using equity method	(3,562)	(4,164)
Loss on disposals of property, plant and equipment	2,163	673
Gains on disposals of investments	-	(356)
Impairment loss on non-financial assets	-	634
Reversal of impairment loss on non-financial assets	(12,352)	(1,206)
Other non-cash items	49,603	19,364
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	(3,001)	8,439
Contract assets	(1,703,276)	(1,731,311)
Notes receivable	(1,081)	(16,513)
Trade receivables	418,290	222,279
Other receivables	(2,650)	605
Inventories	922,969	(76,605)
Prepayments	(124,589)	35,594
Other current assets	132,818	34,011
Incremental cost of obtaining contracts	(47,022)	80,999
Other operating assets	(2,635)	(404,492)
Contract liabilities	(397,458)	(552,261)
Notes payable	5,886	(655,258)
Trade payables	(735,605)	(895,323)

(Continued)

	2020	2019
Other payables	($ 37,622)	($ 84,756)
Other current liabilities	(55,454)	4,459
Other operating liabilities	(824)	(2,221)
Cash generated from(used in) operations	721,404	(1,775,579)
Interest received	10,223	11,386
Interest paid	(766,295)	(790,545)
Income tax paid	(169,885)	(218,854)
Net cash generated from(used in) operating activities	(204,553)	(2,773,592)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	981	-
Purchase of financial assets at amortized cost	(1,329,181)	(390,197)
Proceeds from sale of financial assets at amortized cost	596,996	312,086
Payments for property, plant and equipment	(218,311)	(2,020,472)
Proceeds from disposal of property, plant and equipment	4,225	107
Increase in refundable deposits	111,739	(20,702)
Payments for intangible assets	(22,395)	(16,160)
Acquisition of investment properties	-	(160,586)
Decrease in finance lease receivables	21,785	15,111
Net cash generated from(used in) investing activities	(834,161)	(2,280,813)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	899,729	1,216,606
Proceeds from short-term bills payable	-	1,493,919
Decrease in short-term bills payable	(2,857,100)	-
Proceeds from issuance of bonds	3,000,000	1,000,000
Proceeds from long-term borrowings	893,830	1,307,142
Proceeds from guarantee deposits received	45,351	12,833
Repayment of the principal portion of lease liabilities	(164,580)	(163,708)
Dividends paid to owners of the Company	(547,385)	(715,535)
Payments for transaction costs attributable to treasury shares	(114,160)	-
Change in non-controlling interests	(55,428)	(58,820)
Net cash generated from(used in) financing activities	1,100,257	4,092,437
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	55	(149)

(Continued)

	2020	2019
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	$ 61,598	($ 962,117)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	3,503,812	4,465,929
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 3,565,410	$ 3,503,812

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

RADIUM LIFE TECH CO., LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. Organization and Operations

Radium Life Tech Co., Ltd. (RADIUM) was incorporated in the Republic of China on March 26, 1982, its main business includes:

(I) Commissioning construction companies to build public housing projects and commercial buildings for rental and sale.

(II) Commissioned by the industrial competent authorities of the government to engage in development, lease, sale, and management of industrial zones. Please refer to Note 13 for the main business activities of the subsidiaries of the Group.

RADIUM's shares have been listed on the Taiwan Stock Exchange (TWSE) since December 2000.

The consolidated financial statements are presented in New Taiwan Dollar, the Company's functional currency.

2. Date and Procedures for Approval of the Financial Report

The consolidated financial statements were approved by the board of directors on March 26, 2021.

3. Application of Newly Issued and Amended Standards and Interpretations

(I) Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC)

Except for the following, the application of the amendments to the IFRSs endorsed and issued into effect by the FSC will not have a material impact on the Group's accounting policies

1. Amendments to IAS 1 and IAS 8 "Definition of Materiality"

The Group adopted the amendments starting from January 1, 2020. The threshold of materiality that could influence users has been changed to "could reasonably be expected to influence". Accordingly, disclosures in the consolidated financial statements do not include immaterial information that may obscure material information.

Since the first-time application of the aforementioned amendments, there has been no material impact on all assets, liabilities, and equity on January 1, 2020.

2. Amendments to IFRS 16 "COVID-19-Related Rent Concessions"

The Group has elected to apply the amended practical expedients to deal with rent concessions directly related to the COVID-19 between it and the lessor. Please refer to Note 4 for relevant accounting policies. Before applying the amendment, the Group shall determine whether the aforementioned rent concessions should be applicable to the regulations on lease modification.

The Group began to apply the amendment on January 1, 2020. Since the aforementioned rent concessions only affected the year of 2020, the retrospective application of the amendment did not affect the retained earnings on January 1, 2020.

(II) The IFRSs endorsed by the Financial Supervisory Commission (FSC) for application starting from 2021

New/Revised/Amended Standards and Interpretations	Effective Date Issued by IASB
Amendments to IFRS 4 " Extension of the Temporary Exemption from Applying IFRS 9"	Effective immediately upon promulgation by the IASB
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4, and IFRS 16 - "Interest Rate Benchmark Reform - Phase 2"	January 1, 2021

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

(III) New IFRSs in issue but not yet endorsed and issued into effect by the FSC

New/Revised/Amended Standards and Interpretations	Effective Date Issued by IASB (Note 1)
"Annual Improvement to IFRS Standards 2018-2020"	January 1, 2022 (Note 2)
Amendment to IFRS 3 - "Reference to the Conceptual Framework"	January 1, 2022 (Note 3)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2023
Amendments to IAS 1 "Disclosure of Accounting Policies"	January 1, 2023 (Note 4)
Amendments to IAS 8 "Definition of Accounting Estimates"	January 1, 2023 (Note 5)
Amendments to IAS 16 "Property, Plant and Equipment - Proceeds before Intended Use"	January 1, 2022 (Note 6)
Amendments to IAS 37 " Onerous Contracts - Cost of Fulfilling a Contract	January 1, 2022 (Note 7)

Note 1: Unless stated otherwise, the new/revised/amended standards and interpretations above are effective for annual reporting periods beginning on or after their respective effective dates.

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

Note 3: The amendment applies to business combination with the acquisition date is on or after the beginning of the annual reporting period beginning on or after January 1, 2022.

Note 4: The amendment will be applies prospectively for annual reporting period beginning on or after January 1, 2023.

Note 5: The amendments are applicable to changes in accounting estimates and changes in accounting policies that occur on or after the beginning of the annual reporting period beginning on or after January 1, 2023.

Note 6: The amendments are applicable to property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after January 1, 2021.

Note 7: The amendments are applicable to contracts for which the entity has not yet fulfilled all its obligations on January 1, 2022.

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

4. Summary of Significant Accounting Policies

(I) Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRSs as endorsed and issued into effect by the FSC.

(II) Basis of preparation

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

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

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

(III) Classification of current and non-current assets and liabilities

Current assets include:

1. Assets held primarily for the purpose of trading;
2. Assets expected to be realized within 12 months after the reporting period; and
3. Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

1. Liabilities held primarily for the purpose of trading;
2. Liabilities due to be settled within 12 months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the consolidated financial statements are authorized for issue; and

3. Liabilities for which the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Assets and liabilities that are not classified as current are classified as non-current.

As the Group is engaged in construction projects and commissioning of construction companies to build buildings or plants for sale, its operating cycle is longer than one year. Therefore, the assets and liabilities related to construction, building, and sales projects are classified with the operating cycle as the standard for current and non-current.

(IV) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company. Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statements of comprehensive income from the effective dates of acquisition up to the effective dates of disposal. The financial statements of subsidiaries have been adjusted to ensure consistency between their accounting policies and the Group's. All intra-group transactions, balances, income, and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

See Note 13 and Tables 9 and 10 for the detailed information on subsidiaries (including the percentage of ownership and main business).

(V) Foreign currencies

In preparing the financial statements of each individual entity in the Group, transactions in currencies other than the entity’s functional currency (i.e. foreign currencies) are recognized at the rates of exchange prevailing on the transaction dates.

At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing on that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items measured at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. The resulting exchange difference is recognized in profit or loss. For items whose changes in fair value are recognized in other comprehensive income, the resulting exchange difference is recognized in other comprehensive income.

Non-monetary items measured at historical cost that are denominated in foreign currencies are translated at the rates of exchange prevailing on the transaction dates and are not retranslated.

When the consolidated financial statements are prepared, the assets and liabilities of the Company's foreign operations (including subsidiaries or associates that operate in countries or adopt the functional currencies different from the Company) are translated into New Taiwan dollar at the rates of exchange prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. The resulting currency exchange differences are recognized in other comprehensive income and attributed to the owners of the Company and non-controlling interests.

Where the Group disposes of all the equity of a foreign operation, or disposes of part of the equity of the foreign operation's subsidiary and loses control over it, or the retained interests after disposal of the foreign operation's joint arrangements or associates are a financial asset and treated based on the accounting policies applicable to financial instruments, all accumulated exchange differences attributable to the owners of the Company and related to the foreign operation will be reclassified to profit or loss.

Where the partial disposal of a subsidiary of a foreign operation does not result in the loss of control, the accumulated exchange differences are re-attributed to the subsidiary's non-controlling interests in proportion, and are not recognized in profit or loss. In the case of any other partial disposal of a foreign operation, the accumulated exchange differences will be reclassified to profit or loss in proportion to the disposal.

(VI) Inventories

Inventories include property under development, property to be developed, buildings and land held for sale, merchandise inventory, raw materials, finished goods, and work in progress. The value of inventories is determined based on the cost or net realizable value, whichever is lower. The comparison of the cost and net realizable value is based on individual items except for inventories of the same category. The net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. The actual construction cost of the property inventories is reclassified to the annual operating costs in line with the recognition principle of property sales revenue. The cost of inventories is calculated using the weighted average method.

For a contract where a land owner provides land for construction of buildings by a property developer in exchange for a certain percentage of the buildings, no exchange gains or loss is recognized if the buildings acquired are classified as properties held for sale. Revenue is recognized when the properties held for sale are sold to third parties.

(VII) Investments in associates

An associate is an entity on which the Group has significant influence and is not a subsidiary or a joint venture.

The Group adopts the equity method to account for its investments in associates.

Under the equity method, investments in an associate are initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the

associate. The Group also recognizes the changes in the Group's share of the equity of associates based on the percentage of ownership.

The amount of the acquisition cost in excess of the Group's share of the net fair value of the identifiable assets and liabilities of an associate acquired at the date of acquisition is classified as goodwill, which is included in the carrying amount of the investment and cannot be amortized; the amount by which the Group's share of the net fair value of the identifiable assets and liabilities of the associate acquired at the acquisition date exceeds the acquisition cost is recognized in the current profit or loss.

Where an associate issues new shares, if the Group fails to subscribe in proportion to its percentage of ownership, which causes a change in the percentage of its ownership and thus the net equity value of the investment increases or decreases, the capital surplus—changes in the net value of equity of the associate under the equity method and investments accounted for using equity method shall be adjusted according to the increase or decrease. However, if the Group fails to subscribe for or acquire the shares in proportion to its percentage of ownership, which results in a decrease in its ownership interests of the associate, the amount recognized in other comprehensive income related to the associate is reclassified in proportion to the decrease, and the basis of the accounting treatment is the same as the basis that associate must adopt if it directly disposes of relevant assets or liabilities. If the adjustment in the preceding paragraph shall be debited to the capital surplus, and the balance of the capital surplus generated from the investment under the equity method is insufficient, the difference is debited to the retained earnings.

When the Group's share of losses on an associate equals or exceeds its interest in the associate (including any carrying amount of the investment accounted for using the equity method and other long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further losses. Additional losses and liabilities are recognized only to the extent that the Group has incurred legal obligations, or constructive obligations, or made payments on behalf of said associate.

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized only to the extent that the recoverable amount of the investment subsequently increases.

The Group ceases to adopt the equity method on the day its investment ceases to be an associate, and its retained interests in the original associate is measured at fair value. The difference between the fair value, the price of disposal, and the carrying amount of the investment on the day the equity method ceases to be adopted is recognized in the current profit or loss. In addition, the basis of accounting treatment for all amounts recognized in other comprehensive income related to the associate is the same as the one that the associate must follow if it directly disposes of the relevant assets or liabilities.

Profit or loss on upstream, downstream, or lateral transactions between the Group and its associates is recognized in the consolidated financial statements only to the extent that it does not affect the Group's interests in the associates.

(VIII) Joint operation

A joint operation is a joint arrangement whereby the Group and other parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangement.

Any acquisition of an interest in a joint operation in which the activity of the joint operation constitutes a business should be treated as a business combination, except when the parties sharing joint control are under the common control of the same ultimate controlling party or parties both before and after the acquisition and that control is not transitory.

The Group recognizes the following items in relation to its interest in a joint operation:

1. Its assets, including the share of any assets held jointly.
2. Its liabilities, including the share of any liabilities incurred jointly.
3. Its revenue from the sale of its share of the output arising from the joint operation.
4. Its share of revenue from sales of the output of the joint operation.
5. Its expenses, including the share of any expenses incurred jointly.

The Group’s assets, liabilities, income, and expenses related to the equity of the joint operation are treated in accordance with the applicable standards.

When the Group sells or contributes assets to its joint operation, it recognizes gains and losses resulting from such a transaction only to the extent of the other parties’ interests in the joint operation. When the Group purchases assets from its joint operation, it does not recognize its share of the gain or loss until it resells those assets to a third party.

(IX) Property, plant and equipment

Property, plant and equipment are initially recognized at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment under construction are recognized at cost less accumulated impairment loss. The cost shall include professional service expenses and the borrowing costs eligible for capitalization. Such assets are classified into appropriate property, plant and equipment categories upon completion and reaching the status of intended use, and the depreciation will begin.

Except for self-owned land, which is not depreciated, each significant component of the remaining property, plant and equipment is depreciated separately on a straight-line basis within their useful lives. The Group conducts at least one annual review at the end of each year to assess the estimated useful life, residual value, and depreciation methods, and applies the effect of changes in applicable accounting estimates prospectively.

When derecognizing an item of property, plant and equipment, the difference between the net disposal proceeds and the carrying amount of the asset shall be recognized in loss or profit.

(X) Investment properties

Investment properties refers to properties held for the purpose of earning rents or capital appreciation or both (including properties and right-of-use assets thereof that meet the definition of

investment properties and are in the process of construction). Investment properties also includes land held for a currently undetermined future use.

Self-owned investment properties are initially measured at cost (including transaction cost), and subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

The investment properties acquired through lease are initially measured at cost (including the originally measured amount of the lease liabilities, the lease payment paid before the lease commencement date, the original direct cost, and the estimated cost of restoring the underlying asset, less the lease incentives received), and subsequently measured at cost less accumulated depreciation and accumulated impairment losses, and the remeasurement of the lease liability is adjusted.

All investment properties are depreciated on a straight-line basis.

Investment properties under construction are recognized at the cost less the accumulated impairment losses. The cost shall include professional service expenses and the borrowing costs eligible for capitalization. Such assets begin to be depreciated when they reach the status of intended use.

Investment properties are reclassified to inventories based on the carrying amount at the time when they are planned to be sold and ceases being leased out.

The properties recognized in inventories are reclassified to investment properties based on the carrying amount at the time of establishment of an operating lease for rental.

When investment properties is derecognized, the difference between the net disposal price and the carrying amount of the asset is recognized in profit or loss.

(XI) Goodwill

The cost of goodwill from business combination is the amount of goodwill recognized at the acquisition date, and is subsequently measured at cost less accumulated impairment losses.

For the purposes of impairment testing, goodwill is allocated among each cash generating unit or a group of cash generating units (referred to as “CGUs”), which is expected to benefit from the synergies of the combination.

The carrying amount and recoverable amount of the CGUs to which goodwill is allocated will be compared every year (and whenever there is an indication that the unit may be impaired) as impairment testing on the units. If the goodwill allocated to the CGUs is acquired in a business combination during the year, the CGUs shall be tested for impairment before the end of the year. If the recoverable amount of CGUs to which goodwill is allocated is lower than its carrying amount, the impairment loss is first deducted from the carrying amount of the goodwill of said CGUs. Next, the carrying amount of other assets within said CGUs is deducted from the carrying amount of the goodwill of said CGUs in proportion to the carrying amount of each asset. Any impairment loss is recognized in loss in the current year. Impairment loss of goodwill shall not be reversed subsequently.

When disposing of a certain operation within the CGUs to which goodwill is allocated, the amount of goodwill related to the operation disposed of is included in the carrying amount of the operation to determine the gain or loss on the disposal.

(XII) Intangible assets

1. Acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Intangible assets are amortized using straight-line method over the useful lives. The Group conducts at least one annual review at the end of each year to assess the estimated useful life, residual value, and amortization methods, while applying the effects of changes in accounting estimates prospectively. Intangible assets with indefinite useful lives are recognized at cost less accumulated impairment loss.

When the Group has a right to charge for the usage of concession infrastructure (as a consideration for providing construction services in a service concession arrangement), it recognizes this as an intangible asset. The intangible asset is subsequently measured at cost less accumulated amortization and any accumulated impairment loss.

2. Derecognition

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

(XIII) Assets related to contract costs

The sales commission for property sales and the selling service fee paid to agents under exclusive sale agreements of the property held for sale only occur when any customer contract is closed, and the amount is recognized in the incremental cost of obtaining the contract within the recoverable amount and reclassified when the property is completed and transferred to the customer. However, for the incremental cost of obtaining a contract that is expected to be amortized within one year, the Group chose not to capitalize it.

(XIV) Impairment of assets related to property, plant and equipment, right-of-use assets, intangible assets (excluding goodwill), and assets related to contract costs

The Group assesses if there are any signs of possible impairment in property, plant, and equipment as well as right-of-use and intangible assets (excluding goodwill) at the end of each reporting period. If there is any sign of impairment, an estimate is made of its recoverable amount. If it is not possible to determine the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the smallest group of CGUs on a reasonable and consistent basis.

Intangible assets with indefinite useful lives and not yet available for use are tested for impairment at least annually and whenever there is an indication that the assets may be impaired.

The recoverable amount is the fair value less cost of sales or its value in use, whichever is higher. If the recoverable amount of an individual asset or a CGU is lower than its carrying amount, the carrying amount is reduced to the recoverable amount, and the impairment loss is recognized in profit or loss.

The inventory, property, plant and equipment, and intangible assets related to customer contracts are first recognized as impairment in accordance with the inventory impairment standards and the standards above. Then, the carrying amount of the assets related to contract cost in excess of the

expected amount of consideration received for the provision of the relevant goods or services less the direct relevant costs is recognized as an impairment loss. Subsequently, the carrying amount of the assets related to contract cost is included in the CGU to which they belong to perform impairment assessment of the CGU.

When the impairment loss is subsequently reversed, the carrying amount of the asset, the CGU, or the asset related to contract cost is increased to the revised recoverable amount, provided that the increased carrying amount shall not exceed the carrying amount (less amortization or depreciation) of the asset, CGU, or the asset related to contract cost which was not recognized in impairment loss in prior years. The reversal of the impairment loss is recognized in profit or loss.

(XV) Financial instruments

Financial assets and financial liabilities shall be recognized in the consolidated balance sheet when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities not at fair value through profit or loss are measured at fair value plus transaction costs directly attributable to the acquisition or issuance of financial assets or financial liabilities. The transaction costs directly attributable to the acquisition or issuance of financial assets or financial liabilities at fair value through profit or loss is immediately recognized in profit or loss.

1. Financial assets

Regular trading of financial assets shall be recognized and derecognized in accordance with trade date accounting.

(1) Measurement types

Financial assets held by the Group are those measured at fair value through profit or loss (FVTPL) and at amortized cost, as well as investments in equity instruments measured at fair value through other comprehensive income (FVTOCI).

A. Financial assets at FVTPL

Financial assets measured at FVTPL include those mandatorily measured at FVTPL and those designated as at FVTPL. Financial assets mandatorily measured at FVTPL include investments in equity instrument that the Group has not designated to measure at FVTOCI, and debt instruments that are not eligible to be classified as measured at amortized cost or at FVTOCI.

Financial assets measured at FVTPL are measured at fair value, and the gains or losses arising from remeasurement are recognized in profit or loss. Please refer to Note 36 for the method of determining the fair value.

B. Financial assets at amortized cost

When the Group's investments in financial assets meet the following two conditions simultaneously, they are classified as financial assets measured at amortized cost:

a. Held under a certain business model, of which the objective is to collect contractual cash flows by holding the financial assets; and

b. The cash flows on specific dates specified in the contractual terms are solely payments of the principal and interest on the principal amount outstanding.

After initial recognition, such assets (including cash and cash equivalents, notes receivable, trade receivables, other receivables measured at amortized cost, and refundable deposits) are measured at the amortized cost of the total carrying amount determined by the effective interest method less any impairment loss, and any foreign currency exchange gains or losses are recognized in profit or loss.

Except for the following two cases, interest revenue is calculated by multiplying the effective interest rate by the total carrying amount of financial assets:

a. For purchased or originated credit-impaired financial asset, interest revenue is calculated by multiplying the credit-adjusted effective interest rate by the amortized cost of the financial asset.
b. For financial asset that is not purchased or originated credit-impaired but subsequently becomes credit impaired, interest revenue is calculated by multiplying the effective interest rate from the next reporting period after the credit impairment by the amortized cost of the financial asset.

Cash equivalents include time deposits and short-term bills that are highly liquid and readily convertible into a fixed amount of cash at any time within 3 months from the date of acquisition while featuring little risk of value changes, which are used to meet short-term cash commitments.

C. Investments in equity instruments at FVTOCI

The Group may, upon initial recognition, make an irrevocable election to designate as at FVTOCI the investments in equity instruments that are not held for trading and the ones that are not recognized by an acquirer in a business combination or with the contingent consideration.

Investments in an equity instrument measured at FVTOCI are measured at fair value, and any subsequent fair value changes are recognized in other comprehensive income and accumulated in other equity. Upon disposal of investments, cumulative gain or loss is directly transferred to retained earnings and are not reclassified to profit or loss.

Dividends of investments in equity instruments measured at FVTOCI are recognized in profit or loss when the Group's right to receive dividends is established unless such dividends clearly represent the recovery of a part of the investment cost.

(2) Impairment of financial assets and contract assets

The Group assesses the impairment loss of financial assets measured at amortized cost (including trade receivables), finance lease receivables, and contract assets based on the expected credit loss at the end of each reporting period.

Trade receivables, finance lease receivables, and contract assets are recognized in loss allowance based on the lifetime expected credit losses (ECLs). Other financial assets are first assessed based on whether the credit risk has increased significantly since the initial recognition. If there is no significant increase in the risk, a loss allowance is recognized at an amount equal to 12-month ECLs. If the risks have increased significantly, a loss allowance is recognized at an amount equal to lifetime ECLs.

The ECLs refer to the weighted average credit loss with the risk of default as the weight. The 12-month ECLs represent the ECLs from possible defaults of a financial instrument within 12 months after the reporting date. The lifetime ECLs represent the ECLs from all possible defaults in a financial instrument over the expected life of a financial instrument.

For the purpose of internal credit risk management, the Group, without considering the collateral held, determines that the following situations represent defaults in the financial assets:

A. Internal or external information indicates that it is impossible for the debtor to settle the debt.

B. It is overdue for more than 90 days, unless there is reasonable and corroborative information showing that a default date postponed is more appropriate.

The Group recognizes an impairment loss for all financial assets with a corresponding downward adjustment to their carrying amount through a loss allowance account. However, the loss allowance for investment in debt instruments measured at FVTOCI is recognized in other comprehensive income without a downward adjustment to the carrying amount.

(3) Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash inflow from the financial asset expire or when it transfers the financial assets and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the consideration received is recognized in profit or loss. When derecognizing an investment in equity instrument at FVTOC in its entirety, the cumulative profit or loss is transferred directly to retained earnings and is not reclassified to profit or loss.

2. Equity instrument

Debt and equity instruments issued by the Group are classified as either financial liabilities or equity in accordance with the substance of the contractual arrangements and the definitions of financial liabilities and equity instruments.

Equity instruments issued by the Group are recognized at the proceeds received, net of the cost of direct issue.

The repurchase of the Company's own equity instruments is recognized in and deducted directly from equity. The purchase, sale, issuance, or cancellation of the Company's own equity instruments is not recognized in profit or loss.

3. Financial liability

(1) Subsequent measurement

All financial liabilities are measured at amortized cost in the effective interest method.

(2) Derecognition of financial liabilities

The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

(XVI) Provisions

The amount recognized in provisions (including contractual obligations arising from the maintenance or restoration of infrastructure before it is returned to the grantor, which is specifically stated in a service concession arrangement) is the best estimate of the expenditure required to settle the obligation at the the end of the reporting period based on the consideration for the risks and uncertainties of the obligation. The provisions are measured at the discounted value of the cash flow estimated to settle the obligation.

1. Onerous contract

When the unavoidable cost of the Group's expected performance of a contractual obligation exceeds the expected economic benefits arising from the contract, the present obligation arising from the onerous contract is recognized in provisions.

2. Warranty

The warranty obligation to ensure that products conform to the agreed specifications is based on the management's best estimate of the expenditure required to settle the Group's obligation, and is recognized when relevant products are recognized in revenue.

(XVII) Revenue recognition

After the Group identifies its performance obligations in contracts with customers, it allocates the transaction price to each performance obligation in the contracts and recognizes revenue when performance obligations are satisfied.

1. Construction revenue

For the property sales within the normal business scope, the fixed transaction price is received in installments and recognized as a contract liability. After considering the major financial components, revenue is recognized when each property is completed and delivered to the buyer.

During the construction process, the property is a property construction contract controlled by the customer, and the Group gradually recognizes it in revenue over time. As the cost of construction is directly related to the progress of completion of the performance obligation, the Group measures the progress of completion based on the actual investment cost as a percentage of the expected total cost. The Group gradually recognizes contract assets

during the construction process, and reclassifies them to trade receivables upon billing. If the construction payment received exceed the amount of revenue recognized, the difference is recognized in contract liability. The retention of a construction project withheld by the customer in accordance with the contract terms aims to ensure that the Group completes all contractual obligations and is recognized in contract asset before the Group's performance is completed.

If the result of the performance obligation cannot be measured reliably, the engineering service revenue is recognized only within the expected recoverable amount of the cost incurred when the performance obligation is met.

According to the operation concession agreement for the T9 land in the dedicated area of the Taipei Main Station, the Group shall construct and operate the infrastructure in the designated area of the Taipei Main Station. As the land in the designated area of the Taipei Main Station is under control of the Taipei City Government during the construction process, the Group refers to the stand-alone selling price of the construction services provided, and gradually recognizes the revenue and contract assets for the construction services over time, which is reclassified to the intangible assets - concession when the construction is completed. In the operation stage, when the public uses the infrastructure in the T9 land in the designated area of the Taipei Main Station, and the Group makes a profit from it, it is recognized in revenue (under other operating revenue).

According to the operation concession agreement for the Taoyuan City Taoyuan District Sewerage System, the Group shall construct and operate the infrastructure of the Taoyuan City Taoyuan District Sewerage System. As the Taoyuan City Taoyuan District Sewerage System is under control of the Taoyuan City Government during the construction process, the Group refers to the stand-alone selling price of the construction services provided, and gradually recognizes the revenue and contract assets for the construction services over time, which is reclassified to the intangible assets - concession and long-term trade receivables when the construction is completed and certified by the owners. In the operation stage, when the public uses the public work of the Taoyuan City Taoyuan District Sewerage System, and the Group makes a profit from it, it is recognized in revenue (under other operating revenue).

2. Shopping mall revenue

When other party participates providing in goods or services to customers, the Group obtains control of the specified goods or services before they are transferred to the customers and, therefore, is acting as a principal in the transaction. On the contrary, the other party is acting as an agent. As the principal, the total amount of the consideration that is expected to be obtained in exchange for the transfer of goods or services is recognized as income. As an agent, the amount of any fees or commissions that the other party expected to obtain in exchange for the provision of goods or services, recognized as income. The charge or commission of the Group may be the net amount of the consideration. The income retained by the Group in exchange for goods or services is the amount retained after payment to the other party.

Customer Loyalty Program, the Group offers award credits which can be used for future purchases when the customer shops. The award credits provide a material right to the customer. The transaction price allocated to the award credits is recognized as a contract liability when collected and will be recognized as revenue when the award credits is redeemed or has expired.

3. Merchandise sales revenue (recognized in other operating revenue)

Revenue from merchandise sales comes from sales in self-operated stores. Self-operated goods sold in self-operated stores are recognized in revenue when customers purchase the goods.

(XVIII) Leasing

The Group assesses whether a contract belongs to (or contains) a lease on the date of establishment of the contract.

1. The Group as lessor

Where almost all the risks and rewards attached to the ownership of an asset are transferred to the lessee in lease terms, such leases are classified as finance leases. All other leases are classified as operating leases.

When the Group subleases the right-of-use assets, the right-of-use assets (not the underlying asset) are used to determine the classification of the sublease. However, if the main lease is a short-term lease for which the recognition exemption applies to the Group, the sublease is classified as an operating lease.

Under finance leases, lease payments include fixed payments, substantive fixed payments, variable lease payments depending on the index or rate, guaranteed residual value, the exercise price of the purchase of options that is reasonably assured to be exercised, and fines for lease termination that has been reflected in the lease term, less lease incentives that shall be paid. The net lease investment is measured by the sum of the present value of the lease payment receivable and the unguaranteed residual value plus the initial direct cost and presented as financial lease receivables. Finance lease income is allocated to each accounting period to reflect the fixed rate of return on the Group's net investment outstanding in respect of leases.

Under operating leases, lease payments less lease incentives are recognized in income on a straight-line basis over the relevant lease terms. The initial direct cost incurred in obtaining an operating lease is added to the carrying amount of the underlying asset and recognized as expenses on a straight-line basis over the lease term. The lease negotiation with each lessee is handled as a new lease from the effective date of the lease modification.

The variable rent in a lease arrangement that is not dependent on the index or rate is recognized in income in the period in which it is incurred.

2. The Group as lessee

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

A right-of-use asset is initially measured at cost (including the initial measured amount of lease liabilities, the amount of lease payments made to the lessor less lease incentives received prior to the inception of a lease, initial direct costs, and the estimated costs of restoring underlying assets), and subsequently measured at cost less accumulated depreciation and accumulated impairment and adjusted for any remeasurement of the lease liabilities. Right-of-use assets, except those that meet the definition of investment properties, are presented on a separate line in the consolidated balance sheets. For the recognition and measurement of right-of-use assets that meet the definition of investment properties, please refer to (X) for the accounting policies for investment properties.

Right-of-use assets are depreciated on a straight-line basis from the lease commencement date to the expiration of the useful life or the expiration of the lease term, whichever is earlier.

The lease liabilities are initially measured at the present value of the lease payment (including fixed payments, in-substance fixed payments, variable lease payments depending on the index or rate, the amount that the lessee expects to pay under the residual value guarantee, the exercise price of the purchase of options that is reasonably assured to be exercised, and fines for lease termination that has been reflected in the lease term, less lease incentives received). If the interest rate implicit in a lease can be easily determined, the lease payment is discounted at such an interest rate. If the interest rate cannot be easily determined, the lessee's incremental borrowing rate applies.

Subsequently, lease liabilities are measured at the amortized cost using the effective interest rate method, and interest expense is amortized over the lease term. If changes in the lease term, the expected payment under the residual value guarantee, the evaluation of the underlying asset purchase options, or the index or rate used to determine the lease payment over the lease term lead to changes in future lease payments, the Group remeasure the lease liabilities with a corresponding adjustment to the right-of-use assets. However, if the carrying amount of the right-of-use assets has been reduced to zero, the remaining remeasurement amount is recognized in profit or loss. For lease modifications that are not treated as a separate lease, remeasurement of the lease liabilities due to the reduced scope of the lease is to reduce the right-of-use assets, and to recognize the profit or loss of the partial or full termination of the lease; the remeasurement of the lease liabilities due to other modifications is to adjust the right-of-use assets. Lease liabilities are presented on a separate line in the consolidated balance sheets.

The Group and the lessor engaged in rent negotiations directly related to the COVID-19 pandemic, and adjusted the rents due before June 30, 2021, resulting in a decrease in the rents or almost equal to the rents before negotiation. These negotiations did not materially change other lease terms. The Group has elected to adopt practical expedients to treat rent negotiations that meet the aforementioned conditions without evaluating whether the negotiation is about a lease modification, and recognizes the reduction in lease payments in profit or loss when a concession event or situation occurs, and makes a corresponding downward adjustment to the lease liabilities.

The variable rent in a lease arrangement that is not dependent on the index or rate is recognized in expenses in the period in which it is incurred.

(XIX) Borrowing costs

Borrowing costs directly attributable to an acquisition, construction, or production of qualifying assets are added to the cost of said assets, until such time as the assets are substantially ready for their intended use or sale.

For specific borrowings, if the investment income earned by making a temporary investment before the capital expenditure that meets the requirements is incurred, it is deducted from the borrowing costs that meet the capitalization conditions.

Other than that which is stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

(XX) Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants related to income are recognized in other income on a systematic basis over the periods, in which the Group recognizes in expenses the relevant costs for which the grants are intended to compensate.

If government grants are used to compensate expenses or losses incurred, or are given to the Group for the purpose of immediate financial support without relevant future costs, they can be recognized in profit or loss in the period, during which the Group can receive said grants.

(XXI) Employee benefits

1. Short-term employee benefits

   Relevant liabilities for short-term employee benefits are measured by the non-discounted amount expected to be paid in exchange for employee services.

2. Retirement benefits

   Payments to defined contribution retirement benefit plans are recognized as expenses when employees have rendered services entitling them to the contributions.

   The defined benefit cost under the defined benefit retirement benefit plan (including service cost, net interest, and remeasurement) is calculated based on the projected unit credit method. The service cost (including the service costs for the current period and the past service cost) and the net interest on the net defined benefit liabilities (assets) are recognized in employee benefit expenses as they occur. The remeasurement (including actuarial gains and losses, effect of changes in assets limits, and the return on plan assets, net of interest) is recognized in other comprehensive income and listed in retained earnings when it occurs, and will not be reclassified to profit or loss subsequently.

   The net defined benefit liabilities (assets) are the deficit (surplus) of the defined benefit retirement benefit plan. The net defined benefit assets may not exceed the present value of any refunds from the plan or reductions in future contributions to the plan.

(XXII) Income tax

The income tax expense represents the sum of the current income tax and deferred tax.

1. Current tax

   According to the Income Tax Law in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

   Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2. Deferred tax

   Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

   Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences and unused loss carryforwards to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

   The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

   Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3. Current and deferred tax

   Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity; in which case, the current and deferred taxes are recognized in other comprehensive income or directly in equity, respectively.

5. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, the management is required to make judgments, estimations, and assumptions about the relevant information that is not readily accessible from other sources based on historical experience and other relevant factors. Actual results may differ from these estimates.

The management will constantly review the estimates and basic assumptions. If a revision of an estimate only affects the current period, it shall be recognized in the period in which the revision occurs. If a revision of an accounting estimate affects the current period and future periods, it shall be recognized in the period in which the revision occurs and future periods.

Key Sources of Estimation Uncertainty

Inventories impairment

The net realizable value of inventories is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. These estimates are based on current market conditions and historical sales experience in similar products. Changes in market conditions may materially affect the results of these estimates.

6. Cash and cash equivalents

	December 31, 2020	December 31, 2019
Cash	$ 10,184	$ 9,315
Checking accounts and demand deposits	3,536,610	3,374,640
Foreign currency deposits	8,247	9,857
Cash equivalents		
Triple stimulus vouchers	10,369	-
Time deposit (with the original maturities of 3 months or less)	-	110,000
	$ 3,565,410	$ 3,503,812

7. Financial instruments at FVTPL

	December 31, 2020	December 31, 2019
Current		
Non-derivative financial assets mandatorily at fair value through profit or loss		
Fund beneficiary certificates	$ 12,940	$ 9,795

Please refer to Note 29 for the net gains on financial instruments at FVTPL.

8. Financial assets at FVTOCI

Investments in equity instruments at FVTOCI

	December 31, 2020	December 31, 2019
Non-current		
Unlisted common share	$ 58,795	$ 56,297

The Group invests in the above-mentioned unlisted stocks for medium- to long-term strategic purposes, and expects to make profits through long-term investments. The Group's management believes that recognizing the short-term fluctuations in the fair value of such investments in profit or loss is not consistent with the aforementioned long-term investment plan. Therefore, the management elected to designate these investments in equity instruments as at FVTOCI.

9. Financial assets at amortized cost

	December 31, 2020	December 31, 2019
Current		
Domestic investment		
Time deposit with the original maturities date of more than 3 months	$ 82,960	$ 62,115
Investment in bonds under repurchase agreement and bills	-	635,000
Other financial assets (1)	316,356	299,197
	$ 399,316	$ 996,312
Non-current		
Time deposit with the original maturities date of more than 3 months	$ 141,196	$ 116,060
Other financial assets (1)	2,487,933	1,183,888
	$ 2,629,129	$ 1,299,948

(I) Other financial assets are restricted assets, such as reserve accounts for bank deposits and trust account.

(II) Please refer to Note 33 for information relating to investments in financial assets at amortized cost pledged as security.

10. Notes receivable and trade receivables

	December 31, 2020	December 31, 2019
Notes receivable		
At amortized cost		
Gross carrying amount	$ 19,833	$ 18,752
Less: Loss allowance	-	-
	19,833	18,752
Trade receivables		
At amortized cost		
Gross carrying amount	441,930	639,079
Less: Loss allowance	(1,250)	(2,721)
	440,680	636,358
Total	$ 460,513	$ 655,110

Trade receivables

When determining the recoverability of trade receivables, the Group considers the changes in the credit quality of trade receivables during the period from the original credit date to the time it is presented in the balance sheet. Based on the historical experience, except for the counterparty of a transaction is any government agency, bank credit card center, or security company with great credit quality, in principle, the Group adopts individual evaluation and a simplified approach as in IFRS 9 to recognize loss allowance for trade receivables based on the lifetime expected credit losses. The lifetime expected credit losses are based on each customer's past default history, current financial position, and industrial economic situation, as well as the industry outlook. Based on the Group's historical experience in credit losses, the loss patterns of different customers are significantly different, the expected credit loss rate is calculated based on the trade receivables of individual customers.

If there is evidence that a counterparty is facing serious financial difficulties and the Group cannot reasonably expect to recover the amount, e.g., the counterparty is in liquidation, the Group will directly write off the relevant trade receivables, but will continue to try to collect the receivable. The recovered amount is recognized in profit or loss.

The following table details the loss allowance of trade receivables based on the Group's provision matrix.

December 31, 2020

	Not past due	1 to 90 days past due	91 to 180 days past due	Over 180 days past due	Counterparty has a sign of default	Total
Expected credit loss rate	0%	10%	20%	50%	100%	
Gross carrying amount	$ 459,339	$ 29	$ 1,389	$ 74	$ 932	$ 461,763
Loss allowance (lifetime expected credit losses)	-	(3)	(278)	(37)	(932)	(1,250)
Amortized cost	$ 459,339	$ 26	$ 1,111	$ 37	$ -	$ 460,513

December 31, 2019

	Not past due	1 to 90 days past due	91 to 180 days past due	Over 180 days past due	Counterparty has a sign of default	Total
Expected credit loss rate	0%	-	20%	50%	100%	
Gross carrying amount	$ 654,542	$ -	$ 205	$ 808	$ 2,276	$ 657,831
Loss allowance (lifetime expected credit losses)	-	-	(41)	(404)	(2,276)	(2,721)
Amortized cost	$ 654,542	$ -	$ 164	$ 404	$ -	$ 655,110

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

	2020	2019
Balance at January 1	$ 2,721	$ 31
Add: Net remeasurement of loss allowance	460	7,265
Less: Amounts written off	(1,931)	(4,575)
Balance at December 31	$ 1,250	$ 2,721

11. Finance lease receivables

	December 31, 2020	December 31, 2019
Undiscounted lease payments		
Year 1	$ 28,572	$ 25,703
Year 2	32,338	24,452
Year 3	23,792	24,226
Year 4	5,417	14,767
Year 5	5,274	5,225
Year 6 onwards	13,525	18,799
	108,918	113,172
Less: Unearned finance income	(5,505)	(7,312)
Lease payments receivable	103,413	105,860
Net investment in leases presented as finance lease receivables	$ 103,413	$ 105,860

The Group measures the loss allowance for the finance lease receivables based on the lifetime expected credit losses. As of the end of the reporting period, there were no overdue finance lease receivables. At the same time, considering the past default history of each counterparty, the future development of the underlying lease industry, and the value of the collateral, the Group believed that the finance lease receivables above were not impaired.

12. Inventories

	December 31, 2020	December 31, 2019
Property under development	$ 1,701,880	$ 1,209,918
Property to be developed	724,831	668,025
Bulidings and land held for sale	6,103,284	7,614,851
Merchandise inventory	21,370	31,937
Prepayment for land purchases	28,854	-
Others	27,417	23,164
	$ 8,607,636	$ 9,547,895

Property under development

Project name	Estimated completion year	December 31, 2020	December 31, 2019
Sanzhi Project - East Side	2022	$ 856,562	$ 804,278
Qingpu Project	2021	845,318	405,640
		$ 1,701,880	$ 1,209,918

Property to be developed

Project name	December 31, 2020	December 31, 2019
Beitou District	$ 408,959	$ 405,071
Sanzhi Project - West Side	181,223	181,223
Qiao-An	52,918	-
Guisui, Chongqing North Road	41,121	41,121
Qishan District	40,610	40,610
	$ 724,831	$ 668,025

Buildings and land held for sale

Project name	December 31, 2020	December 31, 2019
Fu-Jou Project (Note (IV))	$ 4,718,810	$ 4,863,057
MRT Daqiaotou Station Project	1,245,381	2,503,389
Xindian Project	40,735	76,057
Badu Project (Note (IV))	29,773	83,481
Youth Social Housing Project (Note (IV))	4,264	24,868
Others	64,321	63,999
	$ 6,103,284	$ 7,614,851

(I) As of December 31, 2020 and 2019, inventories of $1,610,247 thousand and $1,877,943 thousand, respectively, are expected to be recovered after more than 12 months.

(II) The inventories pledged as collateral for bank borrowings are set out in Note 33.

(III) To enable the construction projects and construction to proceed, the completed construction projects to be delivered, and the development contract to be fulfilled smoothly, the Group's registration of the trust of construction in progress and remaining unsold housing units is as follows:

Project name	Trustee	Trust period
Fu-Jou project	United Real Estate Management Co., Ltd.	From October 24, 2018 to the date when the units on the second floor and above of this affordable housing project have been successfully sold and the property rights are transferred and registered to buyers. In October 2019, the purpose of the trust was achieved, so the trust contract was terminated.
MRT Daqiaotou Station Project	CTBC Bank	From August 8, 2014 to the date when all the buildings in this project are completed, the user license is obtained, and the first registration of the ownership of the buildings is completed, and the registration of mortgage pledged to a group of banks is completed, or the debt is fully paid off. The creditor's rights of the group of banks, the manager, and the arranger in the syndicated loan to the Group under the syndicated loan contract were fully repaid; the purpose of the trust was achieved in August 2019, so the trust contract was terminated.
Sanzhi Project - East and West Side	Pauguo Real Estate Management Co., Ltd.	The construction contract started from December 30, 2019, and the project was completed, and the first-time registration of ownership was completed.
T9 Project	KGI Commercial Bank	From September 8, 2006 to the date of expiry or termination of the development and management contract for the T9 land in the dedicated area of the Taipei Main Station, or the date when the trust relationship between both parties is terminated.
Youth Social Housing Project	Mega International Commercial Bank	From September 11, 2014 to the date when the Rih-Siang fully paid off its debts under a syndicated loan contract, or the construction and operation contract is cancelled or terminated.

For the above-mentioned trust contract, the Group entrusts the trustees to execute fund control, property right management, financing loan repayment, self-raising funds, and necessary expenses and expenditures incurred by the trust relationship.

(IV) Please refer to Note 19 for the information on the reclassification of inventory to investment property due to changes in the purpose of use.

(V) Total operating costs for 2020 and 2019 included inventory valuation losses (gains on recovery) in the amount of NT$(6,652) thousand and NT$634 thousand, respectively.

13. Subsidiaries

Subsidiaries included in the consolidated financial statements

The main entities included in the consolidated financial statements are as follows:

			Proportion of ownership	
Investor	Investee	Nature of activities	December 31, 2020	December 31, 2019
RADIUM	Ji-Shun Life Tech Co., Ltd. (Ji-Shun)	Investment in and construction of joint development projects of the Mass Rapid Transit (MRT) system in the Taipei metropolitan area	100.00%	100.00%

(Continued)

Investor	Investee	Nature of activities	Proportion of ownership December 31, 2020	Proportion of ownership December 31, 2019
RADIUM	Li-Jiang Development Co., Ltd. (Li-Jiang)	Investment in and construction of joint development projects of the Mass Rapid Transit (MRT) system in the Taipei metropolitan area	100.00%	100.00%
RADIUM	Rih Yao Development Co., Ltd. (Rih-Yao)	Housing and building development and rental	100.00%	100.00%
RADIUM	Radium Far East Co., Ltd. (Far East)	Housing and building development and rental	99.93%	99.93%
RADIUM	Titan Development And Construction Co., Ltd. (Titan)	Civil construction	100.00%	100.00%
RADIUM	Wan Da Tong Enterprise Co., Ltd. (Wan-Da-Tong)	Development of the T9 land in the dedicated area of the Taipei Main Station	28.35%	28.35%
RADIUM	Radium-Kagaya International Hotel Co., Ltd. (Kagaya)	Hot spring hotel	100.00%	100.00%
RADIUM	Zhao Yao Enterprise Co., Ltd. (Zhao-Yao)	Housing and building development and rental	100.00%	100.00%
RADIUM	Clever Base Investments Limited (Clever Base)	Investment and management consulting	100.00%	100.00%
RADIUM	Xin Xiu Ge Hotel Co., Ltd. (Xin-Xiu-Ge)	Regular hotel	100.00%	100.00%
RADIUM	Rih Ding Water Enterprise Co., Ltd. (Rih-Ding Water)	Investment in and construction and operation of public works construction	-	100.00%
RADIUM	Jing-Jan Investment Holdings Co., Ltd. (Jing-Jan Hldg)	Investment	61.06%	61.06%
RADIUM	Rih Siang Property Management Co., Ltd. (Rih-Siang)	Housing and building development and rental	100.00%	100.00%
RADIUM	Rih Zuan Green Energy Technology Co., Ltd. (Rih-Zuan)	Energy Technical Services	90.00%	90.00%
RADIUM	LiJiang Business Consulting (Shanghai) (LiJiang)	Business and corporate management consulting services	100.00%	100.00%
RADIUM	Ding Sheng Green Energy Technology Co., Ltd. (Ding-Sheng)	Energy Technical Services	-	100.00%
RADIUM	Wan Tong Digital Technology Co., Ltd. (Wan-Tong)	Retail	90.00%	90.00%
RADIUM	Rih Ding Circular Economy Investment Holdings Co., Ltd. (Rih-Ding Hldg)	Investment	100.00%	-
RADIUM	Jing Ding Green Energy Technology Co., Ltd. (Jing-Ding)	Energy Technical Services	37.00%	-
Titan	Jing-Jan Investment Holdings Co., Ltd. (Jing-Jan Hldg)	Investment	36.80%	36.80%
Ji-Shun	Ji Sheng Zih Chan Development Co., Ltd. (Ji-Sheng)	Housing and building development and rental	100.00%	100.00%
Jing-Jan Hldg	Jing-Jan Retail Business Co., Ltd. (Jing-Jan)	Shopping mall business	75.00%	75.00%
Jing-Jan Hldg	Wan Da Tong Enterprise Co., Ltd. (Wan-Da-Tong)	Development of the T9 land in the dedicated area of the Taipei Main Station	71.65%	71.65%
Jing-Jan	Jing-Jan Digital Square Co., Ltd. (Jing-Jan Digital)	Retail	100.00%	100.00%
Clever Base	Sharp China Investments Limited (Sharp China)	Investment and management consulting	-	100.00%
Clever Base	Rih Ding Investments Limited (Rih Ding Investments)	Investment and management consulting	100.00%	100.00%
Clever Base	Kai Chuang International Limited (Kai Chuang)	Investment and management consulting	-	100.00%
Far East	Prit Biotech Co., Ltd. (PRIT)	Biotechnology and cosmetic manufacturing	37.31%	37.31%
Rih-Ding Hldg	Rih Ding Water Enterprise Co., Ltd. (Rih-Ding Water)	Investment in and construction and operation of public works construction	100.00%	-
Rih-Ding Hldg	Ding-Sheng Green Energy Technology Co., Ltd. (Ding-Sheng)	Energy Technical Services	100.00%	-
Ding-Sheng	Jing Ding Green Energy Technology Co., Ltd. (Jing-Ding)	Energy Technical Services	33.00%	-

Note : 1. The Group's shareholding in PRIT is 37.31%. Because the Group's directors account for more than half of PRIT's board members, and have the substantive ability to lead its relevant activities, it is classified as a subsidiary.

2. Ding-Sheng was established on January 4, 2019, Wan-Tong on May 23, 2019, and Rih-Ding Hldg on March 5, 2020, all of which were approved by and registered with the Taipei City Government. Jing-Ding was established on September 18, 2020, and approved by and registered with the Central Region Office, Ministry of Economic Affairs.

3. Kai Chuang's deregistration was completed on April 8, 2020, Sharp China's on April 17, 2020, and Wan-Da-Tong (Xiamen)'s on November 22, 2019.

4. Sharp China sold 100% of its equity in LiJiang to the Company on December 12, 2019.

5. The Company's board of directors resolved to adjust the organizational structure on April 6, 2020. Rih-Ding Hldg issued new shares and obtained 100% of the Company's shares in Rih-Ding Water and Ding-Sheng through share swap arrangements, and the record date of share swap was May 8, 2020.

14. Other assets

	December 31, 2020	December 31, 2019
Long-term receivables	$ 9,089,289	$ 6,814,139
Others	343,209	488,541
	$ 9,432,498	$ 7,302,680
Current	$ 238,493	$ 371,311
Non-current	9,194,005	6,931,369

December 31, 2020	December 31, 2019
$ 9,432,498	$ 7,302,680

Please refer to Note 33 for information on the Group's pledge.

15. Investments accounted for using equity method

	December 31, 2020	December 31, 2019
Associates that are not individually material		
Unlisted company		
JingYang Apartment Building Management and Maintenance Co., Ltd.	$ 10,003	$ 6,441

The Group's ownership interest and percentage of voting rights in the associates at the end of the reporting period are as follows:

Company name	December 31, 2020	December 31, 2019
Jing Yang Apartment Building Management and Maintenance Co., Ltd.	49%	49%

Aggregate information of associates that are not individually material:

	2020	2019
The Group's Share of：		
Profit from continuing operations	$ 3,562	$ 4,164
Total comprehensive income for the year	$ 3,562	$ 4,164

The share of profits and losses and other comprehensive income of the associates accounted for using the equity method in 2020 and 2019 were recognized based on the associates' financial statements that have been audited by CPAs for the same periods.

16. Joint operation

(I) Some of the Titan's projects are under joint contracts, with a joint operation model adopted to jointly form an operating unit and set up accounting records independently. As of December 31, 2020, its joint contractors are as follows:

Fu-Jou JV project

Titan and New Asia Construction & Development Corp. (hereinafter referred to as New Asia) jointly took on the Company's Fu-Jou affordable housing project for the construction at a total contract price of $19,982,319 thousand (before tax). The ratio of the project in the joint contract between both parties was 30% for Titan and 70% for New Asia, for which both parties signed an agreement accordingly.

(II) The aggregate financial information on the joint operations recognized by the Group using the proportionate consolidation method is as follows:

	December 31, 2020	December 31, 2019
Current Assets	$ 282,465	$ 463,228
Current Liabilities	$ 23,744	$ 233,492

	2020	2019
Other gains and losses	$ 28,986	$ 42

17. Property, plant and equipment

(I) Assets used by the Group

	Land	Buildings	Transportation equipment	Office equipment	Other equipment	Property under construction	Total
Cost							
Balance at January 1, 2020	$3,285,878	$7,862,127	$ 11,038	$ 294,746	$ 290,694	$ 69,003	$11,813,486
Additions	-	172,013	383	26,424	18,363	1,128	218,311
Disposals	-	(2,787)	(1,646)	(19,358)	(1,242)	-	(25,033)
Effects of foreign currency exchange differences	-	-	-	(2)	-	-	(2)
Transfers	-	39,329	-	979	15,226	(55,534)	-
Transfers from investment properties	50,941	27,491	-	-	-	-	78,432
Transfers from prepayments for equipment	-	-	-	420	-	-	420
Transfers to operating expenses	-	-	-	-	(1,677)	-	(1,677)
Balance at December 31, 2020	$3,336,819	$8,098,173	$ 9,775	$ 303,209	$ 321,364	$ 14,597	$12,083,937
Accumulated depreciation and impairment							
Balance at January 1, 2020	$ 19,927	$2,084,757	$ 10,163	$ 230,540	$ 177,657	$ -	$2,523,044
Depreciation expenses	-	258,810	435	23,764	11,651	-	294,660
Disposals	-	(784)	(1,646)	(14,987)	(1,228)	-	(18,645)
Transfers from investment properties	-	4,754	-	-	-	-	4,754
Effects of foreign currency exchange differences	-	-	-	(2)	-	-	(2)
Balance at December 31, 2020	$ 19,927	$2,347,537	$ 8,952	$ 239,315	$ 188,080	$ -	$2,803,811
Carrying amounts at December 31, 2020	$3,316,892	$5,750,636	$ 823	$ 63,894	$ 133,284	$ 14,597	$9,280,126

	Land	Buildings	Transportation equipment	Office equipment	Other equipment	Property under construction	Total
Cost							
Balance at January 1, 2019	$1,797,646	$8,397,458	$ 11,414	$ 284,950	$ 275,316	$ 2,000	$10,768,784
Adjustments on initial application of IFRS 16	-	-	-	(1,148)	-	-	(1,148)
Balance at January 1 , 2019(restated)	1,797,646	8,397,458	11,414	283,802	275,316	2,000	10,767,636
Additions	1,790,266	28,955	749	12,612	18,696	169,194	2,020,472
Disposals	-	(14,306)	(1,125)	(1,620)	(1,644)	-	(18,695)
Effects of foreign currency exchange differences	-	-	-	(23)	-	-	(23)
Transfers	-	102,191	-	(25)	25	(102,191)	-
Transfers from inventories	1,352	2,091	-	-	-	-	3,443
Transfers to inventories	(38,220)	(60,549)	-	-	-	-	(98,769)
Transfers to investment properties	(265,166)	(593,713)	-	-	-	-	(858,879)
Transfers to operating expenses	-	-	-	-	(1,699)	-	(1,699)
Balance at December 31, 2019	$3,285,878	$7,862,127	$ 11,038	$ 294,746	$ 290,694	$ 69,003	$11,813,486
Accumulated depreciation and impairment							
Balance at January 1, 2019	$ 19,927	$1,984,142	$ 10,330	$ 211,516	$ 169,561	$ -	$2,395,476
Adjustments on initial application of IFRS 16	-	-	-	(574)	-	-	(574)
Balance at January 1 , 2019(restated)	19,927	1,984,142	10,330	210,942	169,561	-	2,394,902
Depreciation expenses	-	260,150	958	21,175	8,983	-	291,266
Disposals	-	(14,346)	(1,125)	(1,557)	(887)	-	(17,915)
Transfers to inventories	-	(10,346)	-	-	-	-	(10,346)
Transfers to investment properties	-	(134,843)	-	-	-	-	(134,843)
Effects of foreign currency exchange differences	-	-	-	(20)	-	-	(20)
Balance at December 31, 2019	$ 19,927	$2,084,757	$ 10,163	$ 230,540	$ 177,657	$ -	$2,523,044
Carrying amounts at December 31, 2019	$3,265,951	$5,777,370	$ 875	$ 64,206	$ 113,037	$ 69,003	$9,290,442

The Group's property, plant and equipment are depreciated on a straight-line basis based on the number of useful lives below:

	Assets used by the company	Assets leased under operating leases
Buildings	3–50 years	-
Transportation equipment	2–6 years	-
Office equipment	1–16 years	-
Machinery and equipment	-	20 years
Other equipment	1–15 years	-

(II) Assets leased under operating leases

	Machinery and equipment
Cost	
Balance at January 1, 2020	$ 120,618
Balance at December 31, 2020	$ 120,618
Accumulated depreciation	
Balance at January 1, 2020	$ 11,559
Depreciation expenses	6,031
Balance at December 31, 2020	$ 17,590
Carrying amounts at December 31, 2020	$ 103,028
Cost	
Balance at January 1, 2019	$ 120,618
Balance at December 31, 2019	$ 120,618
Accumulated depreciation	
Balance at January 1, 2019	$ 5,528
Depreciation expenses	6,031
Balance at December 31, 2019	$ 11,559
Carrying amounts at December 31, 2019	$ 109,059

The Group leases out machinery and equipment under operating leases for a lease term of 20 years. At the end of the lease term, the lessee has no preferential right to purchase the asset.

(III) As of December 31, 2020 and 2019, the accumulated impairment of the property, plant and equipment, through the assessment of their recoverable amounts based on their net fair values was both NT$53,366 thousand. The Group determines the recoverable amount of property, plant and equipment based on the fair value less disposal costs. The relevant fair value is determined under the comparative method. The main assumptions include the estimated selling price, which belongs to the Level 2 fair value measurement.

(IV) The major components of the Group's buildings mainly include the above-ground structures and interior and exterior decoration, etc., and are depreciated according to their useful lives of 3–50 years.

(V) For the amount of property, plant and equipment pledged by the Group, please refer to Note 33.

(VI) As of December 31, 2020 and 2019, the Group's buildings and land were held in trust in order to obtain financing from financial institutions and fulfill its business contracts. Please refer to Note 12 for the trust registration status of the T9, the Fu-Jou, and the Youth Social Housing projects. The rest of the trust registrations is as follows:

Project name	Trustee	Trust period
Buildings and landin the fourth section of Zhongxiao East Road and relevant income	King's Town Bank Co., Ltd.	From July 27, 2009 to July 31, 2024

For the above-mentioned trust contract, the Group entrusts the trustees to execute fund control, property right management, financing loan repayment, and necessary expenses and expenditures incurred by the trust relationship.

18. Lease arrangements

(I) Right-of-use assets

	December 31, 2020	December 31, 2019
Carrying amounts		
Land	$ 887,203	$ 911,497
Buildings	40,667	49,246
Machinery and equipment	126	486
Office equipment	1,165	1,564
Transportation equipment	10,599	7,864
Other assets	832	299
	$ 940,592	$ 970,956

	2020	2019
Additions to right-of-use assets	$ 9,815	$ 8,795
Depreciation expenses on right-of-use assets		
Land	$ 25,886	$ 25,796
Buildings	8,696	8,634
Machinery and equipment	360	360
Office equipment	400	400
Transportation equipment	5,410	3,682
Other assets	403	207
	$ 41,155	$ 39,079

The superficies and buildings leased by the Group are subleased to others in the form of operating leases. The relevant right-of-use assets are listed as investment property. Please refer to Note 19 for details. The above-mentioned amount of right-of-use assets does not include right-of-use assets that meet the definition of investment property.

(II) Lease liabilities

	December 31, 2020	December 31, 2019
Carrying amounts		
Current	$ 198,659	$ 207,696
Non-current	$ 2,191,691	$ 2,337,031

Range of discount rate for lease liabilities was as follows:

	December 31, 2020	December 31, 2019
Land	2.490%~2.970%	2.490%~2.970%
Buildings	1.500%~3.000%	2.360%~3.000%
Machinery and equipment	2.321%~4.826%	2.321%~4.826%
Office equipment	2.622%~3.000%	2.622%~3.000%
Transportation equipment	1.500%~3.080%	2.321%~3.080%
Other assets	1.500%~2.622%	2.622%

(III) Material lease-in activities and terms

The Group has leased certain equipment over lease terms of 1 to 6 years. These lease agreements do not contain terms for lease renewal or right of first refusal.

The Group has also leased certain land and buildings for factories, offices, and shopping malls, with the lease terms ranging from 1.5 to 64 years. For the lease of the land located in R.O.C., it is agreed to adjust the lease payment according to the assessed land value every year. The Group does not have preferential right to acquire the land and buildings leased at the end of the lease term.

The Group did not have significant new lease contracts for the years ended December 31, 2020 and 2019. In 2020, due to the COVID-19 pandemic that severely affected the market economy, government agencies, including the National Property Administration, Ministry of Finance, the Taipei City Public Transportation Office, the Urban and Rural Development Bureau, New Taipei City, and the Taipei City Police Department provided rent relief programs. The above-mentioned lessors agreed to unconditionally reduce the amount of rents or postpone the collection of the rents due until the end of 2020.

(IV) Sublease

The Group's sublease transactions have been detailed in Notes 11 and 19.

(V) Other lease information

	2020	2019
Expenses relating to short-term lease expenses	$ 10,599	$ 18,249
Total cash outflow for leases	($ 239,560)	($ 250,429)

The Group has leased certain office equipment which qualifies for short-term leases and certain equipment which qualifies for low-value asset leases. The Group has elected to apply the recognition exemption for said equipment and, thus, did not recognize the right-of-use assets and lease liabilities of said leases.

19. Investment properties

	Completed Investment Properties	Right-of-use Assets	Total
Cost			
Balance at January 1, 2020	$ 15,251,993	$ 2,700,484	$ 17,952,477
Remeasurement of IFRS	-	122	122
Disposals	-	(21,942)	(21,942)
Transfers to finance lease receivables	-	(100,478)	(100,478)
Transfers from bulidings and land held for sale	$ 46,857	$ -	$ 46,857
Transfers from right-of-use assets	-	915	915
Transfers to property, plant and equipment	(78,432)	-	(78,432)
Balance at December 31, 2020	$ 15,220,418	$ 2,579,101	$ 17,799,519
Accumulated depreciation and impairment			
Balance at January 1, 2020	$ 1,943,442	$ 151,600	$ 2,095,042
Depreciation expenses	461,194	135,274	596,468
Disposals	-	(20,450)	(20,450)
Reversal of impairment losses	(5,700)	-	(5,700)
Transfers to finance lease receivables	-	(32,784)	(32,784)
Transfers from bulidings and land held for sale	22,915	-	22,915
Transfers from right-of-use assets	-	23	23
Transfers to property, plant and equipment	(4,754)	-	(4,754)
Balance at December 31, 2020	$ 2,417,097	$ 233,663	$ 2,650,760
Carrying amounts at December 31, 2020	$ 12,803,321	$ 2,345,438	$ 15,148,759
Cost			
Balance at January 1, 2019	$ 14,508,436	$ -	$ 14,508,436
Effect of retrospective application of IFRS 16	-	2,767,942	2,767,942
Balance (after restatement) as of January 1 , 2019	14,508,436	2,767,942	17,276,378
Additions	160,586	7,349	167,935
Transfers to finance lease receivables	-	(72,848)	(72,848)
Transfers to property to be developed	(293,550)	-	(293,550)
Transfers from buildings and land held for sale	17,642	-	17,642
Transfers from property, plant and equipment	858,879	-	858,879
Transfers to right-of-use assets	-	(1,959)	(1,959)
Balance at December 31, 2019	$ 15,251,993	$ 2,700,484	$ 17,952,477
Accumulated depreciation and impairment			
Balance at January 1, 2019	$ 1,489,935	$ -	$ 1,489,935
Adjustments on initial application of IFRS 16	-	-	-
Balance at January 1 , 2019(restated)	1,489,935	-	1,489,935
Depreciation expenses	441,248	161,007	602,255
Reversal of impairment losses	(1,206)	-	(1,206)
Transfers to finance lease receivables	-	(9,376)	(9,376)
Transfers toproperty to be developed	(112,327)	-	(112,327)
Transfers to buildings and land held for sale	(9,051)	-	(9,051)
Transfersfrom property, plant and equipment	134,843	-	134,843
Transfers to right-of-use assets	-	(31)	(31)
Balance at December 31, 2019	$ 1,943,442	$ 151,600	$ 2,095,042
Carrying amounts at December 31, 2019	$ 13,308,551	$ 2,548,884	$ 15,857,435

(I) For the right-of-use asset in the investment properties, it is the superficies and buildings subleased by the Group to others in the form of operating leases.

(II) The fair value of the Group's completed investment property as of December 31, 2020 and 2019, was NT$22,100,597thousand and NT$22,192,704 thousand, respectively. The fair value is based on the appraisals conducted by independent appraisers Wei-Hsin Chin, Liang-An Chi, Shih-Ming Wang, and Wen-Che Tsai, who are not related parties, at the dates. Said appraisals were conducted using the comparative method, the income approach, and the land development analysis method.

(III) The Group's investment properties (major components mainly include structures and decoration work) is depreciated using the straight-line method based on the useful lives of 3–50 years.

(IV) For the amount of investment properties pledged by the Group, please refer to Note 33.

(V) Based on the results of the appraisal report in 2020 and 2019, the Group estimated the recoverable amount of finished investment properties, and recognized NT$5,700 thousand and NT$1,206 thousand for gains on reversal in 2020 and 2019, respectively, under other gains and losses. As of December 31, 2020 and 2019, the accumulated impairment of the investment properties, through the assessment of their recoverable amounts based on their net fair values was NT$239,488 thousand and NT$ 220,313 thousand, respectively. The Group determines the recoverable amount of the finished investment properties based on the fair value less disposal costs. The relevant fair value is determined under the comparative method. The main assumptions include the estimated selling price, which belongs to the Level 2 fair value measurement.

(VI) On December 31, 2020 and 2019, the Group's investment properties and the rent claims of investment properties were held in trust in order to obtain financing from financial institutions. Please refer to Note 17 for the trust registration of the buildings and land in the fourth section of Zhongxiao East Road, and Note 12 for the trust registration status of the T9, the Fu-Jou, and the Youth Social Housing projects.

(VII) The lease terms for the lease out of investment properties range from 1 to 20 years. When the lessee exercises the right to renew a lease, it is agreed that the rent will be adjusted according to the market level. At the end of the lease term, the lessee has no preferential right to purchase the investment properties. In addition to fixed lease payments, the lease contract also stipulates that the lessee shall pay variable lease payments based on a specific percentage of its revenue.

(VIII) The total amount of lease payments that will be received in the future for leasing out investment properties under operating leases in 2020 is as follows:

	December 31, 2020	December 31, 2019
Year 1	$ 669,893	$ 693,208
Year 2	570,455	633,806
Year 3	456,457	542,687
Year 4	407,786	443,616
Year 5	402,855	405,124
Year 6 onwards	1,912,805	2,310,385
	$ 4,420,251	$ 5,028,826

20. Intangible assets

	Concessions	Computer softwares	Others	Total
Cost				
Balance at January 1, 2020	$ 3,901,907	$ 105,616	$ 24,804	$ 4,032,327
Additions	-	22,379	16	22,395
Disposals	-	(88,711)	(25,047)	(113,758)
Reclassified	307,285	-	6,155	313,440
Balance at December 31, 2020	$ 4,209,192	$ 39,284	$ 5,928	$ 4,254,404
Accumulated amortization and impairment				
Balance at January 1, 2020	$ 699,603	$ 89,909	$ 24,703	$ 814,215
Disposals	-	(88,711)	(25,047)	(113,758)
Amortization expenses	109,582	9,121	692	119,395
Reclassified	-	-	1,365	1,365
Balance at December 31, 2020	$ 809,185	$ 10,319	$ 1,713	$ 821,217
Carrying amounts at December 31, 2020	$ 3,400,007	$ 28,965	$ 4,215	$ 3,433,187
Cost				
Balance at January 1, 2019	$ 3,363,092	$ 89,456	$ 24,804	$ 3,477,352
Additions	-	16,160	-	16,160
Reclassified	538,815	-	-	538,815
Balance at December 31, 2019	$ 3,901,907	$ 105,616	$ 24,804	$ 4,032,327
Accumulated amortization and impairment				
Balance at January 1, 2019	$ 605,275	$ 82,060	$ 24,687	$ 712,022
Amortization expenses	94,328	7,849	16	102,193
Balance at December 31, 2019	$ 699,603	$ 89,909	$ 24,703	$ 814,215
Carrying amounts at December 31, 2019	$ 3,202,304	$ 15,707	$ 101	$ 3,218,112

The above-mentioned intangible assets with finite useful lives are amortized on a straight-line basis based on the following useful lives:

Concessions	10–44 years
Computer software	1–10 years
Trademark	9–10 years
Patent right	3–20 years

For the amount of intangible assets pledged by the Group to secure borrowings, please refer to Note 33.

21. Goodwill

The Company acquired 100% of the equity of Xin-Xiu-Ge in July 2021, and recognized the difference between the purchase price and the net assets obtained in goodwill. The balance on December 31, 2020 and 2019 was both NT$36,288 thousand.

22. Borrowings

(I) Short-term borrowings

	December 31, 2020	December 31, 2019
Secured borrowings		
Bank lans	$ 3,581,168	$ 2,388,882
Unsecured borrowings		
Bank lans	753,614	1,046,171
	$ 4,334,782	$ 3,435,053

The interest rate range of short-term borrowings as of December 31, 2020 and 2019 was 1.23%~3.07% and 1.33%~3.57%, respectively. Please refer to Note 33 for the collateral pledged for the above-mentioned borrowings.

(II) Short-term bills payable

Guarantee or acceptance institutions	December 31, 2020	December 31, 2019
Taiwan Cooperative Bills Finance Corporation	$ 200,000	$ 705,200
Dah Chung Bills Finance Corp.	60,000	60,000
International Bills Finance Corporation	-	1,404,400
Entie Bank	-	950,000
Less: Discount on short-term bills payable	(676)	(3,176)
	$ 259,324	$ 3,116,424

The interest rate range of short-term bills payable as of December 31, 2020 and 2019 was 1.36%~2.10% and 0.58%~2.127%, respectively. Please refer to Note 33 for the collateral pledged for the above-mentioned short-term bills payable.

(III) Long-term borrowings

	December 31, 2020	December 31, 2019
Secured borrowings		
Syndicated loan project I led by Mega International Commercial Bank	$ 5,299,290	$ 4,669,280
Syndicated loan project led by Bank of Taiwan	2,425,000	2,500,000
Syndicated loan project II led by Mega International Commercial Bank	1,872,000	1,920,374
Syndicated loan project led by CTBC Bank	656,466	1,856,584
Syndicated loan project led by Taiwan Cooperative Bank	429,010	753,130
Other borrowings from banks	14,860,555	12,970,281
Unsecured borrowings		
Other borrowings from banks	328,211	290,066
Deduction in long-term borrowings from banks - arrangement fee	(58,416)	(51,985)
Less: Current portion of long-term borrowings and bonds payable	(2,207,624)	(2,485,414)
Add: Deduction in long-term borrowings due within one operating cycle - arrangement fee	10,637	5,208
Long-term borrowings	$ 23,615,129	$ 22,427,524

The interest rate range of long-term borrowings as of December 31, 2020 and 2019 was 1.508%~3.414% and 1.5%~3.25%, respectively.

The syndicated loan project I led by Mega International Commercial Bank includes 12 banks. Rih-Ding Water promises that its debt ratio shall not exceed 200% from 2018 to 2019, 160% from 2020 to 2023, and 130% from 2024 to 2027, and the solvency ratio shall not be less than 120% from 2018 to 2027 at the end of each year during the credit period.

The syndicated loan project led by Bank of Taiwan includes five banks.

The syndicated loan project II led by Mega International Commercial Bank includes seven banks. Rih-Siang promises that its current ratio shall not be lower than 100% and debt ratio shall not be higher than 250% during the credit period.

The syndicated loan project led by CTBC Bank includes four banks.

The syndicated loan project led by Taiwan Cooperative Bank is taken out by Wan-Da-Tong and the group of banks in the syndicated loan involved in the T9 project and includes 15 banks. Wan-Da-Tong promises that the proportion of shareholders' equity in total assets shall not be less than 30% during the credit period, and the interest coverage ratio shall not be less than 300% in each fiscal year starting from 2012.

Please refer to Note 33 for the collateral pledged for the above-mentioned borrowings.

23. Bonds payable

	December 31, 2020	December 31, 2019
Secured domestic bonds	$ 5,500,000	$ 2,500,000

The Group issued the first domestic secured ordinary bonds on September 14, 2017. The main conditions for the issue are as follows:

(I) Total amount of issue: NT$1,000,000 thousand.

(II) Price: The bonds are issued in full by face value, each with a face value of NT$1,000 thousand.

(III) Coupon interest rate and method of repayment of principal and interest: Annual interest rate is 1.02% with repayment of principal in a lump sum upon maturity.

(IV) Duration: 5 years (September 14, 2017 to September 14, 2022).

(V) Guarantee method: Taiwan Cooperative Bank is entrusted to guarantee the bonds in accordance with the guarantee contract.

The Group issued the second domestic secured ordinary bonds on November 23, 2017. The main conditions for the issue are as follows:

(I) Total amount of issue: NT$500,000 thousand.

(II) Price: The bonds are issued in full by face value, each with a face value of NT$1,000 thousand.

(III) Coupon interest rate and method of repayment of principal and interest: Annual interest rate is 1.02% with repayment of principal in a lump sum upon maturity.

(IV) Duration: 5 years (November 23, 2017 to November 23, 2022).

(V) Guarantee method: Taiwan Business Bank is entrusted to guarantee the bonds in accordance with the guarantee contract.

The Group issued the first domestic secured ordinary bonds on July 1, 2019. The main conditions for the issue are as follows:

(I) Total amount of issue: NT$1,000,000 thousand.

(II) Price: The bonds are issued in full by face value, each with a face value of NT$1,000 thousand.

(III) Coupon interest rate and method of repayment of principal and interest: Annual interest rate is 0.80% with repayment of principal in a lump sum upon maturity.

(IV) Duration: 5 years (July 1, 2019 to July 1, 2024).

(V) Guarantee method: Taiwan Cooperative Bank is entrusted to guarantee the bonds in accordance with the guarantee contract.

The Group issued the first domestic secured ordinary bonds on June 1, 2020. The main conditions for the issue are as follows:

(I) Total amount of issue: NT$1,000,000 thousand.

(II) Price: The bonds are issued in full by face value, each with a face value of NT$1,000 thousand.

(III) Coupon interest rate and method of repayment of principal and interest: Annual interest rate is 0.68% with repayment of principal in a lump sum upon maturity.

(IV) Duration: 5 years (June 1, 2020 to June 1, 2025).

(V) Guarantee method: First Commercial Bank is entrusted to guarantee the bonds in accordance with the guarantee contract.

The Group issued the second domestic secured ordinary bonds on July 1, 2020. The main conditions for the issue are as follows:

(I) Total amount of issue: NT$1,000,000 thousand.

(II) Price: The bonds are issued in full by face value, each with a face value of NT$1,000 thousand.

(III) Coupon interest rate and method of repayment of principal and interest: Annual interest rate is 0.65% with repayment of principal in a lump sum upon maturity.

(IV) Duration: 5 years (July 1, 2020 to July 1, 2025).

(V) Guarantee method: First Commercial Bank is entrusted to guarantee the bonds in accordance with the guarantee contract.

The Group issued the third domestic secured ordinary bonds on December 29, 2020. The main conditions for the issue are as follows:

(I) Total amount of issue: NT$1,000,000 thousand.

(II) Price: The bonds are issued in full by face value, each with a face value of NT$1,000 thousand.

(III) Coupon interest rate and method of repayment of principal and interest: Annual interest rate is 0.55% with repayment of principal in a lump sum upon maturity.

(IV) Duration: 5 years (December 29, 2020 to December 29, 2025).

(V) Guarantee method: Taiwan Business Bank is entrusted to guarantee the bonds in accordance with the guarantee contract.

24. Provisions

	December 31, 2020	December 31, 2019
Non-current		
Warranties (I)	$ 257,370	$ 259,351
Contractual obligation to restore service concession (II)	52,586	51,929
	$ 309,956	$ 311,280

(I) The provisions for warranty is the present value of the best estimate of the future outflow of economic benefits caused by the warranty obligation made by the management of the Group according to the sales contract. This estimate is based on historical warranty experience, and is adjusted in consideration of new raw materials, process changes, or other factors that affect product quality.

(II) The contractual obligation to restore service concession arising from the contractual obligation for the maintenance or restoration of the infrastructure before it is returned to the grantor and for the various types of payments collected by the government in accordance with the law, which are is specifically stated in the service concession arrangement, is the best estimate of the expenditure required to settle the obligation at the end of the reporting period.

25. Maturity analysis of assets and liabilities

The assets and liabilities related to the Group's construction business is classified as current or non-current according to the operating cycle. The relevant amounts recognized are based on the amounts expected to be recovered or repaid within one year and more than one year after the end of the reporting period., which are listed below:

	December 31, 2020		
	Within 1 year	More than 1 year	Total
Assets			
Financial assets at amortized cost -current	$ 71,306	$ 400	$ 71,706
Notes receivable and trade receivables	$ 32,540	$ -	$ 32,540
Contract assets - current	$ 353	$ 57,993	$ 58,346
Bulidings and land held for sale	$ 6,103,284	$ -	$ 6,103,284
Property under development	$ 845,318	$ 856,562	$ 1,701,880
Property to be developed	$ -	$ 724,831	$ 724,831
Refundable deposits - current	$ 245,734	$ -	$ 245,734
Other current assets	$ 160	$ -	$ 160
Liabilities			
Short-term borrowings	$ 1,733,768	$ 42,000	$ 1,775,768
Short-term bills payable	$ 199,448	$ -	$ 199,448
Contract liabilities - current	$ 216,162	$ 6,800	$ 222,962
Current portion of long-term borrowings and bonds payable	$ 589,510	$ -	$ 589,510
Guarantee deposits received (shown as other current liabilities)	$ 106,038	$ 10,713	$ 116,751
Construction warranty reserve (shown as other current liabilities)	$ 24,293	$ 58,600	$ 82,893

	December 31, 2019		
	Within 1 year	More than 1 year	Total
Assets			
Financial assets at amortized cost -current	$ 45,345	$ 400	$ 45,745
Notes receivable and trade receivables	$ 125,762	$ -	$ 125,762
Contract assets - current	$ 266,221	$ 150	$ 266,371
Bulidings and land held for sale	$ 7,614,851	$ -	$ 7,614,851
Property under development	$ 405,640	$ 804,278	$ 1,209,918
Property to be developed	$ -	$ 668,025	$ 668,025
Refundable deposits - current	$ 336,729	$ 32,157	$ 368,886
Other current assets	$ 190	$ -	$ 190
Liabilities			
Short-term borrowings	$ 1,978,657	$ 114,800	$ 2,093,457
Short-term bills payable	$ 119,600	$ -	$ 119,600
Contract liabilities - current	$ 645,840	$ -	$ 645,840
Current portion of long-term borrowings and bonds payable	$ 60,000	$ -	$ 60,000
Guarantee deposits received (shown as other current liabilities)	$ 41,342	$ 10,508	$ 51,850
Construction warranty reserve (shown as other current liabilities)	$ 17,576	$ 79,548	$ 97,124

26. Retiremen benefit plans

(I) Defined contribution plans

The Group has adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, the Group makes monthly contributions to employees' individual pension accounts of the Bureau of Labor Insurance at 6% of monthly salaries and wages.

(II) Defined benefit plans

The pension system adopted by RADIUM and Titan in the Group in accordance with the Labor Standards Act of R.O.C. is a state-managed defined benefit pension plan. The payment for employee pensions is calculated based on the length of service and the average salary in the 6 months prior to the approved retirement date. Such companies contribute pensions at 2% of the total monthly employee salaries, which are deposited by the Pension Fund Monitoring Committee in the pension account with the Bank of Taiwan in the name of the committee. Before the end of each year, if the balance in the pension account assessed is inadequate to pay for the retirement benefits for employees who meet the retirement requirements in the following year, the Company will contribute an amount to make up for the difference in a lump sum by the end of March of the following year. The pension

fund is managed by the Bureau of Labor Funds, Ministry of Labor; the Group has no right to influence the investment management strategy.

The amounts included in the consolidated balance sheets in respect of the Group's defined benefit plans are as follows:

	December 31, 2020	December 31, 2019
Present value of defined benefit obligations	$ 31,658	$ 30,827
Fair value of plan asset	(16,146)	(15,057)
Insufficiency in contribution	15,512	15,770
Net defined benefit liability	$ 15,512	$ 15,770

Changes in net defined benefit liabilities are as follows:

	Present value of defined benefit obligations	Fair value of plan asset	Net defined benefit liability
January 1, 2019	$ 33,220	($ 13,991)	$ 19,229
Service cost			
Current service cost	68	-	68
Past service cost - effect of plan curtailment	(313)	-	(313)
Net interest expense (income)	294	(127)	167
Recognized in profit or loss	49	(127)	(78)
Remeasurement			
Return on plan asset (excluding amounts included in the net interest)	$ -	($ 501)	($ 501)
Actuarial losses - changes in demographic assumptions	17	-	17
Actuarial losses - changes in financial assumptions	(1,929)	-	(1,929)
Actuarial gains - experience adjustments	(530)	-	(530)
Recognized in other comprehensive income	(2,442)	(501)	(2,943)
Contributions from the employer	-	(438)	(438)
December 31, 2019	30,827	(15,057)	15,770
Service cost			
Current service cost	65	-	65
Net interest expense (income)	201	(99)	102
Recognized in profit or loss	266	(99)	167
Remeasurement			
Return on plan asset (excluding amounts included in the net interest)	-	(503)	(503)
Actuarial losses - changes in demographic assumptions	14	-	14
Actuarial losses - changes in financial assumptions	963	-	963
Actuarial gains - experience adjustments	(412)	-	(412)
Recognized in other comprehensive income	565	(503)	62

(Continued)

	Present value of defined benefit obligations	Fair value of plan asset	Net defined benefit liability
Contributions from the employer	$ -	($ 487)	($ 487)
December 31, 2020	$ 31,658	($ 16,146)	$ 15,512

Due to the pension plans under the Labor Standards Act, the Group is exposed to the following risks:

1. Investment risk: The Bureau invests labor pension funds in domestic (foreign) equity securities, debt securities, and bank deposits on its own use and through agencies entrusted. However, the income from the Group's amount allocated to plan assets is calculated based on the interest rate not lower than the local bank's interest rate for 2-year time deposits.
2. Interest risk: A decrease in the interest rate in the government bonds/corporate bonds will increase the present value of the defined benefit obligation; however, the return on the debt investment through the plan assets will also increase, and the increases will partially offset the effect of the net defined benefit liability.
3. Salary risk: The present value of the defined benefit obligation is calculated with reference to the future salaries of the participants in the plan. As such, an increase in the salary of the participants in the plan will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The critical assumptions made on the measurement date are as follows:

	December 31, 2020	December 31, 2019
Discount rate	0.18%-0.30%	0.60%-0.70%
Expected rate of salary increase	2.00%	2.00%
Employee turnover rate	0.54%-0.84%	0.47%-0.84%

If each of the critical actuarial assumptions is subject to reasonably possible changes, when all other assumptions remain unchanged, the amounts by which the present value of the defined benefit obligation would increase (decrease) are as follows:

	December 31, 2020	December 31, 2019
Discount rate		
0.25% increase	($ 600)	($ 629)
0.25% decrease	$ 618	$ 650
Expected rate of salary increase		
0.25% increase	$ 606	$ 640
0.25% decrease	($ 591)	($ 623)
Employee turnover rate		
110% increase	$ -	($ 2)
90% decrease	$ -	$ 2

As actuarial assumptions may be correlated, it is unlikely that only a single assumption would occur in isolation of one another, so the sensitivity analysis above may not reflect the actual changes in the present value of the defined benefit obligation.

	December 31, 2020	December 31, 2019
The expected contributions to the plan for the following year	$ 585	$ 603
The weighted average duration of the defined benefit obligation	6.5 years	7 years

27. Equity

(I) Share capital

	December 31, 2020	December 31, 2019
Authorized shares (in thousands)	950,000	950,000
Authorized capital	$ 9,500,000	$ 9,500,000
Issued and paid shares (in thousands)	900,095	912,308
Issued capital	$ 9,000,946	$ 9,123,076

The ordinary shares issued, with a par value of NT$10 per share, are entitled to one voting right per share and to the right to receive dividends.

The Company passed the resolution at the shareholders' meeting on June 24, 2019 to conduct issuance of share dividends from the earnings for NT$178,884 thousands, and issue 17,888 thousands new shares. The issuance of share dividends from the earnings was approved and entered into force by the Securities and Futures Bureau, FSC, on July 4, 2019, and the board of directors resolved to set the record date of the capital increase on August 14, 2019.

The Company's board of directors passed the resolution on June 24, 2020 to repurchase 12,213 thousand treasury shares, and to conduct the cancellation and change registration for the capital reduction in accordance with the law, with July 8, 2020 as the record date for capital reduction.

(II) Capital surplus

	December 31, 2020	December 31, 2019
Additional paid in capital	$ 1,240,379	$ 1,240,379
Difference between consideration and carrying amount of subsidiaries acquired or disposed	59,494	59,494
Retirement of treasury share	7,970	-
	$ 1,307,843	$ 1,299,873

Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus). If there is no cash inflow from the capital surplus, it can only be used to offset the deficit.

(III) Retained earnings and dividends policy

In accordance with the Company's Articles of Incorporation regarding earnings allocation, when there are earnings in the Company's annual final accounts, the earnings shall be allocated in the following order:

1. Pay taxes.
2. Offset the deficits from prior years.
3. Set aside 10% of the balance for legal reserve. Where such legal reserve amounts to the total paid-in capital, this provision shall not apply.
4. Set aside or reverse the special reserve when necessary in accordance with the law.
5. With any remaining balance after deducting the amounts in 1–4., together with the accumulated earnings from prior years, the board of directors shall consider the Company's financial position and draft a proposal for distributing dividends to shareholders. The proposal will be submitted it to the shareholders' meeting for a resolution.

For information on the distribution of the employee compensation and remuneration of directors and supervisors, please refer to Note 29 regarding employee compensation and remuneration of directors and supervisors.

The life cycle of the Company's industry is at a developed and stable stage. After considering the Company's earnings, future capital needs, and development plans, the Company's dividends will be distributed in both stocks and cash. Of them, the cash dividends distributed shall not be less than 20% of the total dividends distributed for the year. However, if the cash dividends are less than NT$0.1 (inclusive) per share, the dividends may be fully distributed in stock.

The Company set aside and reversed a special reserve in accordance with the Rule No. 1010012865, Rule No. 1010047490 issued by the FSC, and the directive, entitled “Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs”.

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

The earnings distribution proposals for 2019 and 2018 approved in the shareholders’ meetings on May 18, 2020, and June 24, 2019, respectively, are as follows:

	2019	2018
Legal reserve	$ 40,673	$ 179,986
Special reserves	($ 1,026)	$ 4,360
Cash dividends	$ 547,385	$ 715,535
Stock dividends	$ -	$ 178,884
Cash dividends per share (NT$)	$ 0.6	$ 0.8
Stock dividends per share (NT$)	$ -	$ 0.2

The 2020 earnings distribution proposal put forth by the Company’s board of directors on March 26, 2021 is as follows:

	2020
Legal reserve	$ 62,263
Special reserves	($ 1,945)
Cash dividends	$ 558,058
Cash dividends per share (NT$)	$ 0.62

The 2020 earnings distribution proposal has yet to be resolved by the shareholders' meeting scheduled to be held on June 25, 2021.

(IV) Treasury shares

Purpose of Buy-back	Shares Cancelled (in thousands of shares)
Number of shares at January 1, 2020	-
Increase during the year	12,213
Decrease during the year	(12,213)
Number of shares at December 31, 2020	-

28. Revenue

	2020	2019
Revenue from customer contracts		
Construction contract revenue	$ 4,029,003	$ 3,390,034
Shopping mall revenue	992,187	1,039,246
Hotel service revenue	276,939	301,235
Other operating revenue	730,464	656,411
	6,028,593	5,386,926
Rental income		
Investment properties (Note 19)		
Variable lease payments that do not depend on an index or a rate	10,363	105,562
Other lease payments	618,241	685,460
Other operating lease (Note 17)		
Variable lease payments that do not depend on an index or a rate	106,561	116,282
Other lease payments	8,574	31,115
	743,739	938,419
	$ 6,772,332	$ 6,325,345

(I) Contract balance

	December 31, 2020	December 31, 2019	January 1, 2019
Trade receivables (Note 10)	$ 440,680	$ 636,358	$ 642,830
Long-term receivables (Note 14)	$ 9,089,289	$ 6,814,139	$ 6,209,991
Contract assets			
Construction of properties	$ 58,346	$ 266,371	$ 267,339
Contract assets - current	58,346	266,371	267,339
Service concession	964,115	1,350,377	170,346
Contract assets - non-current	964,115	1,350,377	170,346
	$ 1,022,461	$ 1,616,748	$ 437,685
Contract liabilities			
Construction of properties	$ -	$ 17,544	$ -
Sale of properties	222,962	628,296	1,205,820
Sale of merchandise	177,013	150,098	146,870
Customer loyalty programs	10,298	11,793	7,302
Contract liabilities - current	$ 410,273	$ 807,731	$ 1,359,992

The change in contract assets and liabilities is mainly due to the difference between the point of meeting the performance obligation and the time of payment by the customer.

The contract liabilities at the beginning of the year recognized as revenue for the current year is as follows:

	2020	2019
Contract liabilities at the beginning of the year		
Sale of properties	$ 47,495	$ 242,615
Sale of merchandise	75,408	71,806
Customer loyalty programs	11,793	7,302
	$ 134,696	$ 321,723

The credit risk management adopted by the Group for contract assets is the same as that for trade receivables, please refer to Note 10.

(II) Assets related to contract costs

	December 31, 2020	December 31, 2019
Current		
Incremental costs of obtaining contracts	$ 47,022	$ -

(III) Disaggregation of revenue

2020

	Reportable segment				
	Construction	Shopping mall business	Sewage treatment	Others	Total
Type of merchandise or service					
Construction revenue	$2,084,479	$ -	$1,944,524	$ -	$4,029,003
Shopping mall revenue	-	992,187	-	-	992,187
Hotel service revenue	-	-	-	276,939	276,939
Others	27,968	271,552	264,767	166,177	730,464
	$2,112,447	$1,263,739	$2,209,291	$ 443,116	$6,028,593

2019

	Reportable segment				
	Construction	Shopping mall business	Sewage treatment	Others	Total
Type of merchandise or service					
Construction revenue	$1,394,115	$ -	$1,995,919	$ -	$3,390,034
Shopping mall revenue	-	1,039,246	-	-	1,039,246
Hotel service revenue	-	-	-	301,235	301,235
Others	-	243,162	226,227	187,022	656,411
	$1,394,115	$1,282,408	$2,222,146	$ 488,257	$5,386,926

29. Net profit

(I) Interest income

	2020	2019
Bank deposits	$ 3,959	$ 5,953
Financial assets at amortized cost	1,677	1,806
Long-term receivables	500,216	401,095
Others	2,876	2,296
	$ 508,728	$ 411,150

(II) Other income

	2020	2019
Dividend income	$ 588	$ -
Others	849,953	603,019
	$ 850,541	$ 603,019

(III) Other gains and losses

	2020	2019
Net foreign exchange gains (losses)	($ 196)	$ 40
Gains on disposals of investments	-	356
Losses on disposals of property, plant and equipment	(2,163)	(673)
Net gains on financial assets at FVTPL	144	492
Reversal of impairment loss on non-financial assets	5,700	1,206
Losses on sublease of right-of-use assets	(47,099)	(18,182)
Other expenditures	(4,832)	(16,460)
	($ 48,446)	($ 33,221)

(IV) Finance costs

	2020	2019
Interest on bank loans	$ 728,983	$ 751,839
Interest on lease liabilities	64,381	68,472
Others	33,322	21,997
Less: Amounts included in the cost of qualifying assets	(61,459)	(48,424)
	$ 765,227	$ 793,884

Relevant information on capitalization of interest is as follows:

	2020	2019
Capitalized interest amount	$ 61,459	$ 48,424
Capitalized rate	0.72~3.0021%	2.04~2.88%

(V) Depreciation and amortization

	2020	2019
An analysis of depreciation expenses by function		
Operating costs	$ 587,733	$ 563,468
Operating expenses	350,581	375,163
	$ 938,314	$ 938,631
An analysis of amortization expenses by function		
Operating costs	$ 52,211	$ 36,506
Operating expenses	67,184	74,224
	$ 119,395	$ 110,730

(VI) Employee benefits expense

	2020	2019
Post-employment benefits (Note 26)		
Defined contribution plan	$ 28,915	$ 27,852
Defined benefit plans	167	(78)
Other employee benefits	751,222	730,137
Total employee benefits expenses	$ 780,304	$ 757,911
An analysis by function		
Operating costs	$ 147,362	$ 160,270
Operating expenses	632,942	597,641
	$ 780,304	$ 757,911

(VII) Employee compensation and remuneration of directors and supervisors

If the Company records a profit in the year, it shall allocate no less than 0.1% of the balance for employee compensation, which shall be distributed in stock or cash as resolved by of the board of directors; the Company may allocate no more than 1% of said profit for the remuneration of directors as resolved by of the board of directors. The proposals for employee compensation and directors' remuneration shall be reported to the shareholders' meeting.

Where there is an accumulated loss, the profit shall be reserved to make up for the loss and the remuneration to employees and directors shall be provided in proportion in accordance with the aforementioned amount. The Company carries out the transfer of treasury shares to employees, employee stock options, employee remuneration, employee subscription of new shares, and restricted stock awards to employees of controlling or subordinate companies who meet certain conditions. These conditions are determined by the board of directors.

The Company's board of directors met on March 26, 2021 and March 20, 2020 and passed the proposal for employee compensation and the remuneration of directors and supervisors for 2020 and 2019, respectively, as detailed below:

	2020	2019
	Cash	Cash
Compensation of employee	$ 7,200	$ 4,800
Remuneration of directors and supervisors	5,000	3,300

If there is change in the amount in the annual consolidated financial statements on the date of release, it will be treated as a change in accounting estimates and will be adjusted and accounted for in the next year.

The employee compensation distributed as resolved by the board of directors on March 20, 2020 and April 22, 2019, and the amounts recognized in the financial statements are as follows:

	2019		2018	
	Employee compensation	Remuneration of directors and supervisors	Employee compensation	Remuneration of directors and supervisors
Amounts approved in the board of directors's meeting	$ 4,800	$ 3,300	$ 9,100	$ 7,500
Amount recognized in the annual consolidated financial statements	$ 4,800	$ 3,300	$ 7,925	$ 7,500

The difference above is adjusted to the profit or loss for 2019.

For the information on the Company's employee compensation and the remuneration of directors and supervisors for 2020 and 2019 as resolved by the board resolutions, please visit the Market Observatory Post System (MOPS) of the Taiwan Stock Exchange.

30. Income tax

(I) Income tax recognized in profit or loss

Major components of tax expenses are as follows:

	2020	2019
Tax currently payable		
In respect of the current year	$ 132,513	$ 190,502
Adjustments for prior year	(10,720)	(449)
Deferred tax		
In respect of the current year	212,580	146,185
Income tax expense recognized in profit or loss	$ 334,373	$ 336,238

The Group's reconciliation between the accounting income and the current income tax expense is as follows:

	2020	2019
Profit before income tax	$ 1,001,658	$ 802,575
Income tax expense calculated at the statutory rate (20%)	$ 200,332	$ 160,515
Nondeductible expenses in determining taxable income	59,762	107,601
Tax-exempt income	(255,426)	(354,817)
Temporary difference	160,227	(120,412)
Loss carryforwards that cannot be retained	6,787	160,398
Unrecognized loss carryforwards	151,859	361,716
Investment tax credits used in the current period	(951)	(18,027)
Loss carryforwards used in the current period	-	(5,972)
Income tax on unappropriated earnings	1,992	38,403
Land value increment tax	20,511	6,384
Adjustments for prior years' tax	(10,720)	449
Income tax expense recognized in profit or loss	$ 334,373	$ 336,238

(II) Deferred tax assets and liabilities

Changes in deferred tax assets and liabilities are as follows:

2020

	Opening balance	Recognized in profit or loss	Closing balance
Deferred tax assets			
Temporary difference			
Unrealized gross profit	$ 29,570	($ 879)	$ 28,691
Reserve for construction warranty	15,235	(388)	14,847

(Continued)

	Opening balance	Recognized in profit or loss	Closing balance
Others	$ 40,374	($ 7,784)	$ 32,590
Loss carryforwards	154,957	11,403	166,360
	$ 240,136	$ 2,352	$ 242,488
Deferred tax liabilities			
Temporary difference	$ 497,229	$ 214,932	$ 712,161

2019

	Opening balance	Recognized in profit or loss	Closing balance
Deferred tax assets			
Temporary difference			
Unrealized gross profit	$ 30,438	($ 868)	$ 29,570
Reserve for construction warranty	16,410	(1,175)	15,235
Others	18,972	21,402	40,374
Loss carryforwards	141,516	13,441	154,957
	$ 207,336	$ 32,800	$ 240,136
Deferred tax liabilities			
Temporary difference	$ 318,244	$ 178,985	$ 497,229

(III) Deductible temporary differences, unused loss carryforwards, and unused investment tax credits for deferred tax assets not recognized in the consolidated balance sheet

	December 31, 2020	December 31, 2019
Loss carryforwards	$ 13,040,831	$ 12,970,225
Deductible temporary difference	$ 2,104,664	$ 1,128,979
Investment tax credits		
Major infrastructure projects	$ 541,961	$ 668,744

(IV) Information on unused investment tax credits, loss carryforwards, and tax exemptions

As of December 31, 2020, the relevant information on investment tax credits is as follows:

Company name	Legal basis	Item	Balance before reduction	Final year for deduction
RADIUM	The Regulations Governing Application of Investment Tax Credits to Private Institutions Participating in Public Infrastructure Projects	Investment in major infrastructure project	$ 57,200	2022
RADIUM	The Regulations Governing Application of Investment Tax Credits to Private Institutions Participating in Public Infrastructure Projects	Investment in major infrastructure project	$ 80,000	2024

(Continued)

Company name	Legal basis	Item	Balance before reduction	Final year for deduction
Rih-Ding Water	The Regulations Governing Application of Investment Tax Credits to Private Institutions Participating in Public Infrastructure Projects	Major infrastructure project	$ 137,944	2021
Rih-Ding Water	The Regulations Governing Application of Investment Tax Credits to Private Institutions Participating in Public Infrastructure Projects	Major infrastructure project	$ 6,514	2022
Rih-Ding Water	The Regulations Governing Application of Investment Tax Credits to Private Institutions Participating in Public Infrastructure Projects	Major infrastructure project	$ 144,527	2023
Rih-Ding Water	The Regulations Governing Application of Investment Tax Credits to Private Institutions Participating in Public Infrastructure Projects	Major infrastructure project	$ 115,776	2024

As of December 31, 2020, the relevant information on loss carryforwards is as follows:

Balance before deduction	Final year for deduction
$ 388,027	2021
599,265	2022
3,810,307	2023
198,194	2024
397,222	2025
529,540	2026
2,286,289	2027
5,014,406	2028
299,846	2029
349,533	2030
$ 13,872,629	

(V) Income tax approval

The profit-seeking enterprise income tax returns filed by the Company up to 2017 have been approved by the tax collection authority.

31. Earnings per share

Unit: NT$ per share

	2020	2019
Basic earnings per share	$ 0.69	$ 0.45
Diluted earnings per share	$ 0.69	$ 0.45

The earnings and the weighted average number of ordinary shares used to calculate the earnings per share are as follows:

Net Profit for the Year

	2020	2019
Profit for the year attributable to owners of the Company	$ 622,688	$ 406,731

Number of shares

Unit: In thousand of shares

	2020	2019
Weighted average number of ordinary shares used in the computation of basic earnings per share	903,349	912,308
Effect of potentially dilutive ordinary shares:		
Compensation of employees	739	619
Weighted average number of ordinary shares used in the computation of diluted earnings per share	904,088	912,927

If the Company can settle the compensation to employees in cash or shares, the Company assumes the entire amount of the compensation would be settled in shares and the resulting potential shares are included in the weighted average number of shares outstanding used in the computation of diluted earnings per share if the effect is dilutive. Such a dilutive effect of the potential shares is included in the computation of diluted earnings per share until the shareholders resolve the number of shares to be distributed to employees at their meeting in the following year.

32. Related Party Transactions

Balances and transactions between RADIUM and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. The transactions between the Group and other related parties are disclosed as follows.

(I) Related party name and relationship

Related party name	Relationship with the Group
Jing-Yang Apartment Building Management and Maintenance Co., Ltd.	Associate
Radium Foundation	Substantive related party
Lin Rong Shian	Substantive related party
Lin Loong-Huan	Substantive related party
Golden Century Co., Ltd.	Substantive related party
Ri-Jun Investment Co., Ltd.	Substantive related party
Jun-An Construction Development Co., Ltd.	Substantive related party
Changxin Investment Development Co., Ltd.	Substantive related party
Lee White Corporation	Substantive related party
Jing-Kang Development Investment Co., Ltd.	Substantive related party
Chic Stuff Incorporated	Substantive related party
Ding-Sheng Digital Life Co., Ltd.	Substantive related party
Jin-Hua-Tai Investment Co., Ltd.	Substantive related party
You Wan Yin	Substantive related party

(Continued)

Related party name	Relationship with the Group
Lin Chiu Jun Sung	Substantive related party
K. C. Chou	Substantive related party
Shen Tung Sheng	Substantive related party
Jim Lee	Substantive related party

(II) Transactions with other related parties

1. Property under development - land

2019

Related party category/name	Nature of project	Amount paid in the current period
Lin Rong Shian	Land	$ 782,000

Compared with general non-related party transactions, there is no significant difference.

2. Contract liabilities

As of December 31, 2020 and 2019, the total contract price (including tax) of the property sold by the Group to the substantive related parties was NT$18,640 thousands and NT$0, respectively. The contract liabilities as of December 31, 2020 and 2019 were NT$1,843 thousands and NT$0, respectively.

3. Disposal of property, plant and equipment

Related party category/name	Proceeds from disposal		Gains on disposal	
	2020	2019	2020	2019
Substantive related party	$ 38	$ -	$ 38	$ -

4. Lease-in arrangements

Acquisition of investment properties - right-of-use assets

Related party category/name	2020	2019
Payments for investment properties - right-of-use assets		
Substantive related party	$ -	$ 6,370

Account title	Related party category/name	December 31, 2020	December 31, 2019
Lease liabilities	Substantive related party	$ 2,122	$ 4,012

Related party category/name	2020	2019
Interest expenses		
Substantive related party	$ 82	$ 141

5. Lease-out arrangements

Operating lease

The Group leases out property to substantive related parties under operating leases, and there is no significant difference compared with general non-related party transactions. As of December 31, 2020 and 2019, the total amount of lease payments that would be received in the future was both NT$0. The rental income recognized for 2020 and 2019 was NT$863 thousands and NT$857 thousands, respectively.

6. Operating expenses

The amount of property management services provided by associates in 2020 and 2019 to the Group was NT$18,140 thousands and NT$28,170 thousands, respectively.

In 2020 and 2019, the Group's donation to substantive related parties because of construction projects was in the amount of NT$5,182 thousands and NT$4,783 thousands, respectively, mainly for the actual participation in social welfare activities and sponsoring the overall development of the communities of the Group's various construction projects.

7. Others

(1) As of December 31, 2020 and 2019, the related parties provided the assets below as collateral for the Group's loans and guarantees:

Related party category/name	December 31, 2020	December 31, 2019
Substantive related party Lin Rong Shian et al.	Securities	Securities and bonds under repurchase agreement

(2) The Group applied to banks for financing, short-term bills payable, and performance guarantee, with the substantive related party Lin Rong Shian et al. as the joint guarantors.

(III) Remuneration of key management personnel

	2020	2019
Short-term employee benefits	$ 68,422	$ 78,310
Post-employment benefits	1,048	1,224
Total	$ 69,470	$ 79,534

The remuneration of directors and key management personnel is proposed by the remuneration committee in accordance with individual performance and the Company's profitability, and then submitted to the board of directors for discussion and decision. For detailed information on the total remuneration paid to the above-mentioned key management personnel, please refer to the annual report of the shareholders' meeting.

33. Pledged assets

The assets below have been provided as collateral for the issue of performance bonds, bank loans, short-term bills payable, and gift certificates:

	December 31, 2020	December 31, 2019
Financial assets at amortized cost -current	$ 376,356	$ 784,197
Financial assets at amortized cost -non-current	2,629,129	1,299,948
Bulidings and land held for sale	5,920,529	3,495,635
Property to be developed	701,062	644,255
Property under development	856,562	804,278
Right-of-use assets - cost of land	887,203	911,296
Investment properties - right-of-use assets	2,183,303	1,949,082
Intangible assets	2,020,097	2,082,563
Investment properties	12,587,881	13,080,226
Property, plant and equipment	8,801,708	8,931,931
	$ 36,963,830	$ 33,983,411

34. Significant Commitments and Contingencies

Except for other notes, the significant commitments and contingencies of the Group at the end of the reporting period are as follows:

(I) As of December 31, 2020 and 2019, the Group entered into contracts for procurement of construction materials with a number of suppliers. The total contract price and the payments made are listed as follows:

	December 31, 2020	December 31, 2019
Total contract price	$ 11,208,460	$ 6,598,372
Payments already made (Note)	4,038,677	3,295,495

Note: Recognized under accounts of property under development, unfinished construction, and prepayments.

(II) As of December 31, 2020 and 2019, the guarantee bills issued by the Group for contracting projects were NT$1,422,012 thousand and NT$1,382,012 thousand, respectively.

(III) In December 2001, RADIUM signed an Investment Agreement of the Xindian Depot Joint Development , Xindian Line (MRT) with the Taipei City Government. Both parties discussed matters related to the joint development (Mehas Project) at the Xindian factory base of the Xindian Line of the MRT system. It was agreed that the Taipei City Government and other landlords would provide the land, and RADIUM would invest in the construction of residential buildings, offices, and shopping malls. On December 31, 2020 and 2019, the amount of the performance bond paid by RADIUM using certificates of time deposits was both NT$118,703 thousand.

(IV) In December 2009, RADIUM signed the Land Development Investment Agreement for Daqiao Elementary Station, Xinzhuang Line (MRT). It was agreed that the Taipei City Government and other landlords would provide the land and RADIUM would invest in the construction of buildings. RADIUM and each landlord shall allocate the rights and interests in accordance with the agreed

method. As of December 31, 2020 and 2019, the amount of the performance bond paid by RADIUM 's using certificates of time deposits was both NT$22,005 thousand.

(V) RADIUM won the bid for the " District 1 and District 2 Land Tender for Fu-Jou Affordable Housing Project Investment Plan " in September 2011. As of December 31, 2020 and 2019, the amount of the performance bond paid by the Company's using certificates of time deposits was both NT$29,877 thousand.

Some of the buyers of RADIUM's first-floor units of the Fu-Jou Affordable Housing Project in Banciao filed a lawsuit for the termination of the sale and purchase contract. The Company has reached a settlement with most of the buyers who filed a lawsuit. There is currently only one lawsuit (one buyer) still on trial in the court of first instance. In addition, some buyers filed lawsuits claiming that RADIUM failed to issue a notice of the delivery the housing project in time and that they requested deferral of interest accrued, except for five cases that have been affirmed by the court of second instance (the Company won two cases while winning part of the other three cases) and one case that RADIUM reach the settlement in the second-instance trial, there are three more cases still on trail in the third-instance court.

(VI) RADIUM and Ji-Shun and the Taichung City Government signed the" The Land Development Project of WuRi WenXin BeiTun Line G6 and G8a Station of TaiChung Mass Rapid Transit Systems" in December 2020. As of December 31, 2020, RADIUM has paid the performance bond for the Taichung City Government Wenxin Chongde Station (G6) and Wenxin Yinghua Station (G8a) project in the amount of NT$5,165thousand and NT$4,087thousand, respectively. The performance guaranties issued by Mega International Commercial Bank as Ji-Shun's performance bonds for the Wenxin Chongde Station (G6) and Wenxin Yinghua Station (G8a) are in the amounts of NT$46,485 thousand and NT$36,779 thousand, respectively.

(VII) Originally, the Jun-An Construction Development Co., Ltd. was the investor, and Titan was the partner (hereinafter referred to as the investment team). They signed the joint development investment contract for the "Joint Development Project of the land of Muzha Station, Muzha Line (MRT)" (hereinafter referred to as the "joint development investment contract") with the Department of Rapid Transit Systems, Taipei City Government. It was agreed that the investment team would invest in the construction of residential buildings, and after completion, each of both parties would share the buildings and land in an agreed proportion. Subsequently, Ji-Shun and Jun-An Construction Development Co., Ltd. signed an agreement on the transfer of rights and obligations in the Muzha project in October 2005, It was agreed that the rights and obligations of Jun-An Construction Development Co., Ltd. in relation to the aforementioned joint development investment contract shall be generally assumed by Ji-Shun.

As of December 31, 2020 and 2019, Jun-An Construction Development Co., Ltd. and Ji-Shun had paid a total of NT$8,050 thousand for the guarantee and warranty bond in accordance with the provisions of the joint development investment contract.

(VIII) In February 2020, Titan signed an agreement for the " Urban Renewal Project for the Old Dormitory Area East of Kaohsiung Railway Station " with the Taiwan Railways Administration, Ministry of Transportation and Communications, to carry out urban renewal-related operations within the scope of

the unit to be renewed by way of rights transfer. As of December 31, 2020, the performance guaranty issued by Mega International Commercial Bank as Titan's performance bonds was in the amount of NT$200,000 thousand.

(IX) In April 2014, Ji-Shun and Hsueh-Wen Lu and others agreed that landlords, including Hsueh-Wen Lu, would provide land, and Ji-Shun would provide funds to construct buildings for the "Joint Construction Project of Land in Qingsheng Section, Zhongli District". Ji-Shun and local landlords allocated the rights and interests in the agreed manner.

On December 31, 2020 and 2019, Ji-Shun had paid a performance bond of NT$250,000 thousand to the landlords in accordance with the contract.

(X) In December 2004, Wan-Da-Tong signed the "Development and Operation Contract for the T9 Land in the Dedicated Area of the Taipei Main Station" (hereinafter referred to as "development and operation contract") with the Taipei City Government, the Taiwan Railways Administration, Ministry of Transportation and Communications, and the Department of Rapid Transit Systems, Taipei City Government. According to the Act for Promotion of Private Participation in Infrastructure Projects, the development and operation of the Taipei Main Station's dedicated area for T9 land are conducted in the model of "build-operate-transfer (BOT)".

In January 2005, Wan-Da-Tong additionally signed the "Contract for Establishment of T9 Land Superficies in the Dedicated Area of the Taipei Main Station" (hereinafter referred to as the Contract for Establishment of Superficies) with the Taipei City Government and the Taiwan Railways Administration, Ministry of Transportation and Communications. The duration of the superficies is 50 years. When the Contract for Establishment of Superficies is terminated, the "Development and Operation Contract will be terminated at the same time.

The term "development and operation" includes investment, design, construction, operation, management, and maintenance of the base, the objects on the ground, and its ancillary facilities and equipment, as well as the design, construction, management, and maintenance of the landscape of the base and the objects on the ground.

The two contracts above stipulate that from 2006 to the expiration of the development and operation contract period, the proportion of shareholders' equity at the end of each fiscal year to Wan-Da-Tong's total assets shall not be less than 15%.

(XI) Ji-Sheng signed a money trust contract with King's Town Bank Co., Ltd. regarding a residential/office assets financing project for the project for the development of the T9 land in the dedicated area of the Taipei Main Station. In order to fulfill its commitment to the financing bank, Ji-Sheng shall honor its commitment to entering the market and purchasing regular use right in an auction procedure in the case of non-performing loans, and meet its commitment to the financing bank. The contract period is from date of signing the contract to June 30, 2030. However, if Ji-Sheng's loan to King's Town Bank Co., Ltd. has not been repaid by the maturity date, Ji-Sheng shall extend the contract until the completion of the financing settlement. On December 31, 2020 and 2019, the deposit balance of the trust account in accordance with the agreement was NT$68,948 thousand and NT$68,999 thousand, respectively.

(XII) Rih-Yao and the Taipei City Government signed the "Contract for Establishment of Superficies for the City Government-owned Land, Sub-section 2, Fuxing Section, Daan District, Taipei City," (hereinafter referred to as the “Contract for Establishment of Superficies”) in October 2010. The duration of the superficies is 50 years from the date of registration of the establishment of superficies. As of December 31, 2020 and 2019, the amount of the performance guaranty issued by Shin Kong Commercial Bank Co., Ltd. as the performance bond was both NT$50,000 thousand.

(XIII) Rih-Yao has leased buildings to Home Hotel since August 14, 2013. However, Home Hotel stated that due to the impact of the COVID-19 pandemic, there was an imbalance in its operating income and expenditure. Since May 2020, it has not paid rents to Rih-Yao. Both parties failed to negotiate the rent adjustment. Home Hotel has successively filed two applications for provisional disposition, requesting the court to order Rih-Yao to prohibit Rih-Yao from presenting for payment for checks dated between May and July 2020 and August and December 2020. The Taiwan Taipei District Court approved the applications and implemented them accordingly. Rih-Yao has filed and interlocutory appeal against the rulings on the two provisional dispositions above, and it is currently on trial in the Supreme Court. In addition, Home Hotel filed a request to the court for a discretionary reduction of the rents from March to December 2020, and a further request for a discretionary reduction of the rents from January to December 2021, which is currently on trial in the Taiwan Taipei District Court.

(XIV) Zhao-Yao signed the "Contract for Establishment of Superficies for the State-owned Non-Public Land" with Northern Region Office, National Property Administration in January 2011, and the duration of the superficies is 50 years from the date of signing the contract.

(XV) In October 2012, Rih-Ding Water signed an investment contract on the " Build-Operate-Transfer (BOT) Project for Taoyuan City Taoyuan District Sewage System " (hereinafter referred to as the "Investment Contract") with the Taoyuan City Government. Rih-Ding Water handles matters related to the construction of sewage system in the Taoyuan area in the BOT model in accordance with the Act for Promotion of Private Participation in Infrastructure Projects. The project license period is 35 years in total from the day following the signing of the Investment Contract.

In addition, Rih-Ding Water signed the “Contract for Establishment of Superficies for the Build-Operate-Transfer (BOT) Project for Taoyuan City Taoyuan District Sewage System” with the Taoyuan City Government in October 2012 (hereinafter referred to as "Contract for Establishment of Superficies"). The duration of the superficies is from the completion date of the establishment of the superficies to the maturity date of the license period of the Investment Contract. The scope of Rih-Ding Water’s business during the license period is the construction of a sewage system and the treatment of the sewerage under the project, as well as the operation, maintenance, renewal, and additions of the sewage system.

On December 31, 2020 and 2019, the performance guaranty issued by the Mega International Commercial Bank as a performance bond for Rih-Ding Water was both in the amount of NT$321,000 thousand, and the amount of the performance bond paid using the certificates of time deposit was NT$3,344 thousand.

(XVI) Rih-Siang signed the "Construction and Operation Contract for the New Taipei City Youth Housing BOT Project"(hereinafter referred to as the "Construction and Operation Contract") with the Urban

and Rural Development Bureau, New Taipei City, in May 2013. Rih-Siang has invested in and constructed the youth housing projects in New Taipei City in the BOT model according to the Act for Promotion of Private Participation in Infrastructure Projects. The Construction and Operation Contract period is 70 years from the date of signing the contract. The Construction and Operation Contract stipulates that Rih-Siang shall be responsible for the planning, design, construction, and operation management of the land for the New Taipei City youth housing BOT project, and for appropriate repair, maintenance, renewal, and additions of relevant facilities and equipment of the New Taipei City youth housing BOT project, while stipulating that at least 70% of the total floor area of the building shall be used as residential units for rental.

In addition, Rih-Siang signed the "Contract for Establishment of Superficies for the New Taipei City Youth Housing BOT Project" with the Urban and Rural Development Bureau, New Taipei City, in May 2013. The duration of the superficies is from the completion date of the establishment of the superficies to the maturity date of the termination of the Construction and Operation Contract.

As of December 31, 2020 and 2019, the performance guaranties issued by Mega International Commercial Bank as Rih-Siang's performance bonds were in the amounts of NT$50,000 thousand and NT$62,350 thousand, respectively.

In order to reduce the pressure of amortization and repayment of principal, Rih-Siang, still with financing needs, requested Mega International Commercial Bank to reorganize a syndicated loan with the borrowing facility of NT$1,982,350 thousand in December 2019 with the loan period from January 15, 2020 to January 15, 2027, a total of 7 years. After the first installment of the principal was repaid on July 15, 2020, the principal is amortized and repaid in 7 installments thereafter with 6 months as a payment term.

(XVII) Rih-Zuan has signed a power purchase contract with Taiwan Power Company. The contract will be terminated on the day of 20 years from the day when the generator sets are connected in parallel for the first time. Except for the sale of electricity to the Taiwan Power Company in bulk according to the regulations, Rih-Zuan shall not privately sell the electricity generated by its renewable energy system to others.

(XVIII) In September 2020, Jing-Ding signed an investment contract on the "Build-Operate-Transfer (BOT) Project of Resource Processing Center in Changhua Coastal Industrial Park by Industrial Development Bureau, Ministry of Economic Affairs" (hereinafter referred to as the investment contract) with the Industrial Development Bureau, Ministry of Economic Affairs. Jing-Ding handles matters related to the construction of the Resource Processing Center in Changhua Coastal Industrial Park in the BOT model in accordance with the Act for Promotion of Private Participation in Infrastructure Projects. The project license period is 24 years from the date of signing this investment contract, that is 2 years for the environmental assessment and the construction period, respectively, and 20 years for the operation period.

35. Capital management

The Group must maintain a large amount of capital to meet the needs for new construction projects and other relevant projects. Therefore, the Group's capital management aims to ensure that it has the

necessary financial resources and operating plans to support the needs for working capital, capital expenditures, debt repayment, and dividend payments required for the next operating cycle.

In order to meet the capital needs during the construction period, the Group responds to the needs with loans from financial institutions and its own funds, resulting in a debt ratio that is relatively higher than the general industry level. However, after the completion of the construction project, handover of the project, and repayment of loans from financial institutions, the debt ratio will decrease significantly. In order to avoid the potential market risk arising from the Company's over-reliance on the borrowings from financial institutions, and to appropriately control the Company's interest expenses, the Group will use financing devices in the capital market in a timely manner to adjust the debt ratio and the proportions of the capital structure.

36. Financial instruments

(I) Fair value—financial instruments not at fair value

The Group's management believes that the carrying amount of the Group's financial assets and liabilities measured not at fair value is close to their fair value.

(II) Fair value—financial instruments at fair value on a recurring basis

1. Fair value hierarchy

December 31, 2020

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Fund beneficiary certificates	$ 12,940	$ -	$ -	$ 12,940
Financial assets at FVTOCI				
Investment in equity instruments				
-Unlisted common share	$ -	$ -	$ 58,795	$ 58,795

December 31, 2019

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Fund beneficiary certificates	$ 9,795	$ -	$ -	$ 9,795
Financial assets at FVTOCI				
Investment in equity instruments				
-Unlisted common share	$ -	$ -	$ 56,297	$ 56,297

There were no transfers between Level 1 and Level 2 fair value measurements in 2020 and 2019.

2. Valuation techniques and inputs applied for Level 3 fair value measurement

Domestic unlisted equity investment is based on the asset method to evaluate the total value of individual assets and individual liabilities covered by the target in the valuation to reflect the overall value of a company or business. Significant unobservable inputs include liquidity discounts. When these unobservable inputs decrease, the fair value of such investments will increase.

(III) Categories of financial instruments

	December 31, 2020	December 31, 2019
Financial assets		
Financial assets at FVTPL		
Mandatorily at FVTPL	$ 12,940	$ 9,795
Financial assets at amortized cost (Note 1)	16,773,296	14,007,753
Financial assets at FVTOCI		
Investment in equity instruments	58,795	56,297
Other financial assets - current	160	190
Financial liability		
Guarantee deposits received (Note 2)	354,346	308,994
Amortized cost (Note 3)	40,125,841	38,957,791

Note 1: The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, investment in debt instruments, notes receivable, trade receivables, other receivables, long-term receivables, and refundable deposits.

Note 2: The balances include guarantee deposits received recognized in other current liabilities and non-current liabilities.

Note 3: The balances include financial liabilities measured at amortized cost, which comprise short-term borrowings, short-term bills payable, notes payable, trade payable, other payables, current portion of long-term borrowings and bonds payable, bonds payable, and long-term borrowings.

(IV) Financial risk management objective and policies

The Group's main financial instruments include investments in equity and debt instruments, trade receivables, trade payable, bonds payable, and borrowings. The Group's financial management department provides services to various business units, coordinates the operations in the domestic and international financial markets, and supervises and manages the financial risks related to the Group's operations through the internal reports on risk exposure analyses based on the degree and breadth of risks. These risks include market risk, credit risk, and liquidity risk.

1. Market risk

The main financial risk for the Group’s operating activities are the risk of changes in interest rates. Because the entities in the Group borrow funds at fixed and floating interest rates at the same time, leading to exposure to the interest rate risk. The Group manages interest rate risk by maintaining an appropriate combination of fixed and floating interest rates. The Group regularly evaluates hedging activities to align them with the interest rate view and established risk preferences to ensure that the most cost-effective hedging strategy is adopted.

The carrying amounts of the financial assets and financial liabilities of the Group exposed to the interest rate risk at the end of the reporting period are as follows:

	December 31, 2020	December 31, 2019
Fair value interest rate risk		
Financial assets	$ 433,582	$ 1,216,763
Financial liability	9,456,584	8,755,066
Cash flow interest rate risk		
Financial assets	6,251,527	4,817,563
Financial liability	26,449,638	25,204,141

Sensitivity analysis

The sensitivity analysis below is determined based on the exposure to the interest rate risk of derivative and non-derivative instruments at the end of the reporting period. For liabilities with floating interest rates, the analysis method is based on the assumption that the amount of liabilities outstanding at the end of the year is outstanding throughout the reporting period. The sensitivity to a 100-basis point change in interest rate is used when reporting the interest rate risk internally to key management personnel and also represents the management's assessment of the reasonably possible change in interest rates.

If the interest rate increased by 100 basis points and all other variables remain unchanged, the Group's net income before tax for 2020 and 2019 would have decreased by NT$201,981 thousands and NT$203,866 thousands, respectively, mainly because of the variable interest rate of the Group's borrowings.

The Group's sensitivity to interest rates declined during the current period, mainly due to the increase in asset instruments at variable interest rates.

2. Credit risk

The Group's main potential credit risk arise from financial products, such as cash in banks, notes receivable, and trade receivables. The Group's cash is deposited in different financial institutions, and the transaction counterparties are financial institutions with good credit ratings, so it is expected that no significant credit risk will arise. The Group controls the credit risk exposed to each financial institution, and believes that it believes that there is no significant credit risk of concentration of its cash certain banks. In order to reduce the credit risk of trade receivables, the Group continuously evaluates customers' financial position, and regularly evaluates the possibility of the recovery of trade receivables and provides allowances for bad debts, so the possibility of occurrence of the credit risk is extremely low.

3. Liquidity risk

The Group manages and maintains sufficient cash and cash equivalents to support its operations and mitigate the impact of cash flow fluctuations. The management of the Group monitors the use of the bank financing facilities and ensures compliance with the terms of the borrowing terms.

As of December 31, 2020 and 2019, the undrawn financing facilities (including financing projects) of the Group were NT$5,385,952 thousands and NT$3,279,268 thousands, respectively.

Liquidity and interest rate risk tables for non-derivative financial liabilities

The remaining contractual maturity analysis of non-derivative financial liabilities was based on the earliest date at which the Group might be required to repay and was compiled based on the undiscounted cash flows of financial liabilities (including principal and estimated interest). Therefore, the bank borrowings with a repayment on demand clause were included in the earliest time period in the table below, regardless of the probability of exercise of the right by banks. The maturity analysis of other non-derivative financial liabilities was compiled in accordance with the agreed repayment date.

For interest cash flows paid at floating interest rates, the undiscounted amount of interest is derived from the yield curve at the end of the year.

December 31, 2020

	On demand or less than 1 month	1–3 months	3 months to 1 year	1-5 years	Over 5 years
Non-derivative financial liabilities					
Non-interest-bearing liabilities	$ 1,763,384	$ 495,911	$ 1,080,972	$ 900,334	$ 142,360
Lease liabilities	18,266	35,920	159,690	569,219	2,514,412
Floating interest rate instruments	707,530	1,103,090	4,272,884	14,592,096	7,257,967
Fixed interest rate instruments	60,000	200,000	-	6,800,000	977,500
	$ 2,549,180	$ 1,834,921	$ 5,513,546	$22,861,649	$10,892,239

Further information on the analysis of lease liabilities maturity is as follows:

	Less than 1 Year	1-5 years	5-10 years	10-15 years	15-20 years	Over 20 years
Lease liabilities	$ 213,876	$ 569,219	$ 446,465	$ 428,042	$ 428,042	$1,211,863

December 31, 2019

	On demand or less than 1 month	1–3 months	3 months to 1 year	1-5 years	Over 5 years
Non-derivative financial liabilities					
Non-interest-bearing liabilities	$ 1,016,530	$ 1,141,273	$ 2,258,182	$ 536,429	$ 161,166
Lease liabilities	20,615	40,962	178,555	684,484	2,861,573
Floating interest rate instruments	84,416	452,396	5,261,182	14,877,908	5,980,225
Fixed interest rate instruments	1,814,400	1,305,200	-	4,240,000	-
	$ 2,935,961	$ 2,939,831	$ 7,697,919	$20,338,821	$ 9,002,964

Further information on the analysis of lease liabilities maturity is as follows:

	Less than 1 Year	1-5 years	5-10 years	10-15 years	15-20 years	Over 20 years
Lease liabilities	$ 240,132	$ 684,484	$ 454,062	$ 427,378	$ 427,378	$1,552,755

37. Other matters

Affected by the global pandemic of COVID-19 in the first half of 2020, the domestic measures launched, such as pandemic prevention and control, social distancing, and restrictions on sightseeing, caused a sharp drop in the demand for shopping mall retail, hotel accommodation, etc., and caused the operating revenue of the Group's relevant operating segments declined in the first half of 2020. However, as the domestic pandemic situation slowed down from June 2020, the government gradually launched preferential policies, which in turn boosted the demand for shopping mall retail and hotel accommodation in the second half of 2020. The operating revenue of the Group's relevant operating segments has recovered to the previous level since third quarter of 2020.

With the introduction of the COVID-19 vaccines, it will help restore normal economic activities, and international trade is also expected to return to a normal growth trajectory. The Group will continue to observe and keep abreast of relevant risks, and adjust its operating strategies at any time, with a view to minimizing the impact of the pandemic.

In response to the impact of the pandemic, the Group has taken the following actions:

(I) Adjustment to business strategy

During the pandemic prevention period, the Group reduced costs and expenses based on operating conditions, and flexibly adjusted its marketing strategies based on the main consumer groups and the pandemic situation in order to achieve stable growth.

(II) Fundraising strategy

In the first half of the year, the Group's application for relief loans from the Ministry of Economic Affairs and the Tourism Bureau, Ministry of Transportation and Communications, was approved, which facilitated the turnover of working capital.

(III) Government relief measures

In response to the government's relief program, the Group has applied for various government subsidies, including paycheck subsidy, working capital subsidy, interest rate subsidy, rent subsidy, and tax deduction.

38. Additional Disclosures

(I) Information on significant transactions and (II) Information on investees:

1. Financing provided to others: Table 1.
2. Endorsements/Guarantees provided: Table 2.
3. Marketable securities held at the end of period: Table 3.
4. Marketable securities acquired or disposed of at costs or prices at least NT$300 million or 20% of the paid-in capital: Table 4.
5. Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital: None.
6. Disposal of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital: Table 5.
7. Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 6.

8. Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 7.
9. Trading in derivative instruments: None.
10. Intercompany relationships and significant intercompany transactions: Table 8.
11. Information on investees: Table 9.

(III) Information on investments in Mainland China

1. Information on any investee in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, current income or loss and investment income or loss recognized, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: Table 10.
2. Any of the following significant transactions with investees in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: None.

(IV) Information on major shareholders: List of all shareholders with ownership of 5 percent or greater showing the names and the number of shares and percentage of ownership held by each shareholder. (Table 11)

39. Segments Information

The Group's information reported to the chief operating decision-maker for resource allocation and segment performance assessment focuses on types of goods or services delivered or provided. The Group's reportable segments for 2020 and 2019 are as follows:

Construction: Contracting builders to build buildings for sales or engaging in civil engineering business.

Leasing: Housing and building development and rental.

Shopping mall business: Operating shopping mall business.

Sewage treatment: Operating sewage treatment business.

Others: Transit station business, hotel business, investment business, energy technology services, biotechnology business, and cosmetics business.

(I) Segment revenues and results

The following is an analysis of the Group's revenue and results by the reportable segments.

	2020						
	Construction	Leasing	Shopping mall business	Sewage treatment	Others	Adjusted and write-off	Total
Revenue from external customers	$ 2,112,447	$ 619,313	$ 1,360,686	$ 2,209,291	$ 470,595	$ -	$ 6,772,332
Inter-segment revenue	1,442,329	624,787	846	-	28,632	(2,096,594)	-
Segment revenue	$ 3,554,776	$ 1,244,100	$ 1,361,532	$ 2,209,291	$ 499,227	($ 2,096,594)	$ 6,772,332
Segment profit or loss	$ 655,976	($ 40,344)	$ 251,912	$ 1,099,121	($ 100,295)	$ 70,029	$ 1,936,399
Interest expenses							(403,882)
General income and expense, net							(530,859)
Profit before income tax							$ 1,001,658

	2019						
	Construction	Leasing	Shopping mall business	Sewage treatment	Others	Adjusted and write-off	Total
Revenue from external customers	$ 1,394,115	$ 782,931	$ 1,388,178	$ 2,222,146	$ 537,975	$ -	$ 6,325,345
Inter-segment revenue	1,678,501	617,530	2,308	-	16,937	(2,315,276)	-
Segment revenue	$ 3,072,616	$ 1,400,461	$ 1,390,486	$ 2,222,146	$ 554,912	($ 2,315,276)	$ 6,325,345
Segment profit or loss	$ 490,610	$ 46,797	$ 296,482	$ 912,978	($ 96,520)	$ 77,405	$ 1,727,752
Interest expenses							(346,357)
General income and expense, net							(578,820)
Profit before income tax							$ 802,575

Segment gains refer to the profits earned by each segment, excluding administrative expenses and interest expenses that cannot be attributed. This is the measure reported to the chief operating decision-maker for resource allocation and assessment of segment performance.

(II) Geographical information

The Group's foreign operations are not material.

(III) Revenue from major products and services: None.

Radium Life Tech Co., Ltd. and Subsidiaries

Financing Provided to Others

For the Year ended December 31, 2020

(InThousands of New Taiwan Dollars, unless stated otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Party Status	Maximum Balance for the Period	Closing Balance	Amount Drawn	Interest Rate Range	Nature of Financing	Transaction Amount	Reasons for Necessity of Short-term Financing	Loss Allowance	Collateral		Limit of Financing to Individual Borrower (Note 1)	Total Limit of Financing Provided (Note 1)
													Name	Value		
1	Titan Development and Construction Co., Ltd.	Zhao Yao Enterprise Co., Ltd.	Other receivables from related parties	Yes	$ 100,000	$ -	$ -	2.3500%~5.3500%	Short-term financing	$ -	Operating capital	$ -	None	$ -	$ 764,933	$ 764,933
1	Titan Development and Construction Co., Ltd.	Radium-Kagaya International Hotel Co., Ltd.	Other receivables from related parties	Yes	20,000	20,000	-	2.3500%~5.3500%	Short-term financing	-	Operating capital	-	None	-	764,933	764,933
1	Titan Development and Construction Co., Ltd.	Ji Shun Life Tech Co., Ltd.	Other receivables from related parties	Yes	100,000	100,000	-	2.3500%~5.3500%	Short-term financing	-	Operating capital	-	None	-	764,933	764,933
1	Titan Development and Construction Co., Ltd.	Rih Yao Development Co., Ltd.	Other receivables from related parties	Yes	30,000	-	-	2.6000%~2.8950%	Short-term financing	-	Operating capital	-	None	-	764,933	764,933
1	Titan Development and Construction Co., Ltd.	CLEVER BASE INVESTMENTS LIMITED	Other receivables from related parties	Yes	2,000	-	-	2.6000%	Short-term financing	-	Operating capital	-	None	-	764,933	764,933
1	Titan Development and Construction Co., Ltd.	Wan Da Tong Enterprise Co., Ltd.	Other receivables from related parties	Yes	330,000	240,000	110,000	2.6000%~5.3500%	Short-term financing	-	Operating capital	-	None	-	764,933	764,933
1	Titan Development and Construction Co., Ltd.	Radium Life Tech Co., Ltd.	Other receivables from related parties	Yes	180,000	180,000	180,000	5.3500%	Short-term financing	-	Operating capital	-	None	-	764,933	764,933
2	Radium Far East Co., Ltd.	Radium-Kagaya International Hotel	Other receivables from related parties	Yes	20,000	-	-	2.9880%~3.2880%	Short-term financing	-	Operating capital	-	None	-	175,957	175,957
2	Radium Far East Co., Ltd.	Zhao Yao Enterprise Co., Ltd.	Other receivables from related parties	Yes	10,000	10,000	10,000	2.9880%~3.2880%	Short-term financing	-	Operating capital	-	None	-	175,957	175,957
2	Radium Far East Co., Ltd.	Wan Da Tong Enterprise Co., Ltd.	Other receivables from related parties	Yes	80,000	60,000	60,000	2.9880%~3.2880%	Short-term financing	-	Operating capital	-	None	-	175,957	175,957
3	Jing-Jan Investment Holdings Co., Ltd.	Ji Shun Life Tech Co., Ltd.	Other receivables from related parties	Yes	150,000	150,000	-	0.7550%~1.0350%	Short-term financing	-	Operating capital	-	None	-	2,299,875	2,299,875
3	Jing-Jan Investment Holdings Co., Ltd.	Rih Ding Water Enterprise Co., Ltd.	Other receivables from related parties	Yes	150,000	150,000	-	0.7550%	Short-term financing	-	Operating capital	-	None	-	2,299,875	2,299,875
3	Jing-Jan Investment Holdings Co., Ltd.	Rih Siang Property Management Co., Ltd.	Other receivables from related parties	Yes	100,000	-	-	1.0350%	Short-term financing	-	Operating capital	-	None	-	2,299,875	2,299,875
3	Jing-Jan Investment Holdings Co., Ltd.	Rih Zuan Green Energy Technology Co., Ltd.	Other receivables from related parties	Yes	20,000	20,000	15,000	0.7550%	Short-term financing	-	Operating capital	-	None	-	2,299,875	2,299,875
3	Jing-Jan Investment Holdings Co., Ltd.	Zhao Yao Enterprise Co., Ltd.	Other receivables from related parties	Yes	100,000	100,000	60,000	0.7550%	Short-term financing	-	Operating capital	-	None	-	2,299,875	2,299,875
3	Jing-Jan Investment Holdings Co., Ltd.	Radium Life Tech Co., Ltd.	Other receivables from related parties	Yes	400,000	340,000	340,000	0.7550%~1.0350%	Short-term financing	-	Operating capital	-	None	-	2,299,875	2,299,875
4	Li Chiang Development Co., Ltd.	Radium Life Tech Co., Ltd.	Other receivables from related parties	Yes	130,000	130,000	110,000	2.5000%~2.6000%	Short-term financing	-	Operating capital	-	None	-	208,072	208,072
5	Rih Siang Property Management Co., Ltd.	Rih Yao Development Co., Ltd.	Other receivables from related parties	Yes	50,000	50,000	50,000	2.6797%~2.9440%	Short-term financing	-	Operating capital	-	None	-	772,920	772,920
5	Rih Siang Property Management Co., Ltd.	Ji Shun Life Tech Co., Ltd.	Other receivables from related parties	Yes	260,000	120,000	60,000	2.4343%~3.0500%	Short-term financing	-	Operating capital	-	None	-	772,920	772,920

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Party Status	Maximum Balance for the Period	Closing Balance	Amount Drawn	Interest Rate Range	Nature of Financing	Transaction Amount	Reasons for Necessity of Short-term Financing	Loss Allowance	Collateral		Limit of Financing to Individual Borrower (Note 1)	Total Limit of Financing Provided (Note 1)
													Name	Value		
5	Rih Siang Property Management Co., Ltd.	Wan Da Tong Enterprise Co., Ltd.	Other receivables from related parties	Yes	120,000	120,000	120,000	2.4343%~3.0500%	Short-term financing	-	Operating capital	-	None	-	772,920	772,920
6	Ji Sheng Zih Chan Development Co., Ltd.	Rih Yao Development Co., Ltd.	Other receivables from related parties	Yes	10,000	10,000	10,000	0.2253%~0.5207%	Short-term financing	-	Operating capital	-	None	-	32,684	32,684
7	Prit Biotech Co., Ltd.	Wan Da Tong Enterprise Co., Ltd.	Other receivables from related parties	Yes	70,000	70,000	70,000	1.2550%	Short-term financing	-	Operating capital	-	None	-	70,796	70,796

Note 1: The Company's and its subsidiaries' cumulative balance of financing provided and the total amount of financing provided to the same borrower shall not exceed 40% of the net worth of each company as stated in most recent financial statements verified by CPAs.

Note 2: The transactions above have been written off in accordance with regulations when the consolidated financial statements were prepared.

Radium Life Tech Co., Ltd. and Subsidiaries
Endorsements/Guarantees Provided
For the Year ended December 31, 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Company Name	Party Endorsed/Guaranteed		Limit of Endorsement/Guarantee for Single Enterprise (Note 1)	Maximum Endorsement/Guarantee Balance for Current Period	Balance of Endorsement/Guarantee, End of Period	Amount Drawn	Endorsement/Guarantee Amount with Assets Pledged	Ratio of Cumulative Endorsement/Guarantee to Net Equity of the Latest Financial Statement (%)	Upper Limit of Endorsement/Guarantee Amount (Note 2)	Endorsement/ Guarantee by Parent to Subsidiary	Endorsement/ Guarantee by Subsidiary to Parent	Endorsement/ Guarantee to Entity in Mainland China
		Company name	Relationship										
0	Radium Life Tech Co., Ltd.	Radium-Kagaya International Hotel Co., Ltd.	Subsidiary in which at least 50% of equity is held	$ 35,109,413	$ 80,000	$ 80,000	$ 80,000	$ -	0.68%	$ 70,218,826	Y	N	N
0	Radium Life Tech Co., Ltd.	Xin Xiu Ge Hotel Co., Ltd.	Subsidiary in which at least 50% of equity is held	35,109,413	176,000	88,000	88,000	-	0.75%	70,218,826	Y	N	N
0	Radium Life Tech Co., Ltd.	Rih Yao Development Co., Ltd.	Subsidiary in which at least 50% of equity is held	35,109,413	904,250	904,250	904,250	-	7.73%	70,218,826	Y	N	N
0	Radium Life Tech Co., Ltd.	Titan Development and Construction Co., Ltd.	Subsidiary in which at least 50% of equity is held	35,109,413	1,453,500	1,169,000	1,169,000	650,000	9.99%	70,218,826	Y	N	N
0	Radium Life Tech Co., Ltd.	Zhao Yao Enterprise Co., Ltd.	Subsidiary in which at least 50% of equity is held	35,109,413	1,896,000	1,836,000	1,836,000	-	15.69%	70,218,826	Y	N	N
0	Radium Life Tech Co., Ltd.	Rih Siang Property Management Co., Ltd.	Subsidiary in which at least 50% of equity is held	35,109,413	4,882,350	1,982,350	1,982,350	-	16.94%	70,218,826	Y	N	N
0	Radium Life Tech Co., Ltd.	Ji Shun Life Tech Co., Ltd.	Subsidiary in which at least 50% of equity is held	35,109,413	2,297,865	2,297,865	2,297,865	-	19.63%	70,218,826	Y	N	N
0	Radium Life Tech Co., Ltd.	Rih Ding Water Enterprise Co., Ltd.	Subsidiary in which at least 50% of equity is held	35,109,413	7,310,000	7,310,000	7,310,000	-	62.46%	70,218,826	Y	N	N
0	Radium Life Tech Co., Ltd.	Wan Da Tong Enterprise Co., Ltd.	Subsidiary in which at least 50% of consolidated equity is held	35,109,413	815,130	799,380	799,380	-	6.83%	70,218,826	Y	N	N
0	Radium Life Tech Co., Ltd.	Rih Zuan Green Energy Technology Co., Ltd.	Subsidiary in which at least 50% of equity is held	35,109,413	85,000	58,000	58,000	-	0.50%	70,218,826	Y	N	N
1	Ji-Shun Life Tech Co., Ltd.	Ji Sheng Zih Chan Development Co., Ltd.	Subsidiary in which at least 50% of equity is held	2,147,010	134,000	134,000	134,000	82,187	18.72%	4,294,019	N	N	N
1	Ji-Shun Life Tech Co., Ltd.	Radium Life Tech Co., Ltd.	Parent company in which at least 50% of equity is held	2,147,010	310,000	-	-	-	-	4,294,019	N	Y	N
2	Xin Xiu Ge Hotel Co., Ltd.	Radium Life Tech Co., Ltd.	Parent company in which at least 50% of equity is held	134,995	240,000	120,000	120,000	493	266.68%	269,989	N	Y	N
3	Titan Development and Construction Co., Ltd.	Radium Life Tech Co., Ltd.	Parent company in which at least 50% of equity is held	5,736,997	1,266,000	1,066,000	1,066,000	186,000	55.74%	11,473,994	N	Y	N
4	Jing-Jan Investment Holding Co., Ltd.	Radium Life Tech Co., Ltd.	Parent company in which at least 50% of equity is held	17,249,063	3,135,000	3,135,000	3,135,000	2,880,000	54.42%	34,498,126	N	Y	N
5	Li Chiang Development Co., Ltd.	Radium Life Tech Co., Ltd.	Parent company in which at least 50% of equity is held	1,560,541	100,000	50,000	50,000	-	9.61%	3,121,083	N	Y	N

Note 1: The amount of the Company's or its subsidiaries' endorsements/guarantees to a single enterprise is limited to 3 times the net worth of each company as stated in most recent financial statements verified by CPAs.
Note 2: The total amount of endorsements/guarantees by the Company or its subsidiaries is limited to not more than 6 times the net worth of each company as stated in most recent financial statements verified by CPAs.

Radium Life Tech Co., Ltd. and Subsidiaries

Marketable Securities Held at the End of Period

December 31, 2020

(InThousands of New Taiwan Dollars, unless stated otherwise)

Company	Type and Name of Marketable Securities	Relationship with Securities Issuer	Financial Statement Account	End of Period				Remarks
				Number of Shares or Units (in Thousands)	Carrying Amount	Shareholding Ratio (%)	Fair Value	
Radium Life Tech Co., Ltd.	Stock							
	Linkou Recreation Enterprise Co., Ltd.	None	Financial assets at FVTOCI - non-current	-	$ 5,100	-	$ 5,100	
Titan Development and Construction Co., Ltd.	Stock							
	Xantia Corporation	None	Financial assets at FVTOCI - non-current	55	-	0.07%	-	
Prit Biotech Co., Ltd.	Stock							
	Tsinghua Life Technology Co., Ltd.	None	Financial assets at FVTOCI - non-current	3	145	2.50%	145	
Prit Biotech Co., Ltd.	Stock							
	Deyang Biotechnology Venture Capital Co., Ltd.	None	Financial assets at FVTOCI - non-current	118	1,250	3.70%	1,250	
Prit Biotech Co., Ltd.	Stock							
	Shih Jui Biotech Corp. Ltd.	None	Financial assets at FVTOCI - non-current	50	-	16.67%	-	
Radium Far East Co., Ltd.	Stock							
	Mega Growth Venture Capital Co., Ltd.	None	Financial assets at FVTOCI - non-current	5,000	52,300	3.94%	52,300	
Radium Life Tech Co., Ltd.	Fund							
	TCB US Short Duration High Yield Bond Fund	None	Financial assets at FVTPL - current	300	2,969	-	2,969	
Ji Shun Life Tech Co., Ltd.	Fund							
	Mega Danish Covered Mortgage Bond Index Fund	None	Financial assets at FVTPL - current	500	5,006	-	5,006	
Jing-Jan Retail Business Co., Ltd.	Fund							
	Taiwan Business Bank Eastspring Investments India Bond Fund	None	Financial assets at FVTPL - current	500	4,965	-	4,965	

Note 1: Refer to Tables 9 and 10 for the information on subsidiaries and associates.

Radium Life Tech Co., Ltd. and Subsidiaries

Marketable Securities Acquired or disposed of at Costs or Prices at Least NT$300 Million or 20% of the Paid-in Capital

For the Year ended December 31, 2020

(In Thousands of New Taiwan Dollars, unless stated otherwise)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relation-ship	Beginning Balance		Acquisition		Disposal				Others		Ending Balance	
					Number of Shares (in Thousands)	Amount	Number of Shares (in Thousands)	Amount	Number of Shares (in Thousands)	Amount	Carrying Amount	Gain(Loss) on Disposal	Number of Shares (in Thousands)	Amount	Number of Shares (in Thousands)	Amount
Titan Development and Construction Co., Ltd.	Bills International Bills Finance Corporation - bills under repurchase agreement	Financial assets at amortized cost -current	None	None	-	$ 345,000	-	$ 4,390,000	-	$ 4,735,000	$ 4,735,000	$ -	-	$ -	-	$ -
Jing-Jan Investment Holdings Co., Ltd.	Bills International Bills Finance Corporation - bills under repurchase agreement	Financial assets at amortized cost -current	None	None	-	-	-	735,000	-	735,000	735,000	-	-	-	-	-
Radium Life Tech Co., Ltd.	Stock Rih-Ding Circular Economy Investment Holding Co., Ltd.	Investments accounted for the equity method	Rih-Ding Circular Economy Investment Holding Co., Ltd.	Subsidiary	-	-	63,500	5,097,197 (Notes 2 & 5)	-	-	-	-	-	616,777 (Note 3)	63,500	5,713,974
Radium Life Tech Co., Ltd.	Stock Ding-Sheng Green Energy Technology Co., Ltd.	Investments accounted for the equity method	Rih-Ding Circular Economy Investment Holding Co., Ltd.	Subsidiary	5,000	50,122	-	-	5,000	-	49,913 (Note 2)	-	-	(209) (Note 3)	-	-
Radium Life Tech Co., Ltd.	Stock Rih-Ding Water Enterprise Co., Ltd.	Investments accounted for the equity method	Rih-Ding Circular Economy Investment Holding Co., Ltd.	Subsidiary	355,940	4,466,864	-	-	421,640	-	4,747,699 (Note 2)	-	65,700 (Note 4)	280,835 (Note 3)	-	-

Note 1: The securities mentioned in this table refer to stocks, bills, beneficiary certificates, and securities derived from the items above.

Note 2: The Company's board of directors resolved to adjust the organizational structure on April 6, 2020. Rih-Ding Hldg issued new shares and obtained 100% of the Company's shares in Rih-Ding Water and Ding-Sheng through share swap arrangements, and the record date of share swap was May 8, 2020.

Note 3: It is the share of comprehensive income recognized by the Company using the equity method and the effect of IFRS16.

Note 4: This is the stock dividends distributed by investees in the current period.

Note 5: It is for capital stock in the amount of NT$299,585 thousand for incorporation.

Note 6: Note 2: The investments under equity method above have been written off in accordance with regulations when the consolidated financial statements were prepared.

Table 5

Radium Life Tech Co., Ltd. and Subsidiaries

Disposal of Individual Real Estate at Costs of at Least NT$300 Million or 20% of the Paid-in Capital

For the Year ended December 31, 2020

(In Thousands of New Taiwan Dollars, unless stated otherwise)

Seller	Property	Event Date	Original Acquisition Date	Carrying Amount	Transaction Amount	Collection	Gain(Loss) on Disposal	Counterparty	Relationship	Purpose of Disposal	Price Reference	Terms
Radium Life Tech Co., Ltd.	5F, No. 157 as well as 5F , 5F-1, 5F-2, No. 159, Zhongyang Road, Xindian District, New Taipei City	2020.12.14	2013.12.11	$ 1,238,099	$ 2,363,428	Received	$ 1,125,329 (Note 1)	Jing-Jan Retail Business Co., Ltd	Sub-subsidiary	To effectively sell assets and increase working capital	The value appraised by a real estate appraiser’s office and market conditions are adopted as a reference	None

Note 1: It is recognized in deferred credits - gains between associates.

Note 2: The transactions above have been written off in accordance with regulations when the consolidated financial statements were prepared.

Radium Life Tech Co., Ltd. and Subsidiaries

Total Purchases from or Sales to Related Parties Amounting to at Least NT$100 Million or 20% of the Paid-in Capital

For the Year ended December 31, 2020

(Unit: NTD thousand, unless stated otherwise)

Buyer/Seller	Related Party	Relationship	Transaction Details (Note 1)				Abnormal Trancaction		Note/Trade Receivables (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Titan Development and Construction Co., Ltd.	Rih Ding Water Enterprise Co., Ltd.	Associate	Sales	($ 838,061)	(55.89%)	As agreed in contract	-	—	$ 373,821	81.08%	
Titan Development and Construction Co., Ltd.	Ji Shun Life Tech Co., Ltd.	Associate	Sales	(403,006)	(26.88%)	As agreed in contract	-	—	-	-	
Wan Da Tong Enterprise Co., Ltd.	Jing-Jan Retail Business Co., Ltd,	Associate	Sales	(501,161)	(60.94%)	As agreed in contract	-	—	2,014	34.81%	
Rih Ding Water Enterprise Co., Ltd.	Ding Sheng Green Energy Technology Co., Ltd.	Associate	Construction costs	348,289	27.63%	As agreed in contract	-	—	(92,864)	(12.28%)	
Rih Ding Water Enterprise Co., Ltd.	Titan Development and Construction Co., Ltd.	Associate	Construction costs	911,852	72.33%	As agreed in contract	-	—	(663,437)	(87.72%)	
Ji Shun Life Tech Co., Ltd.	Titan Development and Construction Co., Ltd.	Associate	Construction costs	299,884	100%	As agreed in contract	-	—	(99,752)	(100%)	
Ding Sheng Green Energy Technology Co., Ltd.	Rih Ding Water Enterprise Co., Ltd.	Associate	Sales	(420,143)	(100%)	As agreed in contract	-	—	74,243	100%	

Note 1: Since there was no relevant identical transaction to follow for the unit price of purchases from and sales to related parties, the transaction conditions were negotiated and determined by both parties.

Note 2: The transactions above have been written off in accordance with regulations when the consolidated financial statements were prepared.

Radium Life Tech Co., Ltd. and Subsidiaries

Receivables from Related Parties Amounting to at Least NT$100 million or 20% of the Paid-in Capital

December 31, 2020

(Unit: NTD thousand, unless stated otherwise)

Company Name	Name of Counterparty	Relationship	Balance of Receivables from Related Parties	Turnover Rate	Overdue		Amounts Received Subsequent Period	Allowance for Impairment Loss	Note
					Amount	Actions Taken			
Titan Development and Construction Co., Ltd.	Radium Life Tech Co., Ltd.	Parent company	$ 180,000	-	$ -	—	$ -	$ -	As of January 31, 2021 (Note 1)
Titan Development and Construction Co., Ltd.	Rih Ding Water Enterprise Co., Ltd.	Associate	373,821	3.37	-	—	142,673	-	As of January 31, 2021
Titan Development and Construction Co., Ltd.	Wan Da Tong Enterprise Co., Ltd.	Associate	110,000	-	-	—	-	-	As of January 31, 2021 (Note 1)
Li Chiang Development Co., Ltd.	Radium Life Tech Co., Ltd.	Parent company	110,000	-	-	—	-	-	As of January 31, 2021 (Note 1)
Rih Siang Property Management Co., Ltd.	Wan Da Tong Enterprise Co., Ltd.	Associate	120,000	-	-	—	-	-	As of January 31, 2021 (Note 1)
Jing-Jan Investment Holding Co., Ltd.	Radium Life Tech Co., Ltd.	Parent company	340,000	-	-	—	-	-	As of January 31, 2021 (Note 1)

Note 1: Other receivables.

Note 2: The transactions above have been written off in accordance with regulations when the consolidated financial statements were prepared.

Radium Life Tech Co., Ltd. and Subsidiaries

Intercompany Relationships and Significant Intercompany Transactions

For The Year Ended December, 2020

(Amounts in Thousands of New Taiwan Dollars)

No. (Note 1)	Company Name	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms	% of Consolidated Revenue or Total Assets (Note 3)
0	Radium Life Tech Co., Ltd.	Titan Development and Construction Co., Ltd.	1	Buildings	$ 91,532	General transaction conditions	0.16%
0	Radium Life Tech Co., Ltd.	Titan Development and Construction Co., Ltd.	1	Buildings and land held for Sale	113,928	General transaction conditions	0.20%
0	Radium Life Tech Co., Ltd.	Titan Development and Construction Co., Ltd.	1	Completed investment properties	89,531	General transaction conditions	0.16%
0	Radium Life Tech Co., Ltd.	Li Chiang Development Co., Ltd.	1	Other payables to related parties	110,000	General transaction conditions	0.19%
0	Radium Life Tech Co., Ltd.	Jing-Jan Investment Holding Co., Ltd.	1	Other payables to related parties	340,000	General transaction conditions	0.60%
0	Radium Life Tech Co., Ltd.	Radium-Kagaya International Hotel Co., Ltd.	1	Rental revenue	60,000	General transaction conditions	0.89%
1	Titan Development and Construction Co., Ltd.	Radium Life Tech Co., Ltd.	2	Rrade receivable from related parties	76,956	General transaction conditions	1.14%
1	Titan Development and Construction Co., Ltd.	Radium Life Tech Co., Ltd.	2	Other receivables from related parties	180,000	General transaction conditions	0.32%
1	Titan Development and Construction Co., Ltd.	Radium Life Tech Co., Ltd.	2	Other operating revenue	77,149	General transaction conditions	0.14%
1	Titan Development and Construction Co., Ltd.	Radium Life Tech Co., Ltd.	2	Contract assets - current	229,641	General transaction conditions	0.40%
1	Titan Development and Construction Co., Ltd.	Rih Ding Water Enterprise Co., Ltd.	3	Operating revenue	838,061	General transaction conditions	12.37%
1	Titan Development and Construction Co., Ltd.	Rih Ding Water Enterprise Co., Ltd.	3	Operating costs	888,932	General transaction conditions	13.13%
1	Titan Development and Construction Co., Ltd.	Rih Ding Water Enterprise Co., Ltd.	3	Trade receivable from related parties	373,821	General transaction conditions	0.66%
1	Titan Development and Construction Co., Ltd.	Rih Ding Water Enterprise Co., Ltd.	3	Contract assets - current	289,616	General transaction conditions	0.51%
1	Titan Development and Construction Co., Ltd.	Ji Shun Life Tech Co., Ltd.	3	Operating revenue	403,006	General transaction conditions	5.95%
1	Titan Development and Construction Co., Ltd.	Ji Shun Life Tech Co., Ltd.	3	Operating costs	400,441	General transaction conditions	5.91%
1	Titan Development and Construction Co., Ltd.	Ji Shun Life Tech Co., Ltd.	3	Contract assets - current	99,752	General transaction conditions	0.18%
1	Titan Development and Construction Co., Ltd.	Wan Da Tong Enterprise Co., Ltd.	3	Other receivables from related parties	110,000	General transaction conditions	0.19%
2	Wan Da Tong Enterprise Co., Ltd.	Radium Life Tech Co., Ltd.	2	Buildings	124,905	General transaction conditions	0.22%
2	Wan Da Tong Enterprise Co., Ltd.	Titan Development and Construction Co., Ltd.	3	Buildings	109,306	General transaction conditions	0.19%
2	Wan Da Tong Enterprise Co., Ltd.	Jing-Jan Retail Business Co.,	3	Rental revenue	501,161	General transaction conditions	7.40%
2	Wan Da Tong Enterprise Co., Ltd.	Radium Far East Co., Ltd.	3	Other payables to related parties	60,000	General transaction conditions	0.11%
2	Wan Da Tong Enterprise Co., Ltd.	Prit Biotech Co., Ltd.	3	Other payables to related parties	70,000	General transaction conditions	0.12%
3	Rih Siang Property Management Co., Ltd.	Ji Shun Life Tech Co., Ltd.	3	Other receivables from related parties	60,000	General transaction conditions	0.11%
3	Rih Siang Property Management Co., Ltd.	Wan Da Tong Enterprise Co., Ltd.	3	Other receivables from related parties	120,000	General transaction conditions	0.21%
3	Rih Siang Property Management Co., Ltd.	Rih Yao Development Co., Ltd.	3	Other receivables from related parties	50,000	General transaction conditions	0.09%
3	Rih Siang Property Management Co., Ltd.	Titan Development and Construction Co., Ltd.	3	Completed investment properties	280,875	General transaction conditions	0.49%
4	JiShun Life Tech Co., Ltd.	Titan Development and Construction Co., Ltd.	3	Property under development	634,269	General transaction conditions	1.12%
5	Radium-Kagaya International Hotel Co., Ltd.	Radium Life Tech Co., Ltd.	2	Lease liabilities to related parties	196,899	General transaction conditions	0.35%

(Continued)

No. (Note 1)	Transaction Company	Counterparty	Relations with Counterparty (Note 2)	Transaction Details			
				Account	Amount	Transaction Conditions	Proportion to Total Consolidated Revenue or Total Assets % (Note 3)
6	Jing-Jan Retail Business Co.,	Wan Da Tong Enterprise Co., Ltd.	3	Lease liabilities to related parties	$ 3,710,604	General transaction conditions	6.53%
6	Jing-Jan Retail Business Co.,	Radium Life Tech Co., Ltd.	2	Investment properties	225,402	General transaction conditions	0.40%
6	Jing-Jan Retail Business Co.,	Radium Life Tech Co., Ltd.	2	Property, plant and equipment	899,927	General transaction conditions	1.58%
7	Ding-Sheng Green Energy Technology Co., Ltd.	Rih Ding Water Enterprise Co., Ltd.	3	Trade receivable from related parties	74,243	General transaction conditions	0.13%
7	Ding-Sheng Green Energy Technology Co., Ltd.	Rih Ding Water Enterprise Co., Ltd.	3	Operating revenue	355,575	General transaction conditions	5.25%
7	Ding-Sheng Green Energy Technology Co., Ltd.	Rih Ding Water Enterprise Co., Ltd.	3	Operating costs	341,474	General transaction conditions	5.04%
7	Ding-Sheng Green Energy Technology Co., Ltd.	Rih Ding Water Enterprise Co., Ltd.	3	Other operating revenue	64,568	General transaction conditions	0.95%
8	Jing-Jan Investment Holding Co., Ltd.	Zhao-Yao Business Co., Ltd.	3	Other receivables from related parties	60,000	General transaction conditions	0.11%

Note 1: The information on transactions between the parent company and its subsidiaries shall be indicated in the No. column as follows:

1. The parent company is coded “0”.
2. The subsidiaries are coded sequentially beginning from “1” by each individual company.

Note 2: There are three types of relations with the transaction company, just enter the code:

1. Parent to subsidiary
2. Subsidiary to parent.
3. Between subsidiaries.

Note 3: Regarding the proportion of transaction amount to the total consolidated revenue or assets, if it is recognized in the balance sheet account, it is shown with the closing balance as a percentage of the total consolidated assets; if it is in the profit or loss account, it is shown with the cumulative amount throughout the period as a percentage of the consolidated total revenue.

Note 4: Significant transactions between the parent and subsidiaries with an amount of NT$50 million or more are listed in this table.

Note 5: The transactions above have been written off in accordance with regulations when the consolidated financial statements were prepared.

Radium Life Tech Co., Ltd. and Subsidiaries

Information of Investees

For the Year ended December 31, 2020

(InThousands of New Taiwan Dollars, unless stated otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Asof December 31,2020			Net Income(Loss) of the Investee	Share of Proft (Loss)	Note
				December 31,2020	December 31,2019	Number of Shares (in Thousands)	Percentage (%)	Carrying Amount			
Radium Life Tech Co., Ltd.	Ji Shun Life Tech Co., Ltd.	13F, No. 209, Section 1, Civic Boulevard, Taipei City	Housing and Building Development and Rental	$ 318,000	$ 75,000	70,000	100.00%	$ 716,492	($ 56,102)	($ 54,845)	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	Li Chiang Development Co., Ltd.	13F, No. 209, Section 1, Civic Boulevard, Taipei City	Housing and Building Development and Rental	1,000,000	1,000,000	100,000	100.00%	520,180	(44,928)	(44,928)	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	Rih Yao Development Co., Ltd.	13F, No. 209, Section 1, Civic Boulevard, Taipei City	Housing and Building Development and Rental	950,000	950,000	95,000	100.00%	748,458	(47,664)	(47,665)	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	Radium Far East Co., Ltd.	5F–2, No. 270, Section 4, Zhongxiao East Road, Taipei City	Housing and Building Development and Rental	1,113,455	1,113,455	38,773	99.93%	624,249	(7,993)	(7,987)	Subsidiary (Notes 1 & 2)
Radium Life Tech Co., Ltd.	Titan Development and Construction Co., Ltd.	5F–2, No. 270, Section 4, Zhongxiao East Road, Taipei City	Civil engineering and construction	968,650	968,650	120,000	100.00%	1,249,678	122,342	138,814	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	Wan Da Tong Enterprise Co., Ltd.	13F, No. 209, Section 1, Civic Boulevard, Taipei City	Housing and Building Development and Rental	1,248,666	1,248,666	148,000	28.35%	1,760,682	227,048	64,195	Subsidiary (Notes 1 & 3)
Radium Life Tech Co., Ltd.	Radium-Kagaya International Hotel Co., Ltd.	No. 236, Guangming Road, Beitou District, Taipei City, Taiwan	Hot spring hotel	953,363	953,363	15,000	100.00%	114,907	(18,103)	(16,511)	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	Zhao Yao Enterprise Co., Ltd.	3F-11F. No. 23, Lane 27, Section 4, Ren'ai Road, Daan District, Taipei City; No. 25, 3F-11F. No. 25, Lane 27, Section 4, Ren'ai Road, Daan District, Taipei City; 2F-14F. No. 27Lane 27, Section 4, Ren'ai Road, Daan District, Taipei City	Housing and Building Development and Rental	2,350,000	2,350,000	235,000	100.00%	1,463,779	(118,654)	(118,654)	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	CLEVER BASE INVESTMENTS LIMITED	Vistra Corporate Services Contre, Ground Floor NPF Building, Beach Road, Asia , Samoa	Investment	USD 2,080	USD 2,080	2,080	100.00%	5,434	(1,438)	(1,438)	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	Xin xiu ge Hotel Co., Ltd.	No. 238, Guangming Road, Beitou District, Taipei City, Taiwan	Regular hotel	421,500	421,500	125	100.00%	324,423	(4,028)	(4,533)	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	Rih Ding Water Enterprise Co., Ltd.	No. 177, Section 1, Fuhua Road, Luzhu District, Taoyuan City	Sewage Treatment	-	2,790,000	-	-	-	879,241	280,835	Sub-subsidiary (Notes 1 & 8)
Radium Life Tech Co., Ltd.	Jing-Jan Investment Holding Co., Ltd.	13F, No. 209, Section 1, Civic Boulevard, Taipei City	Investment	3,039,339	3,039,339	91,590	61.06%	3,602,643	315,675	233,588	Subsidiary (Notes 1 & 11)
Radium Life Tech Co., Ltd.	Rih Siang Property Management Co., Ltd.	14F, No. 209, Section 1, Civic Boulevard, Taipei City	Housing and Building Development and Rental	2,300,000	2,300,000	230,000	100.00%	1,932,299	(27,747)	(27,760)	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	Ri Zuan Green Energy Technology Co., Ltd.	14F, No. 209, Section 1, Civic Boulevard, Taipei City	Energy Technical Services	40,500	40,500	4,050	90.00%	42,089	282	376	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	Ding Sheng Green Energy Technology Co., Ltd.	14F, No. 209, Section 1, Civic Boulevard, Taipei City	Energy Technical Services	-	50,000	-	-	-	20,355	(209)	Sub-subsidiary (Notes 1 & 8)

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31,2020			Net Income(Loss) of the Investee	Share of Profitt (Loss)	Note
				December 31,2020	December 31,2019	Number of Shares (in Thousands)	Percentage (%)	Carrying Amount			
Radium Life Tech Co., Ltd.	Wan Tong Digital Technology Co., Ltd.	14F, No. 209, Section 1, Civic Boulevard, Taipei City	Retail	$ 27,000	$ 27,000	2,700	90.00%	$ 8,477	($ 13,198)	($ 11,878)	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	Rih-Ding Circular Economy Investment Holding Co., Ltd.	14F, No. 209, Section 1, Civic Boulevard, Datong District, Taipei City	Investment	5,097,197	-	63,500	100.00%	5,713,974	616,777	616,777	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	Jing Ding Green Energy Technology Co., Ltd.	No. 76, Pinghe 1st Street, Changhua City, Changhua County	Energy Technical Services	7,400	-	740	37.00%	7,200	(541)	(200)	Subsidiary (Notes 1 & 9)
Titan Development and Construction Co., Ltd.	Jing-Jan Investment Holding Co., Ltd.	13F, No. 209, Section 1, Civic Boulevard, Taipei City	Investment	1,832,017	1,832,017	55,195	36.80%	2,115,885	315,675	116,157	Subsidiary (Notes 1 & 9)
Ji Shun Life Tech Co., Ltd.	Ji-Sheng Zih Chan Development Co., Ltd.	13F, No. 209, Section 1, Civic Boulevard, Taipei City	Housing and Building Development and Rental	87,000	87,000	8,700	100.00%	81,711	(476)	(476)	Sub-subsidiary (Note 12)
Ji Shun Life Tech Co., Ltd.	Jing Yang Apartment Building Management and Maintenance Co., Ltd.	1F, No. 106, Section 6, Roosevelt Road, Wenshan District, Taipei City	Condominium buildings management service	9,800	9,800	980	49.00%	10,003	7,270	3,562	(Note 1)
Jing-Jan Investment Holding Co., Ltd.	Jing-Jan Retail Business Co.,	No. 1, Section 1, Chengde Road, Taipei City	Shopping mall business	509,201	509,201	45,001	75.00%	866,125	203,214	152,415	Sub-subsidiary (Note 1)
Jing-Jan Investment Holding Co., Ltd.	Wan-Da-Tong Enterprise Co., Ltd.	13F, No. 209, Section 1, Civic Boulevard, Taipei City	Housing and Building Development and Rental	4,295,288	4,295,288	374,015	71.65%	4,449,836	227,048	162,675	Subsidiary (Note 1)
Jing-Jan Retail Business Co.,	Jing-Jan Digital Square Co., Ltd.	4F No. 1, Section 1, Chengde Road, Datong District, Taipei City	Retail	50,000	50,000	2,000	100.00%	17,131	553	553	Sub-subsidiary (Note 1)
CLEVER BASE INVESTMENTS LIMITED	SHARP CHINA INVESTMENTS LIMITED	Vistra Corporate Services Contre, Ground Floor NPF Building, Beach Road, Asia , Samoa	Investment	-	USD 2,010	-	-	-	(352)	(352)	Sub-subsidiary (Notes 1 & 7)
CLEVER BASE INVESTMENTS LIMITED	Rih Ding Investments Limited	15/F., BOC Group Life Assurance Tower, 136 Des Voeux Road Central, Central, Hong Kong	Investment	USD 30	USD 30	30	100.00%	170	(68)	(68)	Sub-subsidiary (Note 1)
CLEVER BASE INVESTMENTS LIMITED	Kai Chuang International Limited.	The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box 32052, Grand Cayman KY1-1208, Cayman Islands	Investment	-	USD 40	-	-	-	-	-	Sub-subsidiary (Notes 1 & 6)
Radium Far East Co., Ltd.	Prit Biotech Co., Ltd.	3F-1, No.50, Lane 462, Gongyi Road, Zhunan Town, Miaoli County	Biotechnology and cosmetic manufacturing	90,000	90,000	9,000	37.31%	78,495	(18,360)	(6,850)	Sub-subsidiary (Notes 1 & 10)
Rih-Ding Circular Economy Investment Holding Co., Ltd.	Rih Ding Water Enterprise Co., Ltd.	No. 177, Section 1, Fuhua Road, Luzhu District, Taoyuan City	Sewage Treatment	5,027,699	-	449,640	100.00%	5,626,105	879,241	598,406	Sub-subsidiary (Notes 1 & 8)
Rih-Ding Circular Economy Investment Holding Co., Ltd.	Ding Sheng Green Energy Technology Co., Ltd.	14F, No. 209, Section 1, Civic Boulevard, Taipei City	Energy Technical Services	49,913	-	5,000	100.00%	70,475	20,355	20,564	Sub-subsidiary (Notes 1 & 8)
Ding Sheng Green Energy Technology Co., Ltd.	Jing Ding Green Energy Technology Co., Ltd.	No. 76, Pinghe 1st Street, Changhua City, Changhua County	Energy Technical Services	6,600	-	660	33.00%	6,421	(541)	(179)	Subsidiary (Notes 1 & 9)

Note 1: It is calculated based on the investees' financial statements audited by CPAs for the same period and the Company's shareholding ratio.

Note 2: The accumulated impairment of NT$155,686 thousand has not yet been deducted from the carrying amount.

Note 3: The unrealized gains between associates of NT$163,927 thousand has not yet been deducted from the carrying amount.

Note 4: Information on investees in mainland China is detailed in Table 10.

Note 5: Except for Jing Yang, the securities held above have been written off in accordance with regulations when the consolidated financial statements were prepared.

Note 6: The deregistration of Kai Chuang International Limited. was completed on April 8, 2020.

Note 7: The deregistration of Sharp China Investments Limited was completed on April 17, 2020.

Note 8: The Company's board of directors resolved to adjust the organizational structure on April 6, 2020. Rih-Ding Hldg issued new shares and obtained 100% of the Company's shares in Rih-Ding Water and Ding-Sheng through share swap arrangements, and the record date of share swap was May 8, 2020.

Note 9: Jing-Ding was established on September 18, 2020, and the establishment was approved by and registered with the Central Region Office, Ministry of Economic Affairs.

Note 10: The accumulated impairment of NT$12,460 thousand has not yet been deducted from the carrying amount.

Note 11: The unrealized gains between associates of NT$1,125,329 thousand has not yet been deducted from the carrying amount.

Note 12: The unrealized gains between associates of NT$143,454 thousand has not yet been deducted from the carrying amount.

Radium Life Tech Co., Ltd. and Subsidiaries

INFORMATION ON INVESTMENTS IN MAINLAND CHINA

For the Year ended December 31, 2020

(InThousands of New Taiwan Dollars, unless stated otherwise)

Investee Company	Main Businesses and Products	Paid-In Capital	Method of Investments	Accumulated Outward Remittance for Investment from Taiwan as of January 1,2020	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December31,2020	Net Income (Loss) of the Investee	% Ownershipof Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of December31,2020	Accumulated Repatriation of Investment Income as of December31,2020
					Outward	Inward						
LiJiang Business Consulting (Shanghai) Linited.	Business and Corporate Management Consulting Services	$ 52,288 (US$1,700,000)	Note 1(1)	$ 52,288 (US$1,700,000)	$ -	$ -	$ 52,288 (US$1,700,000)	($ 1,905)	100%	($ 1,905) (2)B	$ 2,959	$ -

Accumulated Outward Remittance for Investments in Mainland China as of December31,2020	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of InvestmentsStipulated by the Investment Commission,MOEA
NT$56,848 (US$1,840,000)	NT$52,688 (US$1,850,000) (Note 4)	$ 7,021,882 Note (5)

Note 1: Investment methods are divided into the following three types, just enter the code:

(1) Direct investment in mainland China.

(2) Indirect investment in mainland China through third-region companies.

(3) Other methods.

Note 2: In the field “Investment Gains/Losses Recognized for Current Period”

(1) If it is under preparation and there is no investment gain or loss, it shall be indicated.

(2) The recognition basis of investment gains and losses is divided into the following three types, which shall be indicated.

A. Financial statements audited and attested by any international accounting firms with partnership with any accounting firm of the Republic of China.

B. Financial statements audited and attested by CPAs appointed by the parent company in Taiwan.

C. Others.

Note 3: The relevant figures in this table shall be presented in New Taiwan dollars.

Note 4: The exchange rate is based on the average spot buying/selling exchange rate of the Bank of Taiwan on December 31, 2020. In addition, the limit approved by the Investment Commission is in foreign currency, and the investment amount had not exceeded the limit as of the current period.

Note 5: It is 60% of the net equity of the Company.

Note 6: The deregistration of Wan-Da-Tong (Xiamen) Enterprise Co., Ltd. was completed on November 22, 2019, and its registered capital of US$140,000 was not remitted back to Taiwan due to losses.

Table 11

Radium Life Tech Co., Ltd.

Information on Major Shareholders

December 31, 2020

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Rong Shian Lin	111,682,177	12.40%
CTBC Bank Co., Ltd. In custody for Verivia PCC	82,131,547	9.12%
Golden Century Co., Ltd.	58,223,051	6.46%
Ding Sheng Digital Life Co., Ltd.	49,260,000	5.47%

Note 1: The major shareholders in this table are shareholders holding at least 5% of the ordinary and preference shares (including treasury shares) with dematerialized registration and delivery completed on the last business day of the quarter calculated by the Taiwan Depository & Clearing Corporation. The share capital recorded in the Company's consolidated financial statements and the number of shares actually delivered by the Company with the dematerialized registration completed may differ due to different calculation bases.

Note 2: For the information above, where a shareholder transfers the shares to a trust, the trustor’s individual account opened by the trustee shall be disclosed. As for the insider declaration of the ownership percentage over 10% in accordance with the Securities and Exchange Act, including the shares on hand and those being put in the trust, and the right to use the trust asset, please refer to the declaration information on MOPS.

Independent Auditor's Report

The Board of Directors and Shareholders
Radium Life Tech Co., Ltd.,

Opinion

We have audited the accompanying parent company only balance sheet of Radium Life Tech Co., Ltd. (the "Company") as of December 31, 2020 and 2019, and the relevant parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and relevant notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the accompanying parent company only financial position of the Company as of December 31, 2020 and 2019, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

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 Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our 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 our audit of the parent company only financial statements for the year ended December 31, 2020. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's parent company only financial statements for the year ended December 31, 2020 are stated as follows:

Valuation of property inventories

As shown in Note 12 to the parent company only financial statements, as of December 31, 2020, the property in the inventory category of the parent company only balance sheet (including property under development, property to

be developed, and buildings and land held for sale) totaled NT$7,529,522 thousand, accounting for 21% of the parent company only total assets; therefore, it is material. As the allowance for inventory valuation loss of relevant property involves significant judgments on accounting estimates and other important judgments by the management, the relevant details are as described in Note 5 to the parent company only financial statements, so we have listed it as a key audit matter.

The audit procedures performed by us for the valuation of property inventories include:

1. The amount of property under development recognized is NT$843,886 thousand, accounting for about 11% of the total inventories. We have obtained relevant information on the estimated remaining cost of the property under development, and sampled the basis for such estimates; calculated the expected total revenue based on the recent transaction prices near the property under development from a selling price disclosure website, and compared them with the sum of the property under development and the estimated remaining investment costs recognized in the account.
2. The portion of the property to be developed and the buildings and land held for sale recognized is NT$6,685,636 thousand, which accounts for about 89% of the total inventories, and we have obtained the net realizable value and impairment assessment data calculated by the Company for the above-mentioned property inventories and reviewed whether the assessment results were reasonable.

Responsibilities of Management and Those Charged with Governancefor the Parent Company Only financial statements

Managemant is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements thay free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company’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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the Audit Committee) are responsible for overseeingthe Company’s financial reporting process.

Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance aboutwhether the parent company only financial statements as a whole are free from material misstatement, whether due tofraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high-level 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. Misstatement 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 the users taken on the basis of these parent company only financial statements.

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

1. Identify and assess the risks of material misstatement of the parent company only 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 Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
4. Conclude on the appropriateness of the 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure, and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicated 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 identified during our audit.

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

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of parent company only 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 regulations 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 reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Gung, Jerry and Liu, Walter.

Gung, Jerry Liu, Walter

Deloitte & Touche
Taipei, Taiwan
Republic of China
March 26, 2021

Notice to Readers

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

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

Radium Life Tech Co., Ltd.

PARENT COMPANY ONLY BALANCE SHEETS

DECEMBER 31, 2020 AND 2019

(In Thousands of New Taiwan Dollars)

	December 31, 2020		December 31, 2019	
ASSETS	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 & 6)	$ 1,267,661	4	$ 655,763	2
Financial assets at fair value through profit or loss - current (Notes 4 & 7)	2,969	-	-	-
Financial assets at amortized cost - current (Notes 4, 9, 21 & 29)	8,424	-	30,040	-
Notes receivable, net (Notes 4, 10 & 21)	-	-	2,528	-
Trade receivables, net (Notes 4, 10, 21 & 24)	30,426	-	124,284	-
Trade receivables from related parties, net (Notes 4 & 28)	5,250	-	7,311	-
Finance lease receivables, net (Notes 4 & 11)	22,193	-	19,117	-
Other receivables (Note 4)	11,756	-	11,279	-
Other receivables from related parties (Note 28)	275	-	1	-
Current tax assets (Note 4)	3,761	-	3,761	-
Inventories (Notes 4, 5, 12, 21, 28 & 29)	7,529,522	21	8,983,851	24
Prepayments (Notes 13 & 29)	136,396	-	165,128	1
Refundable deposits -current (Note 21)	190,854	1	266,764	1
Other current assets (Note 13)	4,081	-	120,421	-
Total current assets	9,213,568	26	10,390,248	28
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 & 8)	5,100	-	5,100	-
Financial assets at amortized cost - non-current (Notes 4, 9 & 29)	2,248,075	6	1,040,728	3
Investments accounted for using equity method (Notes 4, 14 & 29)	17,392,981	49	17,432,714	47
Property, plant and equipment (Notes 4, 15 & 29)	109,474	-	111,699	-
Right-of-use assets (Notes 4 and 16)	3,441	-	17,562	-
Investment properties, net (Notes 4, 17 & 29)	6,631,013	19	8,205,183	22
Intangible assets (Note 4)	7,186	-	4,335	-
Refundable deposits - non-current	21,001	-	12,733	-
Finance lease receivables - non-current, net (Notes 4 & 11)	45,284	-	46,632	-
Total non-current assets	26,463,555	74	26,876,686	72
TOTAL	$ 35,677,123	100	$ 37,266,934	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES (Note 21)				
Short-term borrowings (Notes 18 & 29)	$ 2,494,605	7	$ 1,315,485	4
Short-term bills payable (Notes 18 & 29)	-	-	2,936,884	8
Contract liabilities - current (Notes 4, 21, 24 & 28)	51,569	-	621,153	2
Trade payables	42,135	-	74,355	-
Trade payables to related parties (Note 28)	306,597	1	1,050,889	3
Other payables	1,517,572	4	1,496,999	4
Other payables to related partiess (Note 28)	630,568	2	501,270	1
Current tax liabilities	863	-	17,783	-
Lease liabilities - current (Notes 4 ,16 & 28)	104,663	1	128,829	-
Current portion of long-term borrowings and bonds payable (Notes 18, 19, 21 & 29)	1,434,443	4	1,665,187	4
Other current liabilities (Note 21)	56,079	-	93,730	-
Total current liabilities	6,639,094	19	9,902,564	26
NON-CURRENT LIABILITIES				
Bonds payable (Note 19)	5,500,000	15	2,500,000	7
Long-term borrowings (Notes 18 & 29)	11,379,405	32	12,563,607	34
Provisions - non-current (Notes 4 & 20)	257,370	1	259,351	-
Lease liabilities - non-current (Notes 4 ,16 & 28)	172,011	-	277,296	1
Net defined benefit liabilities - non-current (Notes 4 and 22)	8,660	-	9,133	-
Guarantee deposits received	17,446	-	16,347	-
Total non-current liabilities	17,334,892	48	15,625,734	42
Total liabilities	23,973,986	67	25,528,298	68
EQUITY (Note 23)				
Share capital				
Ordinary shares	9,000,946	25	9,123,076	24
Capital surplus	1,307,843	4	1,299,873	4
Retained earnings				
Legal reserve	220,659	1	179,986	1
Special reserve	3,334	-	4,360	-
Unappropriated earnings	1,170,269	3	1,134,675	3
Total retained earnings	1,394,262	4	1,319,021	4
Total other equity	86	-	(3,334)	-
Total equity	11,703,137	33	11,738,636	32
TOTAL	$ 35,677,123	100	$ 37,266,934	100

The accompanying notes are an integral part of the parent company only financial statements.

Radium Life Tech Co., Ltd.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2020		2019	
	Amount	%	Amount	%
TOTAL OPERATION REVENUE (Notes 4, 24 & 28)	$ 2,115,392	100	$ 1,475,855	100
TOTAL OPERATING COSTS (Notes 4, 12 & 25)	(1,735,482)	(82)	(1,237,464)	(84)
GROSS PROFIT	379,910	18	238,391	16
OPERATING EXPENSES (Note 25 & 28)				
Selling and marketing expenses	(310,674)	(15)	(169,679)	(11)
General and administrative expenses	(681,612)	(32)	(736,146)	(50)
Total operating expenses	(992,286)	(47)	(905,825)	(61)
LOSS FROM OPERATIONS	(612,376)	(29)	(667,434)	(45)
NON-OPERATING INCOME AND EXPENSES (Notes 25 & 28)				
Interest income	3,532	-	4,728	-
Other income	713,404	34	422,474	28
Other gains and losses	(50,550)	(2)	(19,595)	(1)
Finance costs	(406,979)	(19)	(387,449)	(26)
Share of profit or loss of subsidiaries, associates and joint ventures accounted for using equity method	996,072	47	1,077,635	73
Total non-operating income and expenses	1,255,479	60	1,097,793	74
PROFIT BEFORE INCOME TAX	643,103	31	430,359	29
INCOME TAX EXPENSE (Notes 4 & 26)	(20,415)	(1)	(23,628)	(1)
NET PROFIT FOR THE YEAR	622,688	30	406,731	28

(Continued)

	2020		2019	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME /(LOSS)				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit plans	$ 185	-	$ 774	-
Remeasurement of defined benefit plans, associates and joint ventures accounted for using equity method	(247)	-	2,169	-
Unrealized gain/(loss) from investments in equity instruments measured at fair value through other comprehensive income, associates and joint ventures accounted for using equity method	3,365	-	1,179	-
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translating the financial statements of foreign operations	55	-	(153)	-
Other comprehensive income for the year, net of income tax	3,358	-	3,969	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 626,046	30	$ 410,700	28
EARNINGS PER SHARE (Note 27)				
Basic	$ 0.69		$ 0.45	
Diluted	$ 0.69		$ 0.45	

The accompanying notes are an integral part of the parent company only financial statements.

Radium Life Tech Co., Ltd.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

(In Thousands of New Taiwan Dollars)

	Share Capital		Retained Earnings			Other Equity		
	Ordinary Shares	Capital Surplus	Legal Reserve	Special Reserves	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain/(loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total Equity
BALANCE AT JANUARY 1, 2019	$ 8,944,192	$ 1,299,578	$ -	$ -	$ 1,799,863	($ 1,291)	($ 3,069)	$ 12,039,273
Effect of retrospective application and retrospective restatement	-	-	-	-	4,198	-	-	4,198
BALANCE AFTER RESTATEMENT AS OF JANUARY 1 , 2019	8,944,192	1,299,578	-	-	1,804,061	(1,291)	(3,069)	12,043,471
Appropriation of 2018 earnings								
Legal reserve appropriated	-	-	179,986	-	(179,986)	-	-	-
Special reserve appropriated	-	-	-	4,360	(4,360)	-	-	-
Cash dividends distributed by the company	-	-	-	-	(715,535)	-	-	(715,535)
Stock dividends distributed by the company	178,884	-	-	-	(178,884)	-	-	-
Net income in 2019	-	-	-	-	406,731	-	-	406,731
Other comprehensive income in 2019, net of income tax	-	-	-	-	2,943	(153)	1,179	3,969
Total comprehensive income in 2019	-	-	-	-	409,674	(153)	1,179	410,700
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	295	-	-	(295)	-	-	-
BALANCE AT DECEMBER 31, 2019	9,123,076	1,299,873	179,986	4,360	1,134,675	(1,444)	(1,890)	11,738,636
Appropriation of 2019 earnings								
Legal reserve appropriated	-	-	40,673	-	(40,673)	-	-	-
Cash dividends distributed by the company	-	-	-	-	(547,385)	-	-	(547,385)
Reversal of special reserve	-	-	-	(1,026)	1,026	-	-	-
Net income in 2020	-	-	-	-	622,688	-	-	622,688
Other comprehensive income in 2020, net of income tax	-	-	-	-	(62)	55	3,365	3,358
Total comprehensive income in 2020	-	-	-	-	622,626	55	3,365	626,046
Retirement of treasury share	(122,130)	7,970	-	-	-	-	-	(114,160)
BALANCE AT DECEMBER 31, 2020	$ 9,000,946	$ 1,307,843	$ 220,659	$ 3,334	$ 1,170,269	($ 1,389)	$ 1,475	$ 11,703,137

The accompanying notes are an integral part of the parent company only financial statements.

Radium Life Tech Co., Ltd.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

(In Thousands of New Taiwan Dollars)

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITES		
Profit before income tax	$ 643,103	$ 430,359
Adjustments for:		
Depreciation expenses	290,124	315,192
Amortization expenses	5,154	5,843
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	31	(72)
Interest expenses	406,979	387,449
Interest income	(3,532)	(4,728)
Share of profit of subsidiaries, associates, and joint ventures	(996,072)	(1,077,635)
Gains on disposals of property, plant and equipment	-	(1)
Gains on disposals of investments	-	(79)
Reversal of impairment loss on non-financial assets	(7,502)	(784)
Realized gain on transactions with subsidiaries, associates and joint ventures	(5,026)	(4,954)
Other non-cash items	47,999	17,981
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	(3,000)	151
Contract assets	-	1,975
Notes receivable	2,528	(772)
Trade receivables	93,858	(38,708)
Trade receivables from related parties	2,061	774
Other receivables	80	2,415
Other receivables from related parties	(274)	1,427
Inventories	1,458,491	221,194
Prepayments	28,732	102,024
Other current assets	116,340	(2,122)
Incremental costs of obtaining a contract	-	80,999
Contract liabilities	(569,584)	(584,667)
Notes payable	-	(626,938)
Notes payable to related parties	-	(268,341)

(Continued)

	2020	2019
Trade payables	($ 32,220)	($ 189,315)
Trade payables to related parties	(744,292)	(100,309)
Other payables	14,040	(11,583)
Other payables to related parties	(702)	923
Other current liabilities	(38,146)	(16,940)
Other operating liabilities	(1,981)	(1,977)
Cash generated from(used in) operations	707,189	(1,361,219)
Interest received	2,975	4,492
Interest paid	(395,099)	(390,903)
Income tax paid	(37,335)	(5,845)
Net cash i generated from(used in) operating activities	277,730	(1,753,475)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	(1,207,347)	(186,715)
Proceeds from sale of financial assets at amortized cost	21,616	-
Acquisition of investments accounted for using equity method	(549,985)	(2,635,424)
Payments for property, plant and equipment	(2,542)	(2,995)
Proceeds from disposal of property, plant and equipment	-	1
Decrease in refundable deposits	67,642	22,610
Decrease in other receivablesfrom related parties	-	425,000
Payments for intangible assets	(8,005)	(5,632)
Proceeds from disposal of investment properties	2,363,428	-
Decrease in finance lease receivables	17,731	11,034
Dividends received from investments accounted for using equity method	468,660	532,308
Net cash generated from(used in) investing activities	1,171,198	(1,839,813)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	1,179,120	-
Repayments of short-term borrowings	-	(79,515)
Proceeds from short-term bills payable	-	1,613,466
Decrease in short-term bills payable	(2,936,884)	-
Proceeds from issuance of bonds	3,000,000	1,000,000
Repayments of bond payables	-	(300,000)
Proceeds from long-term borrowings	-	1,053,119
Repayments of long-term borrowings	(1,420,293)	-
Proceeds from guarantee deposits received	1,594	3,179
Increase in other payables to related parties	130,000	110,000
Repayment of the principal portion of lease liabilities	(129,022)	(130,059)

(Continued)

	2020	2019
Dividends paid to owners of the Company	($ 547,385)	($ 715,535)
Payments for transaction costs attributable to treasury shares	(114,160)	-
Net cash generated from(used in) financing activities	(837,030)	2,554,655
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	611,898	(1,038,633)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	655,763	1,694,396
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 1,267,661	$ 655,763

The accompanying notes are an integral part of the parent company only financial statements.

RADIUM LIFE TECH CO., LTD.
NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. Organization and Operations

Radium Life Tech Co., Ltd. (the "Company") was incorporated in the Republic of China on March 26, 1982, its main business includes:

(I) Commissioning construction companies to build public housing projects and commercial buildings for rental and sale.

(II) Commissioned by the industrial competent authorities of the government to engage in development, lease, sale, and management of industrial zones.

The Company's shares have been listed on the Taiwan Stock Exchange (TWSE) since December 2000.

The parent company only financial statements are presented in New Taiwan Dollar, the Company's functional currency.

2. Date and Procedures for Approval of the Financial Report

The parent company only financial statements were approved by the board of directors and authorized for release on March 26, 2021.

3. Application of Newly Issued and Amended Standards and Interpretations

(I) Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC)

Except for the following, the application of the amendments to the IFRSs endorsed and issued into effect by the FSC will not have a material impact on the Company's accounting policies

Amendments to IAS 1 and IAS 8 "Definition of Materiality"

The Company adopted the amendments starting from January 1, 2020. The threshold of materiality that could influence users has been changed to "could reasonably be expected to influence". Accordingly, disclosures in the parent company only financial statements do not include immaterial information that may obscure material information.

Since the first-time application of the aforementioned amendments, there has been no material impact on all assets, liabilities, and equity on January 1, 2020.

(II) The IFRSs endorsed by the Financial Supervisory Commission (FSC) for application starting from 2021

New/Revised/Amended Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 4 " Extension of the Temporary Exemption from Applying IFRS 9"	Effective immediately upon promulgation by the IASB
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4, and IFRS 16 - "Interest Rate Benchmark Reform - Phase 2"	January 1, 2021

Except for the above impact, as of the date the parent company only financial statements were authorized for issue, the Company is continuously assessing the possible impact that the application of other standards and interpretations will have on the Company's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

(III) New IFRSs in issue but not yet endorsed and issued into effect by the FSC

New/Revised/Amended Standards and Interpretations	Effective Date Issued by IASB (Note 1)
"Annual Improvement to IFRS Standards 2018-2020"	January 1, 2022 (Note 2)
Amendment to IFRS 3 - "Reference to the Conceptual Framework"	January 1, 2022 (Note 3)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2023
Amendments to IAS 1 "Disclosure of Accounting Policies"	January 1, 2023 (Note 4)
Amendments to IAS 8 "Definition of Accounting Estimates"	January 1, 2023 (Note 5)
Amendments to IAS 16 "Property, Plant and Equipment - Proceeds before Intended Use"	January 1, 2022 (Note 6)
Amendments to IAS 37 " Onerous Contracts - Cost of Fulfilling a Contract	January 1, 2022 (Note 7)

Note 1: Unless stated otherwise, the new/revised/amended standards and interpretations above are effective for annual reporting periods beginning on or after their respective effective dates.

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

Note 3: The amendment applies to business combination with the acquisition date is on or after the beginning of the annual reporting period beginning on or after January 1, 2022.

Note 4: The amendment will be applies prospectively for annual reporting period beginning on or after January 1, 2023.

Note 5: The amendments are applicable to changes in accounting estimates and changes in accounting policies that occur on or after the beginning of the annual reporting period beginning on or after January 1, 2023.

Note 6: The amendments are applicable to property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after January 1, 2021.

Note 7: The amendments are applicable to contracts for which the entity has not yet fulfilled all its obligations on January 1, 2022.

Except for the above impact, as of the date the parent company only financial statements were authorized for issue, the Company is continuously assessing the possible impact that the application of other standards and interpretations will have on the Company's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. Summary of Significant Accounting Policies

(I) Statement of compliance

The parent company only financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(II) Basis of preparation

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

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

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

When the Company prepared the parent company only financial statements, it adopted equity method to account for its investments in subsidiaries. In order to enable the amounts of the profit or loss for the year, other comprehensive income, and equity for the year in the parent company only financial statements to be the same as the ones attributable to the owners of the Company in its consolidated financial statements, regarding the differences arising from accounting treatments between the parent company only basis and the consolidation basis, adjustments were made to the investments accounted for using the equity method, the share of profit or loss on subsidiaries, associates, and joint ventures using the equity method, the share of other comprehensive income of subsidiaries, associates, and joint ventures using the equity method, as well as relevant equity items, as appropriate, in the parent company only financial statements.

(III) Classification of current and non-current assets and liabilities

Current assets include:

1) Assets held primarily for the purpose of trading;
2) Assets expected to be realized within 12 months after the reporting period; and
3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;
2) Liabilities due to be settled within 12 months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the consolidated financial statements are authorized for issue; and
3) Liabilities for which the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Assets and liabilities that are not classified as current are classified as non-current.

As the Company is engaged in construction projects and commissioning of construction companies to build buildings or plants for sale, its operating cycle is longer than one year. Therefore, the assets and liabilities related to construction, building, and sales projects are classified with the operating cycle as the standard for current and non-current.

(IV) Foreign currencies

When the Company's financial statements are prepared, transactions in currencies other than the Company's functional currency (i.e. foreign currencies) are recognized at the rates of exchange prevailing on the transaction dates.

At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing on that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items measured at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. The resulting exchange difference is recognized in profit or loss. For items whose changes in fair value are recognized in other comprehensive income, the resulting exchange difference is recognized in other comprehensive income.

Non-monetary items measured at historical cost that are denominated in foreign currencies are translated at the rates of exchange prevailing on the transaction dates and are not retranslated.

When the parent company onlyfinancial statements are prepared, the assets and liabilities of the Company's foreign operations (including subsidiaries, associates, joint ventures, or branches that operate in countries or adopt the functional currencies different from the Company) are translated into New Taiwan dollar at the rates of exchange prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. The resulting currency exchange differences are recognized in other comprehensive income.

Where the Company disposes of all the equity of a foreign operation, or disposes of part of the equity of the foreign operation's subsidiary and loses control over it, or the retained interests after disposal of the foreign operation's joint arrangements or associates are a financial asset and treated based on the accounting policies applicable to financial instruments, all accumulated exchange differences related to the foreign operation will be reclassified to profit or loss.

Where the partial disposal of a subsidiary of a foreign operation does not result in the loss of control, the accumulated exchange differences are included in the equity transaction in proportion for calculation, and are not recognized in profit or loss. In the case of any other partial disposal of a foreign operation, the accumulated exchange differences will be reclassified to profit or loss in proportion to the disposal.

(V) Inventories

Inventories include property under development, property to be developed, and buildings and land held for sale. The value of inventories is determined based on the cost or net realizable value, whichever is lower. The comparison of the cost and net realizable value is based on individual items except for inventories of the same category. The net realizable value is the estimated selling price, less the estimated cost of completion and the estimated costs necessary to make the sale. The actual construction cost of the property inventories is reclassified to the annual operating costs in line with the recognition principle of property sales revenue.

For a contract where a land owner provides land for construction of buildings by a property developer in exchange for a certain percentage of the buildings, no exchange gain or loss is recognized if the buildings acquired are classified as properties held for sale. Revenue is recognized when the properties held for sale are sold to third parties.

(VI) Investment in subsidiaries

The Company adopts the equity method to account for its investments in subsidiaries.

A subsidiary is an entity (including special purpose entity) that is controlled by the Company.

Under the equity method, investments are initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of its subsidiaries. In addition, changes in the Company's other equity interest of its subsidiaries are recognized based on its ownership percentage.

Changes in the Company's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. Any difference between the carrying amount of an investment and the fair value of the consideration paid or received is recognized directly in equity.

When the Company's share of losses on a subsidiary exceeds its equity in said subsidiary (which includes any carrying amount of the investment accounted for by the equity method and long-term equity that, in substance, forms part of the Company's net investment in said subsidiary), the Company continues recognizing its share of further losses.

The amount of the acquisition cost in excess of the Company's share of the net fair value of the identifiable assets and liabilities of a subsidiary that constitutes the business on the acquisition date is classified as goodwill, which is included in the book value of the investment and cannot be amortized.

The amount of the Company's share of the net fair value of the identifiable assets and liabilities of a subsidiary that constitutes the business on the acquisition date in excess of the amount of the acquisition cost is classified as current income.

When the Company assesses the impairment, it considers the cash-generating unit as a whole in the financial statements and compares its recoverable amount with the carrying amount. If the recoverable amount of an asset increases subsequently, the reversal of the impairment loss shall be recognized in gains, but the carrying amount of the asset after the reversal of the impairment loss shall not exceed the carrying amount of the asset less amortization without impairment loss recognized. The impairment loss attributable to goodwill shall not be reversed in subsequent periods.

When the Company loses control over a subsidiary, it measures its remaining investment in said subsidiary based on the fair value on the day when the control is lost. The fair value of the remaining investment and the difference between any disposal price and the carrying amount of the investment on the day when the control is lost are recognized in profit or loss for the period. In addition, all amounts recognized in other comprehensive income related to said subsidiary are accounted for on the same basis as the one adopted for the Company's direct disposal of the relevant assets or liabilities.

The unrealized profit or loss on downstream transactions between the Company and its subsidiaries are eliminated in the parent company only financial statements. Profit or loss on downstream and lateral transactions between the Company and its subsidiaries is recognized in the parent company only financial statements only to the extent that it does not affect the Company's interests in the subsidiaries.

(VII) Property, plant and equipment

Property, plant and equipment are initially recognized at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment under construction are recognized at cost less accumulated impairment loss. The cost shall include professional service expenses and the borrowing costs eligible for capitalization. Such assets are classified into appropriate property, plant and equipment categories upon completion and reaching the status of intended use, and the depreciation will begin.

Except for self-owned land, which is not depreciated, each significant component of the remaining property, plant and equipment is depreciated separately on a straight-line basis within their useful lives. The Company conducts at least one annual review at the end of each year to assess the estimated useful life, residual value, and depreciation methods, and applies the effect of changes in applicable accounting estimates prospectively.

When derecognizing an item of property, plant and equipment, the difference between the net disposal proceeds and the carrying amount of the asset shall be recognized in loss or profit.

(VIII) Investment properties

Investment properties refers to properties held for the purpose of earning rents or capital appreciation or both (including properties and right-of-use assets thereof that meet the definition of investment properties and are in the process of construction). Investment properties also include land held for a currently undetermined future use.

Self-owned investment properties are initially measured at cost (including transaction cost), and subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

The investment properties acquired through lease are initially measured at cost (including the originally measured amount of the lease liabilities, the lease payments paid before the lease commencement date, the original direct cost, and the estimated cost of restoring the underlying asset, less the lease incentives received), and subsequently measured at cost less accumulated depreciation and accumulated impairment losses, and the remeasurement of the lease liability is adjusted.

All investment properties are depreciated on a straight-line basis.

Investment properties under construction are recognized at the cost less the accumulated impairment losses. The cost shall include professional service expenses and the borrowing costs eligible for capitalization. Such assets begin to be depreciated when they reach the status of intended use.

Investment properties are reclassified to inventories based on the carrying amount at the time when they are planned to be sold and cease being leased out.

The properties recognized in inventories are reclassified to investment properties based on the carrying amount at the time of establishment of an operating lease for rental.

When investment properties are derecognized, the difference between the net disposal price and the carrying amount of the asset is recognized in profit or loss.

(IX) Intangible assets

The cost of computer software is mainly amortized on a straight-line basis over a period of 1 to 10 years.

(X) Assets related to contract costs

The sales commission for property sales and the sellingservice fee paid to agents under exclusive sale agreements of the property held for sale only occur when any customer contract is closed, and the amount is recognized in the incremental cost of obtaining the contract within the recoverable amount and reclassified when the property is completed and transferred to the customer. However, for the incremental cost of obtaining a contract that is expected to be amortized within one year, the Company chose not to capitalize it.

(XI) Impairment of assets related to property, plant and equipment, right-of-use assets, intangible assets (excluding goodwill), and assets related to contract costs

The Company assesses if there are any signs of possible impairment in property, plant, and equipment as well as right-of-use and intangible assets (excluding goodwill) at the end of each reporting period. If there is any sign of impairment, an estimate is made of its recoverable amount. If it is not possible to determine the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. Corporate assets are allocated to the smallest CGUs on a reasonable and consistent basis.

Intangible assets with indefinite useful lives and not yet available for use are tested for impairment at least annually and whenever there is a indication that the assets may be impaired.

The recoverable amount is the fair value less cost of sales or its value in use, whichever is higher. If the recoverable amount of an individual asset or a CGU is lower than its carrying amount, the

carrying amount is reduced to the recoverable amount, and the impairment loss is recognized in profit or loss.

The inventory, property, plant and equipment, and intangible assets related to customer contracts are first recognized as impairment in accordance with the inventory impairment standards and the standards above. Then, the carrying amount of the assets related to contract cost in excess of the expected amount of consideration received for the provision of the relevant goods or services less the direct relevant costs is recognized as an impairment loss. Subsequently, the carrying amount of the assets related to contract cost is included in the CGU to which they belong to perform impairment assessment of the CGU.

When the impairment loss is subsequently reversed, the carrying amount of the asset, the CGU, or the asset related to contract cost is increased to the revised recoverable amount, provided that the increased carrying amount shall not exceed the carrying amount (less amortization or depreciation) of the asset, CGU, or the asset related to contract cost which was not recognized in impairment loss in prior years; the reversal of the impairment loss is recognized in profit or loss.

(XII) Financial instruments

Financial assets and financial liabilities shall be recognized in the parent company onlybalance sheet when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities not at fair value through profit or loss are measured at fair value plus transaction costs directly attributable to the acquisition or issuance of financial assets or financial liabilities. The transaction costs directly attributable to the acquisition or issuance of financial assets or financial liabilities at fair value through profit or loss is immediately recognized in profit or loss.

1) Financial assets

Regular trading of financial assets shall be recognized and derecognized in accordance with trade date accounting.

(1) Measurement types

Financial assets held by the Company are those measured at fair value through profit or loss (FVTPL) and at amortized cost, as well as investments in equity instruments measured at fair value through other comprehensive income (FVTOCI).

A. Financial assets at FVTPL

Financial assets at FVTPL are those mandatorily measured at FVTPL, including investments in equity instrument that the Company has not designated to measure at FVTOCI, and debt instruments that are not eligible to be classified as measured at amortized cost or at FVTOCI.

Financial assets measured at FVTPL are measured at fair value, and the gains or losses arising from remeasurement are recognized in profit or loss. Please refer to Note 32 for the method of determining the fair value.

B. Financial assets at amortized cost

When the Company's investments in financial assets meet the following two conditions simultaneously, they are classified as financial assets measured at amortized cost:

a. Held under a certain business model, of which the objective is to collect contractual cash flows by holding the financial assets; and
b. The cash flows on specific dates specified in the contractual terms are solely payments of the principal and interest on the principal amount outstanding.

After initial recognition, such assets (including cash and cash equivalents, notes receivable, trade receivables, other receivables measured at amortized cost, and refundable deposits) are measured at the amortized cost of the total carrying amount determined by the effective interest method less any impairment loss, and any foreign currency exchange gains or losses are recognized in profit or loss.

Except for the following two cases, interest revenue is calculated by multiplying the effective interest rate by the total carrying amount of financial assets:

a. For purchased or originated credit-impaired financial asset, interest revenue is calculated by multiplying the credit-adjusted effective interest rate by the amortized cost of the financial asset.
b. For financial asset that is not purchased or originated credit-impaired but subsequently becomes credit impaired, interest revenue is calculated by multiplying the effective interest rate from the next reporting period after the credit impairment by the amortized cost of the financial asset.

Cash equivalents include time deposits and short-term bills that are highly liquid and readily convertible into a fixed amount of cash at any time within 3 months from the date of acquisition while featuring little risk of value changes, which are used to meet short-term cash commitments

C. Investments in equity instruments at FVTOCI

On initial recognition, the Company may make an irrevocable election to designate as at FVTOCI the investments in equity instruments that are not held for trading and the ones that are not recognized by an acquirer in a business combination or with the contingent consideration.

Investments in an equity instrument measured at FVTOCI are measured at fair value, and any subsequent fair value changes are recognized in other comprehensive income and accumulated in other equity. Upon disposal of investments, cumulative gain or loss is directly transferred to retained earnings and are not reclassified to profit or loss.

Dividends of investments in equity instruments measured at FVTOCI are recognized in profit or loss when the Company's right to receive dividends is established unless such dividends clearly represent the recovery of a part of the investment cost.

(2) Impairment of financial assets and contract assets

The Company assesses the impairment loss of financial assets measured at amortized cost (including trade receivables), and contract assets based on the expected credit loss at the end of each reporting period.

Trade receivables and contract assets are recognized in loss allowance based on the lifetime expected credit losses (ECLs). Other financial assets are first assessed based on whether the credit risk has increased significantly since the initial recognition. If there is no significant increase in the risk, a loss allowance is recognized at an amount equal to 12-month ECLs. If the risks have increased significantly, a loss allowance is recognized at an amount equal to lifetime ECLs.

The ECLs refer to the weighted average credit loss with the risk of default as the weight. The 12-month ECLs represent the ECLs from possible defaults of a financial instrument within 12 months after the reporting date. The lifetime ECLs represent the ECLs from all possible defaults in a financial instrument over the expected life of a financial instrument.

For the purpose of internal credit risk management, the Company, without considering the collateral held, determines that the following situations represent defaults in the financial assets:

A. Internal or external information indicates that it is impossible for the debtor to settle the debt.

B. It is overdue for more than 90 days, unless there is reasonable and corroborative information showing that a default date postponed is more appropriate.

The Company recognizes an impairment loss for all financial assets with a corresponding downward adjustment to their carrying amount through a loss allowance account. However, the loss allowance for investment in debt instruments measured at FVTOCI is recognized in other comprehensive income without a downward adjustment to the carrying amount.

(3) Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash inflow from the financial asset expire or when it transfers the financial assets and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the consideration received is recognized in profit or loss. When derecognizing an investment in equity instrument at FVTOC in its entirety, the cumulative profit or loss is transferred directly to retained earnings and is not reclassified to profit or loss.

2) Equity instrument

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

Equity instruments issued by the Company are recognized at the proceeds received, net of the cost of direct issue.

The repurchase of the Company's own equity instruments is recognized in and deducted directly from equity. The purchase, sale, issuance, or cancellation of the Company's own equity instruments is not recognized in profit or loss.

3) Financial liability

(1) Subsequent measurement

All financial liabilities are measured at amortized cost in the effective interest method.

(2) Derecognition of financial liabilities

The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

(XIII) Provisions

The amount recognized in provision is based on the risk and uncertainty of the obligation, and is the best estimate of the expenditure required to settle the obligation at the end of each reporting period. The provisions are measured at the discounted value of the cash flow estimated to settle the obligation.

Warranty

The warranty obligation to ensure that products conform to the agreed specifications is based on the management's best estimate of the expenditure required to settle the Company's obligation, and is recognized when relevant products are recognized in revenue.

(XIV) Revenue recognition

After the Company identifies its performance obligations in contracts with customers, it allocates the transaction priceto each performance obligation in the contracts and recognizes revenue when performance obligations are satisfied.

Construction revenue

For the property sales within the normal business scope, the fixed transaction price is received in installments and recognized as a contract liability. After considering the major financial components, revenue is recognized when each property is completed and delivered to the buyer.

(XV) Leasing

The Company assesses whether a contract belongs to (or contains) a lease on the date of establishment of the contract.

1) The Company as lessor

Where almost all the risks and rewards attached to the ownership of an asset are transferred to the lessee in lease terms, such leases are classified as finance leases. All other leases are classified as operating leases.

When the Company subleases the right-of-use assets, the right-of-use assets (not the underlying asset) are used to determine the classification of the sublease. However, if the main

lease is a short-term lease for which the recognition exemption applies to the Company, the sublease is classified as an operating lease.

Under finance leases, lease payments include fixed payments, substantive fixed payments, and fines for lease termination that has been reflected in the lease term, less lease incentives that shall be paid. The net lease investment is measured by the sum of the present value of the lease payment receivable and the unguaranteed residual value plus the initial direct cost and presented as financial lease receivable. Finance lease income is allocated to each accounting period to reflect the fixed rate of return on the Company's net investment outstanding in respect of leases.

Under operating leases, lease payments less lease incentives are recognized in income on a straight-line basis over the relevant lease terms. The initial direct cost incurred in obtaining an operating lease is added to the carrying amount of the underlying asset and recognized as expenses on a straight-line basis over the lease term. The lease negotiation with each lessee is handled as a new lease from the effective date of the lease modification.

The variable rent in a lease arrangement that is not dependent on the index or rate is recognized in income in the period in which it is incurred.

2) The Company as lessee

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

A right-of-use asset is initially measured at cost (including the initial measured amount of lease liabilities, the amount of lease payments made to the lessor less lease incentives received prior to the inception of a lease, initial direct costs, and the estimated costs of restoring underlying assets), and subsequently measured at cost less accumulated depreciation and accumulated impairment and adjusted for any remeasurement of the lease liabilities. Right-of-use assets, except those that meet the definition of investment properties, are presented on a separate line in the parent company only balance sheets. For the recognition and measurement of right-of-use assets that meet the definition of investment properties, please refer to (VIII) for the accounting policies for investment properties.

Right-of-use assets are depreciated on a straight-line basis from the lease commencement date to the expiration of the useful life or the expiration of the lease term, whichever is earlier.

The lease liabilities are initially measured at the present value of the lease payment (including fixed payments, in-substance fixed payments, and fines for lease termination that has been reflected in the lease term, less lease incentives received). If the interest rate implicit in a lease can be easily determined, the lease payment is discounted at such an interest rate. If the interest rate cannot be easily determined, the lessee's incremental borrowing rate applies.

Subsequently, lease liabilities are measured at the amortized cost using the effective interest rate method, and interest expense is amortized over the lease term. If changes in the lease term, the expected payment under the residual value guarantee, the evaluation of the

underlying asset purchase options, or the index or rate used to determine the lease payment over the lease term lead to changes in future lease payments, the Company remeasure the lease liabilities with a corresponding adjustment to the right-of-use assets. However, if the carrying amount of the right-of-use assets has been reduced to zero, the remaining remeasurement amount is recognized in profit or loss. For lease modifications that are not treated as a separate lease, remeasurement of the lease liabilities due to the reduced scope of the lease is to reduce the right-of-use assets, and to recognize the profit or loss of the partial or full termination of the lease; the remeasurement of the lease liabilities due to other modifications is to adjust the right-of-use assets. Lease liabilities are presented on a separate line in the parent company only balance sheets.

(XVI) Borrowing costs

Borrowing costs directly attributable to an acquisition, construction, or production of qualifying assets are added to the cost of said assets, until such time as the assets are substantially ready for their intended use or sale.

For specific borrowings, if the investment income earned by making a temporary investment before the capital expenditure that meets the requirements is incurred, it is deducted from the borrowing costs that meet the capitalization conditions.

Other than that which is stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

(XVII) Employee benefits

1) Short-term employee benefits

Relevant liabilities for short-term employee benefits are measured by the non-discounted amount expected to be paid in exchange for employee services.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as expenses when employees have rendered services entitling them to the contributions.

The defined benefit cost under the defined benefit retirement benefit plan (including service cost, net interest, and remeasurement) is calculated based on the projected unit credit method. The service cost (including the service costs for the current period and the past service cost) and the net interest on the net defined benefit liabilities (assets) are recognized in employee benefit expenses as they occur. The remeasurement (including actuarial gains and losses, effect of changes in assets limits, and the return on plan assets, net of interest) is recognized in other comprehensive income and listed in retained earnings when it occurs, and will not be reclassified to profit or loss subsequently.

The net defined benefit liabilities (assets) are the deficit (surplus) of the defined benefit retirement benefit plan. The net defined benefit assets may not exceed the present value of any refunds from the plan or reductions in future contributions to the plan.

(XVIII) Income tax

The income tax expense represents the sum of the tax currently payable and deferred tax.

1)Current tax

According to the Income Tax Law in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2)Deferred tax

Deferred income tax is calculated based on the temporary differences between the carrying amount of assets and liabilities and the corresponding tax bases used in the computation of taxable income.

Deferred income tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are recognized when there are likely to be taxable income to deduct temporary differences, loss carryforwards, or income tax credit arising from investment.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the asset to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period, and its carrying amount will be increased as it has become probable that future taxable income will allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates in the period in which the liabilities are expected to be settled or assets realized, based on tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3)Current and deferred tax

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity; in which case, the current and deferred taxes are recognized in other comprehensive income or directly in equity, respectively.

5. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Company's accounting policies, the management is required to make judgments, estimations, and assumptions about the relevant information that is not readily accessible from other sources based on historical experience and other relevant factors. Actual results may differ from these estimates.

The management will constantly review the estimates and basic assumptions. If a revision of an estimate only affects the current period, it shall be recognized in the period in which the revision occurs. If a revision of an accounting estimate affects the current period and future periods, it shall be recognized in the period in which the revision occurs and future periods.

Key Sources of Estimation Uncertainty

Inventories impairment

The net realizable value of inventories is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. These estimates are based on current market conditions and historical sales experience in similar products. Changes in market conditions may materially affect the results of these estimates.

6. Cash and cash equivalents

	December 31, 2020	December 31, 2019
Cash	$ 1,748	$ 1,661
Checking accounts and demand deposits	1,262,338	650,491
Foreign currency deposits	3,575	3,609
Cash in transit	-	2
	$ 1,267,661	$ 655,763

7. Financial assets at FVTPL

	December 31, 2020	December 31, 2019
Current		
Mandatorily measured at FVTPL		
Non-derivative financial assets s		
Fund beneficiary certificates	$ 2,969	$ -

Please refer to Note 25(2) for the gains or losses on financial assets at FVTPL.

8. Financial assets at FVTOCI

Investments in equity instruments at FVTOCI

	December 31, 2020	December 31, 2019
Non-current		
Domestic unlisted shares	$ 5,100	$ 5,100

The Company invests in the above-mentioned unlisted stocks for medium- to long-term strategic purposes, and expects to make profits through long-term investments. The Company's management believes that recognizing the short-term fluctuations in the fair value of such investments in profit or loss is not consistent with the aforementioned long-term investment plan. Therefore, the management elected to designate these investments in equity instruments as at FVTOCI.

9. Financial assets at amortized cost

	December 31, 2020	December 31, 2019
Current		
Domestic investments		
Other financial assets	$ 8,424	$ 30,040
Non-current		
Domestic investments		
Other financial assets	$ 2,248,075	$ 1,040,728

(I) Other financial assets are restricted assets, such as reserve accounts for bank deposits and trust account.

(II) Please refer to Note 29 for information relating to investments in financial assets at amortized cost pledged.

10. Notes receivable and trade receivables

	December 31, 2020	December 31, 2019
Notes receivable		
At amortized cost		
Gross carrying amount	$ -	$ 2,528
Less: Loss allowance	-	-
	$ -	$ 2,528
Trade receivables		
At amortized cost		
Gross carrying amount	$ 30,426	$ 124,284
Less: Loss allowance	-	-
	$ 30,426	$ 124,284

Trade receivables

When determining the recoverability of accounts receivable, the Company considers the changes in the credit quality of trade receivables during the period from the original credit date to the time it is presented in the balance sheet. Based on the historical experience, except for the counterparty of a transaction is any government agency or bank credit card center with great credit quality, in principle, the Company adopts individual evaluation and a simplified approach as in IFRS 9 to recognize loss allowance for trade receivables based on the lifetime expected credit losses. The lifetime expected credit losses are based on each customer's past default history, current financial position, and industrial economic situation, as well as the industry outlook. Based on the Company's historical experience in credit losses, the loss patterns of different customers are significantly different, the expected credit loss rate is calculated based on the trade receivables of individual customers.

If there is evidence that a counterparty is facing serious financial difficulties and the Company cannot reasonably expect to recover the amount, e.g., the counterparty is in liquidation, the Company will directly write off the relevant trade receivables, but will continue to try to collect the receivable. The recovered amount is recognized in profit or loss.

All the Company's trade receivables as of December 31, 2020 and 2019 are not past due.

11. Finance lease receivables

	December 31, 2020	December 31, 2019
Undiscounted lease payments		
Year 1	$ 23,490	$ 20,622
Year 2	27,256	19,371
Year 3	18,672	19,144
Year 4	221	9,647
Year 5	-	28
	69,639	68,812
Less: Unearned finance income	(2,162)	(3,063)
Lease payments receivable	67,477	65,749
Net investment in leases presented as	$ 67,477	$ 65,749

	December 31, 2020	December 31, 2019
finance lease receivables		

. The Company measures the loss allowance for the finance lease receivable based on the lifetime expected credit losses. As of the end of the reporting period, there were no overdue finance lease receivable. At the same time, considering the past default history of each counterparty, the future development of the underlying lease industry, and the value of the collateral, the Company believed that the finance lease receivable above was not impaired.

12. Inventories

	December 31, 2020	December 31, 2019
Property under development	$ 843,886	$ 804,278
Property to be developed	497,981	494,092
Buildings and land held for sale	6,187,655	7,685,481
	$ 7,529,522	$ 8,983,851

Property under development

Project name	Estimated completion year	December 31, 2020	December 31, 2019
Sanzhi Project - East Side	2022	$ 843,886	$ 804,278

Property to be developed

Project name	December 31, 2020	December 31, 2019
Subsection 1, Wenquan Section, Beitou District	$ 316,758	$ 312,869
Sanzhi Project - West Side	181,223	181,223
	$ 497,981	$ 494,092

Buildings and land held for sale

Project name	December 31, 2020	December 31, 2019
Fu-Jou project	$ 4,832,747	$ 4,981,230
Daqiaotou Project	1,245,381	2,503,610
Badu Project	29,773	83,836
Xidian Project	40,735	77,786
Others	39,019	39,019
	$ 6,187,655	$ 7,685,481

(I) As of December 31, 2020 and 2019, it was expected that the inventory recovered after more than 12 months would be NT$1,341,867 thousand and NT$1,298,370 thousand respectively.

(II) Please refer to Note 29 for information on the Company's amount of inventories pledged.

(III) To enable the construction projects and construction to proceed and the completed construction projects to be delivered smoothly, the Company's registration of the trust of construction in progress is as follows:

Project name	Trustee	Trust period
Fu-Jou project	Hezhong Construction Management Co., Ltd.	From October 24, 2018 to the date when the units on the second floor and above of this affordable housing project have been successfully sold and the property rights are transferred and registered to buyers. In October 2019, the purpose of the trust was achieved, so the trust contract was terminated.
Daqiaotou Project	CTBC Bank	From August 8, 2014 to the date when all the buildings in this project are completed, the user license is obtained, and the first registration of the ownership of the buildings is completed, and the registration of mortgage pledged to a group of banks is completed, or the debt is fully paid off. The creditor's rights of the group of banks, the manager, and the arranger in the syndicated loan to the Company under the syndicated loan contract were fully repaid; the purpose of the trust was achieved in August 2019, so the trust contract was terminated.
Sanzhi Project – East & West Side	Baoguo Construction Management Co., Ltd.	It started from December 30, 2019, the project was completed, and the first-time registration of ownership was completed.

For the above-mentioned trust contract, the Company entrusts the trustees to execute fund control, property right management, financing loan repayment, self-raising funds, and necessary expenses and expenditures incurred by the trust relationship.

(IV) Please refer to Note 17 for the information on the reclassification of inventory to investment property due to changes in the purpose of use.

(V) The inventory-related cost of sales in 2020 and 2019 was NT$1,512,087 thousand and NT$1,037,209 thousand respectively. The cost of sales included gains on inventory value recoveries of NT$7,502 thousand and NT$784 thousand, respectively. The recovery in the net realizable value of inventories in 2020 was due to the increase in the selling price of the inventories in the market.

13. Prepayments and other assets

	December 31, 2020	December 31, 2019
Overpaid sales tax	$ 15,321	$ 57,937
Others	125,156	227,612
	$ 140,477	$ 285,549
Prepayments	$ 136,396	$ 165,128
Other assets - current	4,081	120,421
	$ 140,477	$ 285,549

14. Investments accounted for using equity method

Investments in subsidiaries

	December 31, 2020	December 31, 2019
Unlisted company		
Ji Shun Life Tech Co., Ltd. (Ji-Shun)	$ 716,492	$ 528,337
Li Chiang Development Co., Ltd. (Li-Chiang)	520,180	565,108
Rih Yao DevelopmentRih Yao Development Co., Ltd. (Rih -Yao)	748,458	796,123
Radium Far East Co., Ltd. (Far East)	624,249	628,871
Titan Development and Construction Co., Ltd. (Titan)	1,249,678	1,281,111
Wan Da Tong Enterprise Co., Ltd. (Wan-Da-Tong)	1,760,682	1,772,186
Radium-Kagaya International Hotel Co., Ltd. (KaGaYa)	114,907	131,418
Zhao Yao EnterpriseZhao Yao Enterprise Co., Ltd. (Zhao-Yao)	1,463,779	1,582,433
Clever Base Investments Limited (Clever Base)	5,434	6,856
Xin Xiu Ge Hotel Co., Ltd. Co., Ltd. (Xin-Xiu-Ge)	324,423	328,956
Jing-Jan Investment Holdings Co., Ltd. (Jing-Jan Hldg)	3,602,643	3,583,376
Rih Siang Property Management Co., Ltd. (Rih-Siang)	1,932,299	1,960,059
Rih Zuan Green Energy Technology Co., Ltd. (Rih-Zuan)	42,089	50,353
Wan Tong Digital Technology Co., Ltd. (Wan-Tong)	8,477	20,355
LiJiang Business Consulting(Shanghai). (LiJiang)	2,959	4,825

(Continued)

	December 31, 2020	December 31, 2019
Rih-Ding Circular Economy Investment Holdings Co., Ltd. (Rih-Ding Hldg)	$ 5,713,974	$ -
Jing Ding Green Energy Technology Co., Ltd. (Jing-Ding)	7,200	-
Rih Ding Water Enterprise Co., Ltd. (Rih-Ding Water)	-	4,466,864
Ding Sheng Green Energy Technology Co., Ltd.(Ding-Sheng)	-	50,122
Less: Unrealized gain from affiliate	(1,289,256)	(168,953)
Less: Accumulated impairment	(155,686)	(155,686)
	$ 17,392,981	$ 17,432,714

The Company's ownership interest and percentage of voting rights in the subsidiaries at the end of the reporting periodare as follows:

	December 31, 2020	December 31, 2019
Unlisted company		
Ji-Shun	100.00%	100.00%
Li- Chiang	100.00%	100.00%
Rih-Yao	100.00%	100.00%
Far East	99.93%	99.93%
Titan	100.00%	100.00%
Wan-Da-Tong	28.35%	28.35%
KaGaYa	100.00%	100.00%
Zhao-Yao	100.00%	100.00%
Clever Base	100.00%	100.00%
Xin-Xiu-Ge	100.00%	100.00%
Jing-Jan Hldg	61.06%	61.06%
Rih-Siang	100.00%	100.00%
Rih-Zuan	90.00%	90.00%
Wan-Tong	90.00%	90.00%
LiJiang	100.00%	100.00%
Rih-Ding Hldg	100.00%	-
Jing-Ding	37.00%	-
Rih-Ding Water	-	100.00%
Ding-Sheng	-	100.00%

The Company’s shareholding in Wan-Da-Tong is 28.35%. Since the remaining 71.65% of the shares are held by Jing-Jan Hldg, and Titan holds 36.80% of the shares of Jing-Jan Hldg, it is judged that the Company is able to exercise significant influence over Wan-Da-Tong, so it is classified as a subsidiary.

The Company’s shareholding in Jing-Ding is 37.00%. Because Ding-Sheng holds 33.00% of its shares, and Rih-Ding Hldg holds 100.00% of Ding-Sheng’s shares, it is judged that the Company is able to exercise significant influence over Jing-Ding, so it is classified as a subsidiary.

The share of profits and losses and other comprehensive income of the subsidiaries accounted for using the equity method in 2020 and 2019 were recognized based on the subsidiaries' financial statements that have been audited by CPAs for the same periods.

As of December 31, 2020 and 2019, the accumulated impairment of the investment under the equity method by the Company was both NT$155,686 thousand.

Ding-Sheng was established on January 4, 2019, Wan-Tong on May 23, 2019, and Rih-Ding Hldg on March 5, 2020, all of which were approved by and registered with the Taipei City Government. Jing-Ding was established on September 18, 2020, and approved by and registered with the Central Region Office, Ministry of Economic Affairs.

The investee Clever Base is recognized by the Company under the equity method. Clever Base's investee Sharp China recognized under the equity method sold 100% of its equity in LiJiang (Shanghai) to the Company on December 12, 2019.

The Company's board of directors resolved to adjust the organizational structure on April 6, 2020. Rih-Ding Hldg issued new shares and obtained 100% of the Company's shares in Rih-Ding Water and Ding-Sheng through share swap arrangements, and the record date of share swap was May 8, 2020.

For the amount of investments accounted for using equity method pledged by the Company to secure borrowings, please refer to Note 29.

15. Property, plant and equipment

(I) Assets used by the company

	Freehold Land	Buildings	Transportation Equipment	Office Equipment	Other Equipment	Total
Cost						
Balance at January 1, 2020	$ 47,750	$ 83,418	$ 1,302	$ 35,085	$ 15,229	$182,784
Additions	-	-	-	943	1,599	2,542
Balance at December 31, 2020	$ 47,750	$ 83,418	$ 1,302	$ 36,028	$ 16,828	$185,326
Accumulated depreciation and impairment						
Balance at January 1, 2020	$ -	$ 26,162	$ 1,172	$ 29,190	$ 14,561	$ 71,085
Depreciation expenses	-	2,597	41	1,905	224	4,767
Balance at December 31, 2020	$ -	$ 28,759	$ 1,213	$ 31,095	$ 14,785	$ 75,852
Carrying amount at December 31, 2020	$ 47,750	$ 54,659	$ 89	$ 4,933	$ 2,043	$109,474
Cost						
Balance at January 1, 2019	$129,666	$226,049	$ 2,304	$ 32,528	$ 14,791	$405,338
Additions	-	-	-	2,557	438	2,995
Disposals	-	-	(1,002)	-	-	(1,002)
Transfers to investment properties	(81,916)	(142,631)	-	-	-	(224,547)
Balance at December 31, 2019	$ 47,750	$ 83,418	$ 1,302	$ 35,085	$ 15,229	$182,784

(Continued)

	Freehold Land	Buildings and Structures	Transportation Equipment	Office Equipment	Other Equipment	Total
Accumulated depreciation and impairment						
Balance at January 1, 2019	$ -	$ 84,830	$ 2,133	$ 27,209	$ 14,428	$128,600
Depreciation expenses	-	5,151	41	1,981	133	7,306
Disposals	-	-	(1,002)	-	-	(1,002)
Transfers to investment properties	-	(63,819)	-	-	-	(63,819)
Balance at December 31, 2019	$ -	$ 26,162	$ 1,172	$ 29,190	$ 14,561	$ 71,085
Carrying amount at December 31, 2019	$ 47,750	$ 57,256	$ 130	$ 5,895	$ 668	$111,699

Depreciation expenses of the property, plant and equipment are calculated on a straight-line basis over their estimated useful lives as shown in the following:

Buildings	10-50 years
Transportation equipment	5 years
Office equipment	3-10 years
Other equipment	1-8 years

(II) As of December 31, 2020 and 2019, the accumulated impairment of the property, plant and equipment, through the assessment of their recoverable amounts based on their net fair values was both NT$19,569 thousand.

(III) For the amount of property, plant and equipment pledged by the Company as collateral for borrowings, please refer to Note 29.

16. Lease arrangements

(I) Right-of-use assets

	December 31, 2020	December 31, 2019
Carrying amount		
Buildings	$ -	$ 13,045
Transportation equipment	3,441	4,517
	$ 3,441	$ 17,562

	2020	2019
Additions to right-of-use assets	$ 1,616	$ 4,955
Depreciation charge for right-of-use assets		
Buildings	$ 13,045	$ 13,045
Transportation equipment	2,087	1,311
	$ 15,132	$ 14,356

The above-mentioned amount of right-of-use assets does not include right-of-use assets that meet the definition of investment properties.

(II) Lease liabilities

	December 31, 2020	December 31, 2019
Carrying amount		
Current	$ 104,663	$ 128,829
Non-current	$ 172,011	$ 277,296

Range of discount rate for lease liabilities is as follows:

	December 31, 2020	December 31, 2019
Buildings	2.72%	2.72%
Transportation equipment	2.15%-2.72%	2.72%

(III) Material lease-in activities and terms

The Company has leased several buildings for offices over a lease terms of 2 years. The Company has also leased certain transportation equipment over a lease term of 3 years. The Company does not have preferential right to acquire the buildings leased at the end of the lease term.

(IV) Sublease

The Company's sublease transactions has been detailed in Notes 11 and 17.

(V) Other lease information

	2020	2019
Expenses relating to short-term leases	$ 4,910	$ 11,598
Total cash outflow of leases	($ 143,363)	($ 154,541)

The Company has leased certain office equipment which qualifies for short-term leases and certain equipment which qualifies for low-value asset leases. The Company has elected to apply the recognition exemption for said equipment and, thus, did not recognize the right-of-use assets and lease liabilities of said leases.

17. Investment properties

	Completed Investment Properties	Right-of-use Assets	Total
Cost			
Balance at January 1, 2020	$ 8,841,981	$ 406,913	$ 9,248,894
Disposals	(1,480,924)	(21,943)	(1,502,867)
Transfers to finance lease receivables	-	(117,924)	(117,924)
Transfers to buildings and land held for sale	(91,894)	-	(91,894)
Transfers from buildings and land held for sale	118,149	-	118,149
Transfers from finance lease receivable	-	17,446	17,446
Balance at December 31, 2020	$ 7,387,312	$ 284,492	$ 7,671,804

(Continued)

	Completed Investment Properties	Right-of-use Assets	Total
Accumulated depreciation and impairment			
Balance at January 1, 2020	$ 947,739	$ 95,972	$ 1,043,711
Depreciation expenses	190,605	79,620	270,225
Disposals	(242,825)	(20,451)	(263,276)
Transfers to finance lease receivables	-	(32,784)	(32,784)
Transfers to buildings and land held for sale	(1,960)	-	(1,960)
Transfers from buildings and land held for sale	24,875	-	24,875
Balance at December 31, 2020	$ 918,434	$ 122,357	$ 1,040,791
Carrying amount at December 31, 2020	$ 6,468,878	$ 162,135	$ 6,631,013
Cost			
Balance at January 1, 2019	$ 9,020,029	$ -	$ 9,020,029
Adjustments on initial application of IFRS 16	-	472,411	472,411
Balance at January 1 , 2019(restated)	9,020,029	472,411	9,492,440
Additions	-	7,349	7,349
Transfers to finance lease receivables	-	(75,065)	(75,065)
Transfers to property to be developed	(293,550)	-	(293,550)
Transfers to buildings and land held for sale	(113,998)	-	(113,998)
Transfers from buildings and land held for sale	4,953	-	4,953
Transfers from property, plant and equipment	224,547	-	224,547
Transfers from finance lease receivables	-	2,218	2,218
Balance at December 31, 2019	$ 8,841,981	$ 406,913	$ 9,248,894

(Continued)

	Completed Investment Properties	Right-of-use Assets	Total
Accumulated depreciation and impairment			
Balance at January 1, 2019	$ 824,885	$ -	$ 824,885
Adjustments on initial application of IFRS 16	-	-	-
Balance at January 1 , 2019(restated)	824,885	-	824,885
Depreciation expenses	188,183	105,347	293,530
Transfers to finance lease receivables	-	(9,375)	(9,375)
Transfers to property to be developed	(112,327)	-	(112,327)
Transfers to buildings and land held for sale	(16,821)	-	(16,821)
Transfers from property, plant and equipment	63,819	-	63,819
Balance at December 31, 2019	$ 947,739	$ 95,972	$ 1,043,711
Carrying amount at December 31, 2019	$ 7,894,242	$ 310,941	$ 8,205,183

(I) For the right-of-use assets in the investment properties, it is the buildings subleased by the Company to others in the form of operating leases.

(II) The fair value of the investment properties finished by the Company as of December 31, 2020 and 2019 was NT$10,182,917thousand and NT$12,385,734 thousand, respectively. The fair value was based on the appraisals conducted by independent appraisers Wei-Hsin Chin, Liang-An Chi, and Wen-Che Tsai, who were not related parties, at the dates. Said appraisals were conducted using the comparative method, the income approach, and the land development analysis method.

(III) The major components of the Company’s investment properties mainly include the above-ground structures and interior and exterior decoration, etc., and are depreciated according to their useful lives of 10–50 years.

(IV) For the amount of investment properties pledged by the Company, please refer to Note 29.

(V) As of December 31, 2020 and 2019, the Company’s buildings and land were held in trust in order to obtain financing from financial institutions. The trust registration is as follows:

Project name	Trustee	Trust period
Buildings and landin the fourth section of Zhongxiao East Road and relevant income	King's Town Bank Co., Ltd.	From July 27, 2009 to July 31, 2024.

For the above-mentioned trust contract, the Company entrusts the trustees to execute fund control, property right management, financing loan repayment, and necessary expenses and expenditures incurred by the trust relationship.

(VI) As of December 31, 2020 and 2019, the accumulated impairment of the investment properties, through the assessment of their recoverable amounts based on their net fair values was NT$94,412

thousand and NT$69,537 thousand respectively. The Company determines the recoverable amount of the finished investment properties based on the fair value less disposal costs. The relevant fair value is determined under the comparative method. The main assumptions include the estimated selling price, which belongs to the Level 2 fair value measurement.

(VII) The lease terms for the lease out of investment properties range from 1 to 18 years. When the lessee exercises the right to renew a lease, it is agreed that the rent will be adjusted according to the market level. At the end of the lease term, the lessee has no preferential right to purchase the investment properties. In addition to fixed lease payments, the lease contract also stipulates that the lessee shall pay variable lease payments based on a specific percentage of its revenue.

(VIII) The total amount of lease payments that will be received in the future for leasing out investment properties under operating leases is as follows:

	December 31, 2020	December 31, 2019
Year 1	$ 145,880	$ 142,601
Year 2	140,682	146,613
Year 3	86,160	142,010
Year 4	32,205	87,790
Year 5	5,956	34,030
Year 6 onwards	29,863	45,889
	$ 440,746	$ 598,933

18. Borrowings

(I) Short-term borrowings

	December 31, 2020	December 31, 2019
Secured borrowings		
Bank loans	$ 1,887,250	$ 539,972
Unsecured borrowings		
Bank loanss	607,355	775,513
	$ 2,494,605	$ 1,315,485

The interest rate range of short-term borrowings as of December 31, 2020 and 2019 was 2.00%–3.07% and 1.33%–3.57%, respectively. Please refer to Note 29 for the collateral pledged for the above-mentioned borrowings.

(II) Short-term bills payable

Guarantee or acceptance institutions	December 31, 2020	December 31, 2019
International Bills Finance Corporation	$ -	$ 1,404,400
Taiwan Cooperative Bills Finance Corporation	-	585,200
Entie Bank	-	950,000
	-	2,939,600
Less: Discount on short-term bills payable	-	(2,716)
	$ -	$ 2,936,884

The interest rate range of short-term bills payable as of December 31, 2019 was 0.58%–1.55%. Please refer to Note 29 for the collateral pledged for the above-mentioned short-term bills payable.

(III) Long-term borrowings

	December 31, 2020	December 31, 2019
Secured borrowings		
Syndicated loan project led by Bank of Taiwan	$ 2,425,000	$ 2,500,000
Syndicated loan project led by CTBC Bank	656,466	1,856,584
Other borrowings	9,481,895	9,615,990
Unsecured borrowings		
Other borrowings from banks	263,150	274,230
Less: Deduction in long-term borrowings – syndicated loan expense	(12,663)	(18,010)
Less: Current portion of long-term borrowings and bonds payable	(1,437,443)	(1,665,187)
Add: Current portion of deduction in long-term borrowing - syndicated loan expense	3,000	-
Long-term borrowings	$ 11,379,405	$ 12,563,607

The interest rate range of long-term borrowings as of December 31, 2020 and 2019 was 1.54%–2.93% and 1.50%–3.25%, respectively. The syndicated loan project led by Bank of Taiwan includes five banks. The syndicated loan project led by CTBC Bank includes four banks. Please refer to Note 29 for the collateral pledged for the above-mentioned borrowings.

19. Bonds payable

	December 31, 2020	December 31, 2019
Secured domestic bonds	$ 5,500,000	$ 2,500,000

The Company issued the first domestic secured ordinary bonds on September 14, 2017. The main conditions for the issue are as follows:

(I) Total amount of issue: NT$1,000,000 thousand.

(II) Price: The bonds are issued in full by face value, each with a face value of NT$1,000 thousand.

(III) Coupon interest rate and method of repayment of principal and interest: Annual interest rate is 1.02% with repayment of principal in a lump sum upon maturity.

(IV) Duration: 5 years (September 14, 2017 to September 14, 2022).

(V) Guarantee method: Taiwan Cooperative Bank is entrusted to guarantee the bonds in accordance with the guarantee contract.

The Company issued the second domestic secured ordinary bonds on November 23, 2017. The main conditions for the issue are as follows:

(I) Total amount of issue: NT$500,000 thousand.

(II) Price: The bonds are issued in full by face value, each with a face value of NT$1,000 thousand.

(III) Coupon interest rate and method of repayment of principal and interest: Annual interest rate is 1.02% with repayment of principal in a lump sum upon maturity.

(IV) Duration: 5 years (November 23, 2017 to November 23, 2022).

(V) Guarantee method: Taiwan Business Bank is entrusted to guarantee the bonds in accordance with the guarantee contract.

The Company issued the first domestic secured ordinary bonds on July 1, 2019. The main conditions for the issue are as follows:

(I) Total amount of issue: NT$1,000,000 thousand.

(II) Price: The bonds are issued in full by face value, each with a face value of NT$1,000 thousand.

(III) Coupon interest rate and method of repayment of principal and interest: Annual interest rate is 0.80% with repayment of principal in a lump sum upon maturity.

(IV) Duration: 5 years (July 1, 2019 to July 1, 2024).

(V) Guarantee method: Taiwan Cooperative Bank is entrusted to guarantee the bonds in accordance with the guarantee contract.

The Company issued the first domestic secured ordinary bonds on June 1, 2020. The main conditions for the issue are as follows:

(I) Total amount of issue: NT$1,000,000 thousand.

(II) Price: The bonds are issued in full by face value, each with a face value of NT$1,000 thousand.

(III) Coupon interest rate and method of repayment of principal and interest: Annual interest rate is 0.68% with repayment of principal in a lump sum upon maturity.

(IV) Duration: 5 years (June 1, 2020 to June 1, 2025).

(V) Guarantee method: First Commercial Bank is entrusted to guarantee the bonds in accordance with the guarantee contract.

The Company issued the second domestic secured ordinary bonds on July 1, 2020. The main conditions for the issue are as follows:

(I) Total amount of issue: NT$1,000,000 thousand.

(II) Price: The bonds are issued in full by face value, each with a face value of NT$1,000 thousand.

(III) Coupon interest rate and method of repayment of principal and interest: Annual interest rate is 0.65% with repayment of principal in a lump sum upon maturity.

(IV) Duration: 5 years (July 1, 2020 to July 1, 2025).

(V) Guarantee method: First Commercial Bank is entrusted to guarantee the bonds in accordance with the guarantee contract.

The Company issued the third domestic secured ordinary bonds on December 29, 2020. The main conditions for the issue are as follows:

(I) Total amount of issue: NT$1,000,000 thousand.

(II) Price: The bonds are issued in full by face value, each with a face value of NT$1,000 thousand.

(III) Coupon interest rate and method of repayment of principal and interest: Annual interest rate is 0.55% with repayment of principal in a lump sum upon maturity.

(IV) Duration: 5 years (December 29, 2020 to December 29, 2025).

(V) Guarantee method: Taiwan Business Bank is entrusted to guarantee the bonds in accordance with the guarantee contract.

20. Provisions

	December 31, 2020	December 31, 2019
Non-current		
Warranties	$ 257,370	$ 259,351

The provisions for warranty is the present value of the best estimate of the future outflow of economic benefits caused by the warranty obligation made by the management of the Company according to the sales contract, This estimate is based on historical warranty experience, and is adjusted in consideration of new materials, process changes, or other factors that affect product quality.

21. Maturity analysis of assets and liabilities

The assets and liabilities related to the Company's construction business is classified as current or non-current according to the operating cycle. The relevant amounts recognized are based on the amounts expected to be recovered or repaid within one year and more than one year after the end of the reporting period, which are listed below:

	December 31, 2020		
	Within 1 year	More than 1 year	Total
Assets			
Financial assets at amortized cost -current	$ 8,423	$ -	$ 8,423
Notes receivable and trade receivables	$ 22,269	$ -	$ 22,269
Buildings and land held for sale	$ 6,187,655	$ -	$ 6,187,655
Land held for construction site	$ -	$ 843,886	$ 843,886
Land held for construction site	$ -	$ 497,981	$ 497,981
Refundable deposits - current	$ 190,854	$ -	$ 190,854
Liabilities			
Contract liabilities - current	$ 44,769	$ 6,800	$ 51,569
Guarantee deposits received (shown as other current liabilities)	$ 516	$ -	$ 516
Current portion of long-term borrowings and bonds payable	$ 479,510	$ -	$ 479,510

	December 31, 2019		
	Within 1 year	More than 1 year	Total
Assets			
Financial assets at amortized cost -current	$ 5	$ -	$ 5
Notes receivable and trade receivables	$ 121,001	$ -	$ 121,001
Buildings and land held for sale	$ 7,685,481	$ -	$ 7,685,481
Land held for construction site	$ -	$ 804,278	$ 804,278
Land held for construction site	$ -	$ 494,092	$ 494,092
Refundable deposits - current	$ 266,764	$ -	$ 266,764
Liabilities			
Contract liabilities - current	$ 621,153	$ -	$ 621,153
Guarantee deposits received (shown as other current liabilities)	$ 21	$ -	$ 21

22. Retiremen benefit plans

(I) Defined contribution plans

The Company has adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, the Company makes monthly contributions to employees' individual pension accounts of the Bureau of Labor Insurance at 6% of monthly salaries and wages.

(II) Defined benefit plans

The pension system adopted by the Company in accordance with the Labor Standards Act of R.O.C. is a state-managed defined benefit pension plan. The payment for employee pensions is calculated based on the length of service and the average salary in the 6 months prior to the approved retirement date. The Company contributes pensions at 2% of the total monthly employee salaries, which are deposited by the Pension Fund Monitoring Committee in the pension account with the Bank of Taiwan in the name of the committee. Before the end of each year, if the balance in the pension account assessed is inadequate to pay for the retirement benefits for employees who meet the retirement requirements in the following year, the Company will contribute an amount to make up for the difference in a lump sum by the end of March of the following year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor; the Company has no right to influence the investment management strategy.

The amounts included in the parent company only balance sheets in respect of the Company's defined benefit plans are as follows:

	December 31, 2020	December 31, 2019
Present value of defined benefit obligation	$ 20,381	$ 20,004
Fair value of plan asset	(11,721)	(10,871)
Insufficiency in contribution	8,660	9,133
Net defined benefit liabilities	$ 8,660	$ 9,133

Changes in net defined benefit liabilities are as follows:

	Present value of the defined benefit obligation	Fair value of the plan assets	Net defined benefit liabilities
Balance at January 1, 2019	$ 20,160	($ 10,053)	$ 10,107
Service cost			
Current service cost	68	-	68
Net interest expense (income)	199	(100)	99
Recognized in profit or loss	267	(100)	167
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(351)	(351)
Actuarial gain - changes in financial assumptions	(1,369)	-	(1,369)
Actuarial loss - changes in demographic assumptions	18	-	18
Actuarial loss - experience adjustments	928	-	928
Recognized in other comprehensive income	(423)	(351)	(774)

(Continued)

	Present value of the defined benefit obligation	Fair value of the plan assets	Net defined benefit liabilities
Contributions from the employer	$ -	($ 367)	($ 367)
Balance at December 31, 2019	$ 20,004	($ 10,871)	$ 9,133

	Present value of the defined benefit obligation	Fair value of the plan assets	Net defined benefit liabilities
Service cost			
Current service cost	$ 65	$ -	$ 65
Net interest expense (income)	139	(76)	63
Recognized in profit or loss	204	(76)	128
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(358)	(358)
Actuarial loss - changes in financial assumptions	696	-	696
Actuarial gain - experience adjustments	(523)	-	(523)
Recognized in other comprehensive income	173	(358)	(185)
Contributions from the employer	-	(416)	(416)
Balance at December 31, 2020	$ 20,381	($ 11,721)	$ 8,660

Due to the pension plans under the Labor Standards Act, the Company is exposed to the following risks:

1. Investment risk: The Bureau invests labor pension funds in domestic (foreign) equity securities, debt securities, and bank deposits on its own use and through agencies entrusted. However, the income from the Company’s amount allocated to plan assets is calculated based on the interest rate not lower than the local bank's interest rate for 2-year time deposits.
2. Interest risk: A decrease in the interest rate in the government bonds/corporate bonds will increase the present value of the defined benefit obligation; however, the return on the debt investment through the plan assets will also increase, and the increases will partially offset the effect of the net defined benefit liability.
3. Salary risk: The present value of the defined benefit obligation is calculated with reference to the future salaries of the participants in the plan. As such, an increase in the salary of the participants in the plan will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The critical assumptions made on the measurement date are as follows:

	December 31, 2020	December 31, 2019
Discount rate	0.30%	0.70%
Expected rate of salary increase	2.00%	2.00%
Turnover rate	0.54%	0.47%

If each of the critical actuarial assumptions is subject to reasonably possible changes, when all other assumptions remain unchanged, the amounts by which the present value of the defined benefit obligation would increase (decrease) are as follows:

	December 31, 2020	December 31, 2019
Discount rate		
0.25% increase	($ 439)	($ 473)
0.25% decrease	$ 453	$ 489
Expected rate of salary increase		
0.25% increase	$ 445	$ 481
0.25% decrease	($ 433)	($ 468)
Turnover rate		
110% increase	$ -	$ -
90% decrease	$ -	$ -

As actuarial assumptions may be correlated, it is unlikely that only a single assumption would occur in isolation of one another, so the sensitivity analysis above may not reflect the actual changes in the present value of the defined benefit obligation.

	December 31, 2020	December 31, 2019
Expected contributions to the plans for the next year	$ 366	$ 392
Average duration of the defined benefit obligation	8 years	9 years

23. Equity

(I) Share capital

	December 31, 2020	December 31, 2019
Authorized shares (in thousands)	950,000	950,000
Authorized capital	$ 9,500,000	$ 9,500,000
Issued and paid shares (in thousands)	900,095	912,308
Issued capital	$ 9,000,946	$ 9,123,076

The ordinary shares issued, with a par value of NT$10 per share, are entitled to one voting right per share and to the right to receive dividends.

The Company passed the resolution at the shareholders' meeting on June 24, 2019 to conduct issuance of share dividends from the earnings for NT$178,884 thousand, and issue 17,888 thousand new shares. The issuance of share dividends fromthe earnings was approved and entered into force by the Securities and Futures Bureau, FSC, on July 4, 2019, and the board of directors resolved to set the record date of the capital increase on August 14, 2019.

The Company's board of directors passed the resolution on June 24, 2020 to repurchase 12,213 thousand treasury shares, and to conduct the cancellation and change registration for the capital reduction in accordance with the law, with July 8, 2020 as the record date for capital reduction.

(II) Capital surplus

	December 31, 2020	December 31, 2019
Additional paid in capital	$ 1,240,379	$ 1,240,379
Difference between consideration and carrying amount of subsidiaries acquired or disposed	59,494	59,494
Retirement of treasury share	7,970	-
	$ 1,307,843	$ 1,299,873

Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus). If there is no cash inflow from the capital surplus, it can only be used to offset the deficit.

(III) Retained earnings and dividends policy

In accordance with the Company's Articles of Incorporation regarding earnings allocation, when there are earnings in the Company's annual final accounts, the earnings shall be allocated in the following order:

1) Pay taxes.
2) Offset the deficits from prior years.
3) Set aside 10% of the balance for legal reserve. Where such legal reserve amounts to the total paid-in capital, this provision shall not apply.
4) Set aside or reverse the special reserve when necessary in accordance with the law.
5) With any remaining balance after deducting the amounts in 1.–4., together with the accumulated earnings from prior years, the board of directors shall consider the Company's financial position and draft a proposal for distributing dividends to shareholders. The proposal will be submitted it to the shareholders' meeting for a resolution.

For information on the distribution of the employee compensation and remuneration of directors and supervisors, please refer to Note 25(6) regarding employee compensation and remuneration of directors and supervisors.

The life cycle of the Company's industry is at a developed and stable stage. After considering the Company's earnings, future capital needs, and development plans, the Company's dividends will be distributed in both stocks and cash. Of them, the cash dividends distributed shall not be less than 20% of the total dividends distributed for the year. However, if the cash dividends are less than NT$0.1 (inclusive) per share, the dividends may be fully distributed in stock.

The Company set aside and reversed a special reserve in accordance with the Rule No. 1010012865, Rule No. 1010047490 issued by the FSC, and the directive, entitled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs".

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

The earnings distribution proposals for 2019 and 2018 approved in the shareholders' meetings on May 18, 2020, and June 24, 2019, respectively, are as follows:

	2019	2018
Legal reserve	$ 40,673	$ 179,986
Special reserve	($ 1,026)	$ 4,360
Cash dividends	$ 547,385	$ 715,535
Share dividends	$ -	$ 178,884
Cash dividends per share (NT$)	$ 0.6	$ 0.8
Share dividends per share (NT$)	$ -	$ 0.2

The 2020 earnings distribution proposal put forth by the Company's board of directors on March 26, 2021 is as follows:

	2020
Legal reserve	$ 62,263
Special reserve	($ 1,945)
Cash dividends	$ 558,058
Cash dividends per share (NT$)	$ 0.62

The 2020 earnings distribution proposal has yet to be resolved by the shareholders' meeting scheduled to be held on June 25, 2021.

(IV) Treasury shares

Purpose of Buy-back	Shares Cancelled (in thousands of shares)
Number of shares at January 1, 2020	-
Increase during the year	12,213
Decrease during the year	(12,213)
Number of shares at December 31, 2020	-

24. Revenue

	2020	2019
Revenue from contracts with customers		
Construction contract revenue	$ 1,941,042	$ 1,330,458
Rental income		
Investment properties (Note 17)		
Variable lease payments that do not depend on an index or a rate	7	2,061
Other lease payments	174,343	143,336
	174,350	145,397
	$ 2,115,392	$ 1,475,855

(I) Contract balance

	December 31, 2020	December 31, 2019	January 1, 2019
Trade receivables (Note 10)	$ 30,426	$ 124,284	$ 85,576
Contract assets - current			
Sale of properties	$ -	$ -	$ 1,975
Contract liabilities - current			
Sale of properties	$ 51,569	$ 621,153	$ 1,205,820

The change in contract assets and liabilities is mainly due to the difference between the point of meeting the performance obligation and the time of payment by the customer.

The contract liabilities at the beginning of the year recognized as revenue for the current year is as follows:

	2020	2019
From contract liabilities at the start of the year		
Sale of properties	$ 47,495	$ 242,615

The credit risk management adopted by the Company for contract assets is the same as that for trade receivables, please refer to Note 10.

25. Net profit

(I) Interest income

	2020	2019
Bank deposits	$ 1,786	$ 2,371
Net investments in leases	1,723	1,346
Others	23	1,011
	$ 3,532	$ 4,728

(II) Other gains and losses

	2020	2019
Gains on disposals of property, plant and equipment	$ -	$ 1
Gains on disposals of investments	-	79
Net foreign exchange losses	(201)	(95)
Net gains(losses) on financial assets at fair value through profit or loss	(31)	72
Others	(50,318)	(19,652)
	($ 50,550)	($ 19,595)

(III) Finance costs

	2020	2019
Interest on bank loans	$ 371,885	$ 384,908
Interest on lease liabilities	9,431	12,884
Others	35,768	30,354
Less: Amounts included in the cost of qualifying assets	(10,105)	(40,697)
	$ 406,979	$ 387,449

Relevant information on capitalization of interest is as follows:

	2020	2019
Capitalized interest amount	$ 10,105	$ 40,697
Capitalization rate	0.72%～2.04%	2.04%～2.88%

(IV) Depreciation and amortization

	2020	2019
An analysis of depreciation by function		
Operating costs	$ 186,169	$ 160,904
Operating expenses	103,955	154,288
	$ 290,124	$ 315,192
An analysis of amortization by function		
Operating costs	$ -	$ -
Operating expenses	5,154	5,843
	$ 5,154	$ 5,843

(V) Employee benefits expense

	2020	2019
Post-employment benefits (Note 22)		
Defined contribution plans	$ 7,486	$ 7,594
Defined benefit plans	128	167
Other employee benefits	218,912	213,229
Total employee benefits expenses	$ 226,526	$ 220,990
An analysis of employee benefits expense by function		
Total operating costs	$ -	$ 4,260
Operating expenses	226,526	216,730
	$ 226,526	$ 220,990

(VI) Employee compensation and remuneration of directors and supervisors

If the Company records a profit in the year, it shall allocate no less than 0.1% of the balance for employee compensation, which shall be distributed in stock or cash as resolved by of the board of directors; the Company may allocate no more than 1% of said profit for the remuneration of directors as resolved by of the board of directors. The proposals for employee compensation and directors' remuneration shall be reported to the shareholders' meeting.

Where there is an accumulated loss, the profit shall be reserved to make up for the loss and the remuneration to employees and directors shall be provided in proportion in accordance with the aforementioned amount. The Company carries out the transfer of treasury shares to employees, employee stock options, employee remuneration, employee subscription of new shares, and restricted stock awards to employees of controlling or subordinate companies who meet certain conditions. These conditions are determined by the board of directors.

The Company's board of directors met on March 26, 2021 and March 20, 2020 and passed the proposal for employee compensation and the remuneration of directors and supervisors for 2020 and 2019, respectively, as detailed below:

	2020	2019
	Cash	Cash
Compensation of employees	$ 7,200	$ 4,800
Remuneration of directors and supervisors	5,000	3,300

If there is change in the amount in the annual standalone financial statements on the date of release, it will be treated as a change in accounting estimates and will be adjusted and accounted for in the next year.

The employee compensation distributed as resolved by the board of directors on March 20, 2020 and April 22, 2019, and the amounts recognized in the financial statements are as follows:

	2019		2018	
	Compensation of employees	Remuneration of directors and supervisors	Compensation of employees	Remuneration of directors and supervisors
Amounts approved in the board of directors' meeting	$ 4,800	$ 3,300	$ 9,100	$ 7,500
Amounts recognized in the annual financial statements	$ 4,800	$ 3,300	$ 7,925	$ 7,500

The difference above is adjusted to the profit or loss for 2019.

For the information on the Company's employee compensation and the remuneration of directors and supervisors for 2020 and 2019 as resolved by the board resolutions, please visit the Market Observatory Post System (MOPS) of the Taiwan Stock Exchange.

26. Income tax

(I) Income tax recognized in profit or loss

Major components of income tax expenses are as follows:

	2020	2019
Tax currently payable		
In respect of the current year	$ 21,451	$ 23,628
Adjustments for prior year	(1,036)	-
Income tax expense recognized in profit or loss	$ 20,415	$ 23,628

The Company's reconciliation between the accounting income and the current income tax expense is as follows:

	2020	2019
Profit before income tax	$ 643,103	$ 430,359
Income tax expense calculated at the statutory rate (20%)	$ 128,621	$ 86,072
Nondeductible expense in determining taxable income	59,176	104,280
Tax- exempt income	(442,218)	(245,557)
Deductible temporary differences	148,614	(105,193)
Income tax on unappropriated earnings	1,879	36,055
Investment tax credits	(939)	(18,027)
Land value increment tax	20,511	5,600
Adjustments for prior year's tax	(1,036)	-
Loss carryforwards that cannot be retained	105,807	160,398
Income tax expense recognized in profit or loss	$ 20,415	$ 23,628

(II) Deductible temporary differences, unused loss carryforwards, and unused investment tax credits for deferred tax assets not recognized in the parent company only balance sheet

	December 31, 2020	December 31, 2019
Loss carryforwards	$ 10,184,178	$ 10,184,178
Deductible temporary difference	$ 2,065,882	$ 1,090,477
Investment tax credits		
Major infrastructure projects	$ 137,200	$ 161,973

(III) Information on unused investment tax credits, loss carryforwards, and tax exemptions

As of the end of 2020, the relevant information on income tax credits is as follows:

Legal basis	Item	Balance before reduction	Final year for deduction
Act for Promotion of Private Participation in Infrastructure Projects	Investment in major infrastructure projects	$ 57,200	2022
Act for Promotion of Private Participation in Infrastructure Projects	Investment in major infrastructure projects	$ 80,000	2024

As of the end of 2020, the relevant information on loss carryforwards:

Balance before deduction	Final year for deduction
$ 370,947	2022
$ 3,456,070	2023
$ 1,874,106	2027
$ 4,483,055	2028

(IV) Income tax approval

The profit-seeking enterprise income tax returns filed by the Company up to 2017 have been approved by the tax collection authority.

27. Earnings per share

Unit: NT$ per share

	2020	2019
Basic earnings per share	$ 0.69	$ 0.45
Diluted earnings per share	$ 0.69	$ 0.45

The earnings and the weighted average number of ordinary shares used to calculate the earnings per share are as follows:

Net profit for the year

	2020	2019
Net profit in the computation of basic earnings per share	$ 622,688	$ 406,731

Number of shares

Unit: In thousand of shares

	2020	2019
Weighted average number of ordinary shares used in computation of basic earnings per share	903,349	912,308
Effect of potentially dilutive ordinary shares:		
Compensation of employees	739	619
Weighted average number of ordinary shares used in the computation of diluted earnings per share	904,088	912,927

If the Company can settle the compensation to employees in cash or shares, the Company assumes the entire amount of the compensation would be settled in shares and the resulting potential shares are included in the weighted average number of shares outstanding used in the computation of diluted earnings per share if the effect is dilutive. Such a dilutive effect of the potential shares is included in the computation of diluted earnings per share until the shareholders resolve the number of shares to be distributed to employees at their meeting in the following year.

28. Related Party Transactions

Except as disclosed in other notes, the transactions between the Company and related parties are as follows:

(I) Related party name and relationship

Related party name	Relationship with the Company
Joint operations of Titan and New Asia Construction & Development Corp. (hereinafter referred to as Joint Control and Operation of Fu-Jou Project in Banqiao)	Joint operator
Joint operations of Titan and CTCI Smart Engineering Corporation	Joint operator
KaGaYa	Subsidiaries
Ji-Shun	Subsidiaries
Titan	Subsidiaries
Far East	Subsidiaries
Xin-Xiu-Ge	Subsidiaries
Wan-Da-Tong	Subsidiaries
Li-Chiang	Subsidiaries
Zhao-Yao	Subsidiaries
Rih-Yao	Subsidiaries
Jing-Jan Hldg	Subsidiaries
Rih-Siang	Subsidiaries
Rih-Zuan	Subsidiaries
Wan-Tong	Subsidiaries
Jing-Ding	Subsidiaries

Related party name	Relationship with the Company
Rih-Ding Hldg	Subsidiaries
Ding-Sheng	Sub-subsidiary
Ji Sheng Zih Chan Development Co., Ltd.	Sub-subsidiary
Jing-Jan Retail Business Co., Ltd. (Jing-Jan)	Sub-subsidiary
Jing-Jan Digital Square Co., Ltd.	Sub-subsidiary
Prit Biotech Co., Ltd. (Prit)	Sub-subsidiary
Jing-Yang Apartment Building Management and Maintenance Co., Ltd.	Associate
Radium Foundation	Substantive related party
Lin Rong Shian	Substantive related party
Lin Loong-Huan	Substantive related party
Golden Century Co., Ltd.	Substantive related party
Ri-Jun Investment Co., Ltd.	Substantive related party
Jun-An Construction Development Co., Ltd.	Substantive related party
Changxin Investment Development Co., Ltd.	Substantive related party
Lee White Corporation	Substantive related party
Jing-Kang Development Investment Co., Ltd.	Substantive related party
Chic Stuff Incorporated	Substantive related party
Ding-Sheng Digital Life Co., Ltd.	Substantive related party
Jin-Hua-Tai Investment Co., Ltd.	Substantive related party
K. C. Chou	Substantive related party

(II) Transactions With Related Parties

1) Property under development - land

2019

Related party category/name	Nature of project	Amount paid in the current period
Lin Rong Shian	Land	$ 782,000

Compared with general non-related party transactions, there is no significant difference.

2) Property under development - outsourcing of projects and property under construction

2020

Related party category/name	Nature of project	Amount paid in the current period
Titan	Construction project	$ 5,417

3) Consultant fee income (shown as other income and reduction of expense accounts)

Related party category/name	2020	2019
Subsidiaries	$ 48,108	$ 40,055
Sub-subsidiary	8,801	4,026
	$ 56,909	$ 44,081

4) Operating expenses - property management and consultancy services

Related party category/name	2020	2019
Subsidiaries	$ 4,459	$ 4,298
Associates	8,414	24,820
	$ 12,873	$ 29,118

5) Operating expenses - donation

Related party category/name	2020	2019
Substantive related party	$ 5,182	$ 4,783

6) Operating expenses - rent expense

Related party category/name	2020	2019
Sub-subsidiary	$ 176	$ 114

7) Selling and marketing expenses - miscellaneous expense

Related party category/name	2020	2019
Titan	$ 77,149	$ -

8) Other income and deferred credits - gains between associates

2020

Item	Related party category/name	Amount	Realized gains for the year	Unrealized gains	Basis for recognition of unrealized gains
Project management income	Wan-Da-Tong	$ 322,000	$ 4,993	$ 162,859	Sales rate and progress of T9 project
Revenue from payment and collection services	Wan-Da-Tong	2,111	33	1,068	Sales rate and progress of T9 project
Gains on disposals of investment property	Jing-Jan Retail	1,125,329	-	1,125,329	Disposal of shopping mall in MEHAS Project
		$ 1,449,440	$ 5,026	$ 1,289,256	

2019

Item	Related party category/name	Amount	Realized gains in current period	Unrealized gains	Basis for recognition of unrealized gains
Project management income	Wan-Da-Tong	$ 322,000	$ 4,922	$ 167,852	Sales rate and progress of T9 project
Revenue from payment and collection services	Wan-Da-Tong	2,111	32	1,101	Sales rate and progress of T9 project
		$ 324,111	$ 4,954	$ 168,953	

9) Trade receivables from related parties

Related party category/name	December 31, 2020	December 31, 2019
KaGaYa	$ 5,250	$ 7,311

10) Other receivables from related parties (excluding loans to related parties and contract assets)

Related party category/name	December 31, 2020	December 31, 2019
Subsidiaries	$ 275	$ 1

11) Trade payables to related parties

Related party category/name	December 31, 2020	December 31, 2019
Titan	$ 306,597	$ 262,112
Joint Control and Operation of Fu-Jou Project in Banqiao	-	763,115
Joint operator	-	25,662
	$ 306,597	$ 1,050,889

12) Other payables to related parties (excluding borrowings from related parties)

Related party category/name	December 31, 2020	December 31, 2019
Subsidiaries	$ 211	$ 1,177
Sub-subsidiary	302	2
Associates	55	91
	$ 568	$ 1,270

13) Lease-in arrangements

Acquisition of right-of-use assets

Related party category/name	2020	2019
Right-of-use assets		
Subsidiaries	$ -	$ 26,091
Lease liabilities		
Subsidiaries	$ -	$ 13,223
Interest expenses		
Substantive related party	$ 196	$ 550

Acquisition of investment properties - right-of-use assets

Related party category/name	2020	2019
Investment property - right-of-use assets		
Substantive related party	$ -	$ 6,370

Account title	Related party category/name	December 31, 2020	December 31, 2019
Lease liabilities	Substantive related party	$ 2,122	$ 4,012

Related party category/name	2020	2019
Interest expenses		
Substantive related party	$ 82	$ 141

14) Lease-out arrangements

Operating lease

Related party category/name	2020 Amount	2020 % of the account balance	2019 Amount	2019 % of the account balance
KaGaYa	$ 60,000	34	$ 62,061	43
Jing-Jan	32,720	19	-	-
Subsidiaries	6,807	4	7,937	5
Sub-subsidiary	777	-	680	-
Substantive related party	863	1	857	1
	$ 101,167	58	$ 71,535	49

Compared with general non-related party transactions, there is no significant difference in the lease transactions between the Company and its related parties.

15) Others

(1) As of December 31, 2020 and 2019, the related parties provided the assets below as collateral for the Company's loans and guarantees:

Related party category/name	December 31, 2020	December 31, 2019
Substantive related party Rong Shian Lin et al.	Securities	Securities and bonds under repurchase agreement
Subsidiaries	Buildings and land in Beitou District, Taipei City, and securities	Buildings and land in Beitou District, Taipei City, securities, bonds under repurchase agreement, and time deposits

(2) The Company applied to banks for borrowings, short-term bills payable, and performance guarantee, with subsidiaries and substantive related party Lin Rong Shian et al. as the joint guarantors.

(3) As of December 31, 2020, KaGaYa issued a guarantee note of NT$60,000 thousand for leasing a hot spring hotel from the Company.

16) Bonds payable

The Company's first private placement of domestic unsecured ordinary bonds on July 8, 2016 was acquired by Jing-Jan Retail and a sub-subsidiary in the amount of NT$203,000 thousand and NT$97,000 thousand respectively. The main conditions for the issue are as follows:

(1) Total amount of issue: NT$300,000 thousand.

(2) Price: The bonds are issued in full by face value, each with a face value of NT$1,000 thousand.

(3) Interest rate: 3% per annum.

(4) Duration: 3 years (July 8, 2016 to July 8, 2019).

(5) The Company has redeemed the bonds on July 8, 2019.

The Company paid NT$4,636 thousand for interest to related parties due to the issue of the above-mentioned bonds in 2019.

(III) Disposal of investment properties

	Proceeds		Gain on disposal (Note)	
Related party category/name	2020	2019	2020	2019
Jing-Jan	$ 2,363,428	$ -	$ 1,125,329	$ -

Note: It is recognized in deferred credits - gains between associates.

(IV) Loans to related parties (recognized in Other receivables from related parties)

Related party category/name	2020	2019
Interest income		
Zhao-Yao	$ -	$ 998

On December 31, 2019, the Company provided short-term loans to its subsidiaries. The interest rate was 3.57%, which was close to the market interest rate. The loans to subsidiaries in 2019 were unsecured ones.

(V) Borrowings from related parties (recognized in other payables - related parties)

Related party category/name	December 31, 2020	December 31, 2019
Jing-Jan Hldg	$ 340,000	$ 400,000
Titan	180,000	-
Li-Chiang	110,000	100,000
	$ 630,000	$ 500,000

Related party category/name	2020	2019
Interest expenses		
Jing-Jan Hldg	$ 2,370	$ 3,481
Li-Chiang	2,305	1,329
Titan	187	621
Jing-Jan	-	776
Subsidiaries	4	5
	$ 4,866	$ 6,212

The borrowing interest rate of the Company's borrowings from related parties is equivalent to the market interest rate. All borrowings from related parties are unsecured ones.

(VI) Endorsements and Guarantees

Endorsements and guarantees provided by the Company

Related party category/name	December 31, 2020	December 31, 2019
Subsidiaries		
Amount of guarantees	$ 16,524,845	$ 18,325,520
Actual amount borrowed	$ 16,524,845	$ 18,325,520

Endorsement s and Guarantees given by related parties

Related party category/name	December 31, 2020	December 31, 2019
Subsidiaries		
Amount of guarantees	$ 4,371,000	$ 3,941,000
Actual amount borrowed	$ 4,371,000	$ 3,941,000

(VII) Remuneration of key management personnel

The remuneration of directors and other key management personnel in 2020 and 2019 is as follows

	2020	2019
Short-term employee benefits	$ 52,255	$ 62,630
Post-employment benefits	1,048	1,224
Total	$ 53,303	$ 63,854

The remuneration of directors and key management personnel is proposed by the remuneration committee in accordance with individual performance and the Company's profitability, and then submitted to the board of directors for discussion and decision. For detailed information on the total remuneration paid to the above-mentioned key management personnel, please refer to the annual report of the shareholders' meeting.

29. Pledged assets

The assets below have been provided as collateral for the escrow, bank loans, and short-term bills payable:

	December 31, 2020	December 31, 2019
Financial assets at amortized cost -current	$ 8,424	$ 30,040
Financial assets at amortized cost -non-current	2,248,075	1,040,728
Buildings and land held for sale	6,027,294	3,588,468
Property to be developed	497,981	494,092
Property under development	843,886	804,278
Investment properties	6,253,436	7,678,798
Property, plant and equipment	100,058	102,615
Investments accounted for using equity method	8,368,093	8,420,428
	$ 24,347,247	$ 22,159,447

30. Significant Commitments and Contingencies

Except for other notes, the significant commitments and contingencies of the Company at the end of the reporting period are as follows:

(I) In December 2001, the Company signed an Investment Agreement of the Xindian Depot Joint Development, Xindian Line (MRT) with the Taipei City Government. Both parties discussed matters related to the joint development (Mehas Project) at the Xindian factory base of the Xindian Line of the MRT system. It was agreed that the Taipei City Government and other landlords would provide the land, and the Company would invest in the construction of residential buildings, offices, and

shopping malls. On December 31, 2020 and 2019, the amount of the performance bond paid by the Company using certificates of time deposits was both NT$118,703 thousand.

(II) In December 2009, the Company signed the Land Development Investment Agreement for Daqiao Elementary Station, Xinzhuang Line (MRT). It was agreed that the Taipei City Government and other landlords would provide the land and the Company would invest in the construction of buildings. The Company and each landlord shall allocate the rights and interests in accordance with the agreed method. As of December 31, 2020 and 2019, the amount of the performance bond paid by the Company's using certificates of time deposits was both NT$22,005 thousand.

(III) The Company won the bid for the " District 1 and District 2 Land Tender for Fu-Jou Affordable Housing Project Investment Plan " in September 2011. As of December 31, 2020 and 2019, the amount of the performance bond paid by the Company's using certificates of time deposits was both NT$29,877 thousand.

Some of the buyers of the Company's first-floor units of the Fu-Jou Affordable Housing Project in Banciao filed a lawsuit for the termination of the sale and purchase contract. The Company has reached a settlement with most of the buyers who filed a lawsuit. There is currently only one lawsuit (one buyer) still on trial in the court of first instance. In addition, some buyers filed lawsuits claiming that the Company failed to issue a notice of the delivery the housing project in time and that they requested deferral of interest accrued, except for five cases that have been affirmed by the court of second instance (the Company won two cases while winning part of the other three cases) and one case that the Company reach the settlement in the second-instance trial, there are three more cases still on trial in the third-instance court.

(IV) The Company and Ji-Shun and the Taichung City Government signed the" The Land Development Project of WuRi WenXin BeiTun Line G6 and G8a Station of TaiChung Mass Rapid Transit Systems" in December 2020. As of December 31, 2020, the Company has paid the performance bond for the Taichung City Government Wenxin Chongde Station (G6) and Wenxin Yinghua Station (G8a) project in the amount of NT$5,165 thousand and NT$4,087 thousand, respectively.

(V) As of December 31, 2020, the Company entered into a construction contract with Titan for the construction of buildings. The total contract price was NT$43,619 thousand, and the unpaid amount was NT$38,202 thousand.

31. Capital management

The Company must maintain a large amount of capital to meet the needs for new construction projects and other relevant projects. Therefore, the Company's capital management aims to ensure that it has the necessary financial resources and operating plans to support the needs for working capital, capital expenditures, debt repayment, and dividend payments required for the next operating cycle.

In order to meet the capital needs during the construction period, the Company responds to the needs with loans from financial institutions and its own funds, resulting in a debt ratio that is relatively higher than the general industry level. However, after the completion of the construction project, handover of the project, and repayment of loans from financial institutions, the debt ratio will decrease significantly. In order to avoid the potential market risk arising from the Company's over-reliance on the borrowings from financial institutions, and to appropriately control the Company's interest expenses, the Company will use

financing devices in the capital market in a timely manner to adjust the debt ratio and the proportions of the capital structure.

32. Financial instruments

(I) Fair value—financial instruments not at fair value

The Company's management believes that the carrying amount of the Company's financial assets and liabilities measured not at fair value is close to their fair value.

(II) Fair value—financial instruments at fair value on a recurring basis

1) Fair value hierarchy

December 31, 2020

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Fund beneficiary certificates	$ 2,969	$ -	$ -	$ 2,969
Financial assets at FVTOCI				
Investment in equity instruments				
-Domestic unlisted shares	$ -	$ -	$ 5,100	$ 5,100

December 31, 2019

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investment in equity instruments				
Domestic unlisted shares	$ -	$ -	$ 5,100	$ 5,100

There were no transfers between Level 1 and Level 2 fair value measurements as of December 31, 2020 and 2019.

2) Valuation techniques and inputs applied for Level 3 fair value measurement

Domestic unlisted equity investment is based on the asset method to evaluate the total value of individual assets and individual liabilities covered by the target in the valuation to reflect the overall value of a company or business. Significant unobservable inputs include liquidity discounts. When these unobservable inputs decrease, the fair value of such investments will increase.

(III) Categories of financial instruments

	December 31, 2020	December 31, 2019
Financial assets		
Financial assets at FVTPL		
Mandatorily at FVTPL	$ 2,969	$ -
Financial assets at amortized cost (Note 1)	3,783,722	2,151,431
Financial assets at FVTOCI		
Investment in equity instruments	5,100	5,100
Financial liabilities		
Guarantee deposits received (Note 2)	17,962	16,368
Financial liabilities at amortized cost (Note 3)	23,305,325	24,104,676

Note 1: The balances include financial assets measured at amortized cost, which comprise cash and cash equivalents, notes receivable, trade receivables, other receivables, and refundable deposits.

Note 2: The balances include guarantee deposits received recognized in other current liabilities and non-current liabilities.

Note 3: The balances include financial liabilities measured at amortized cost, which comprise short-term borrowings, short-term bills payable, notes payable, accounts payable, other payables, long-term liabilities due within 1 year or 1 operating cycle, bonds payable, and long-term borrowings.

(IV) Financial risk management objective and policies

The Company's main financial instruments include investments in equity and debt instruments, trade receivables, accounts payable, bonds payable, and borrowings. The Company's financial management department provides services to various business units, coordinates the operations in the domestic and international financial markets, and supervises and manages the financial risks related to the Company's operations through the internal reports on risk exposure analyses based on the degree and breadth of risks. These risks include market risk, credit risk, and liquidity risk.

1) Market risk

The main financial risk for the Company’s operating activities are the risk of changes in interest rates. Because the entities in the Company borrow funds at fixed and floating interest rates at the same time, leading to exposure to the interest rate risk. The Company manages interest rate risk by maintaining an appropriate combination of fixed and floating interest rates. The Company regularly evaluates hedging activities to align them with the interest rate view and established risk preferences to ensure that the most cost-effective hedging strategy is adopted.

The carrying amounts of the financial assets and financial liabilities of the Company exposed to the interest rate risk at the end of the reporting period are as follows:

	December 31, 2020	December 31, 2019
Fair value interest rate risk		
-Financial assets	$ 140,753	$ 231,625
-Financial liabilities	6,119,855	7,175,525
Cash flow interest rate risk		
-Financial assets	3,549,971	1,757,152
-Financial liabilities	15,318,598	14,305,639

Sensitivity analysis

The sensitivity analysis below is determined based on the exposure to the interest rate risk of derivative and non-derivative instruments at the end of the year. For liabilities with floating interest rates, the analysis method is based on the assumption that the amount of liabilities outstanding at the end of the year is outstanding throughout the reporting period. The sensitivity to a 100-basis point change in interest rate is used when reporting the interest rate risk internally to key management personnel and also represents the management’s assessment of the reasonably possible change in interest rates.

If the interest rate increased by 100 basis points and all other variables remain unchanged, the Company's net income before tax for 2020 and 2019 would have decreased by NT$117,686 thousand and NT$125,485 thousand, respectively, mainly because of the variable interest rate of the Company's borrowings.

The Company's sensitivity to interest rates rose during the current period, mainly due to the increase in liabilities at variable interest rates.

2) Credit risk

The Company's main potential credit risk arise from financial products, such as cash in banks, notes receivable, and trade receivables. The Company's cash is deposited in different financial institutions, and the transaction counterparties are financial institutions with good credit ratings, so it is expected that no significant credit risk will arise. The Company controls the credit risk exposed to each financial institution, and believes that it believes that there is no significant credit risk of concentration of its cash certain banks. In order to reduce the credit risk of trade receivables, the Company continuously evaluates customers' financial position, and regularly evaluates the possibility of the recovery of trade receivables and provides allowances for bad debts, so the possibility of occurrence of the credit risk is extremely low.

3) Liquidity risk

The Company manages and maintains sufficient cash and cash equivalents to support its operations and mitigate the impact of cash flow fluctuations. The management of the Company monitors the use of the bank financing facilities and ensures compliance with the terms of the borrowing terms.

As of December 31, 2020 and 2019, the undrawn financing facilities (including financing projects) of the Company were NT$2,652,400 thousand and NT$360,028 thousand, respectively.

Liquidity and interest rate risk tables for non-derivative financial liabilities

The remaining contractual maturity analysis of non-derivative financial liabilities was based on the earliest date at which the Company might be required to repay and was compiled based on the undiscounted cash flows of financial liabilities (including principal and estimated interest). Therefore, the bank borrowings with a repayment on demand clause were included in the earliest time period in the table below, regardless of the probability of exercise of the right by banks. The maturity analysis of other non-derivative financial liabilities was compiled in accordance with the agreed repayment date.

For interest cash flows paid at floating interest rates, the undiscounted amount of interest is derived from the yield curve at the end of year.

December 31, 2020

	On demand or less than 1 month	1–3 months	3 months to 1 year	1-5 years	Over 5 years
Non-derivative financial liabilities					
Non-interest-bearing liabilities	$ 123,633	$ 3,913	$ 853,293	$ 825,465	$ 120
Lease liabilities	9,643	18,695	82,535	176,138	-
Variable interest rate liabilities	603,250	694,062	2,785,226	10,715,213	534,000
Fixed interest rate liabilities	-	-	-	6,120,000	-
	$ 736,526	$ 716,670	$ 3,721,054	$17,836,816	$ 534,120

Further information on the analysis of lease liabilities maturity is as follows:

	Less than 1 Year	1-5 years	5-10 years	10-15 years	15-20 years	Over 20 years
Lease liabilities	$ 110,873	$ 176,138	$ -	$ -	$ -	$ -

December 31, 2019

	Repayment on demand or less than 1 month	1–3 months	3 months–1 year	1-5 years	Over 5 years
Non-derivative financial liabilities					
Non-interest-bearing liabilities	$ 66,246	$ 30,088	$ 1,993,353	$ 473,831	$ -
Lease liabilities	11,986	23,748	102,512	287,665	-
Variable interest rate liabilities	69,042	336,756	3,074,875	10,842,976	-
Fixed interest rate liabilities	1,754,400	1,185,200	-	4,240,000	-
	$ 1,901,674	$ 1,575,792	$ 5,170,740	$15,844,472	$ -

Further information on the analysis of lease liabilities maturity is as follows:

	Less than 1 Year	1-5 years	5-10 years	10-15 years	15-20 years	Over 20 years
Lease liabilities	$ 138,246	$ 287,665	$ -	$ -	$ -	$ -

33. Separately disclosed items

(I) Information on significant transactions in the current year and (II) Information on investees:

1) Financing provided to others: Table 1.

2) Endorsements/Guarantees provided: Table 2.

3) Marketable securities held at the end of period: Table 3.

4) Marketable securities acquired or disposed of at costs or prices at least NT$300 million or 20% of the paid-in capital: Table 4.

5) Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital: None.

6) Disposal of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital: Table 5.

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 6.

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 7.

9) Trading in derivative instruments: None.

10) Information on investees: Table 8.

(III) Information on investments in Mainland China

1) Information on any investee in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, current income or loss and investment income or loss recognized, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: Table 9.

2) Any of the following significant transactions with investees in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: None.

(IV) Information of major shareholders: List of all shareholders with ownership of 5 percent or greater showing the names and the number of shares and percentage of ownership held by each shareholder: Table 10.

Radium Life Tech Co., Ltd. and Investees

Financing Provided to Others

For the Year ended December 31, 2020

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

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
1	Titan Development and Construction Co., Ltd.	Zhao Yao Enterprise Co., Ltd.	Other receivables from related parties	Yes	$ 100,000	$ -	$ -	2.3500%~5.3500%	Short-term financing	$ -	Operating capital	$ -	None	$ -	$ 764,933	$ 764,933
1	Titan Development and Construction Co., Ltd.	lRadium-Kagaya International Hotel Co., Ltd.	Other receivables from related parties	Yes	20,000	20,000	-	2.3500%~5.3500%	Short-term financing	-	Operating capital	-	None	-	764,933	764,933
1	Titan Development and Construction Co., Ltd.	Ji Shun Life Tech Co., Ltd.	Other receivables from related parties	Yes	100,000	100,000	-	2.3500%~5.3500%	Short-term financing	-	Operating capital	-	None	-	764,933	764,933
1	Titan Development and Construction Co., Ltd.	Rih Yao Development Co., Ltd.	Other receivables from related parties	Yes	30,000	-	-	2.6000%~2.8950%	Short-term financing	-	Operating capital	-	None	-	764,933	764,933
1	Titan Development and Construction Co., Ltd.	CLEVER BASE INVESTMENTS LIMITED	Other receivables from related parties	Yes	2,000	-	-	2.6000%	Short-term financing	-	Operating capital	-	None	-	764,933	764,933
1	Titan Development and Construction Co., Ltd.	Wan Da Tong Enterprise Co., Ltd.	Other receivables from related parties	Yes	330,000	240,000	110,000	2.6000%~5.3500%	Short-term financing	-	Operating capital	-	None	-	764,933	764,933
1	Titan Development and Construction Co., Ltd.	Radium Life Tech Co., Ltd.	Other receivables from related parties	Yes	180,000	180,000	180,000	5.3500%	Short-term financing	-	Operating capital	-	None	-	764,933	764,933
2	Radium Far East Co., Ltd.	Radium-Kagaya International Hotel Co., Ltd.	Other receivables from related parties	Yes	20,000	-	-	2.9880%~3.2880%	Short-term financing	-	Operating capital	-	None	-	175,957	175,957
2	Radium Far East Co., Ltd.	Zhao-Yao Enterprise Co., Ltd.	Other receivables from related parties	Yes	10,000	10,000	10,000	2.9880%~3.2880%	Short-term financing	-	Operating capital	-	None	-	175,957	175,957
2	Radium Far East Co., Ltd.	Wan Da Tong Enterprise Co., Ltd.	Other receivables from related parties	Yes	80,000	60,000	60,000	2.9880%~3.2880%	Short-term financing	-	Operating capital	-	None	-	175,957	175,957
3	Jing-Jan Investment Holdings Co., Ltd.	Ji Shun Life Tech Co., Ltd.	Other receivables from related parties	Yes	150,000	150,000	-	0.7550%~1.0350%	Short-term financing	-	Operating capital	-	None	-	2,299,875	2,299,875
3	Jing-Jan Investment Holdings Co., Ltd.	Rih Ding Water Enterprise Co., Ltd.	Other receivables from related parties	Yes	150,000	150,000	-	0.7550%	Short-term financing	-	Operating capital	-	None	-	2,299,875	2,299,875
3	Jing-Jan Investment Holdings Co., Ltd.	Rih Siang Property Management Co., Ltd.	Other receivables from related parties	Yes	100,000	-	-	1.0350%	Short-term financing	-	Operating capital	-	None	-	2,299,875	2,299,875
3	Jing-Jan Investment Holdings Co., Ltd.	Rih Zuan Green Energy Technology Co., Ltd.	Other receivables from related parties	Yes	20,000	20,000	15,000	0.7550%	Short-term financing	-	Operating capital	-	None	-	2,299,875	2,299,875
3	Jing-Jan Investment Holdings Co., Ltd.	Zhao Yao Enterprise Co., Ltd.	Other receivables from related parties	Yes	100,000	100,000	60,000	0.7550%	Short-term financing	-	Operating capital	-	None	-	2,299,875	2,299,875
3	Jing-Jan Investment Holdings Co., Ltd.	Radium Life Tech Co., Ltd.	Other receivables from related parties	Yes	400,000	340,000	340,000	0.7550%~1.0350%	Short-term financing	-	Operating capital	-	None	-	2,299,875	2,299,875
4	Li Chiang Development Co., Ltd.	Radium Life Tech Co., Ltd.	Other receivables from related parties	Yes	130,000	130,000	110,000	2.5000%~2.6000%	Short-term financing	-	Operating capital	-	None	-	208,072	208,072
5	Rih Siang Property Management Co., Ltd.	Rih Yao Development Co., Ltd.	Other receivables from related parties	Yes	50,000	50,000	50,000	2.6797%~2.9440%	Short-term financing	-	Operating capital	-	None	-	772,920	772,920
5	Rih Siang Property Management Co., Ltd.	Ji Shun Life Tech Co., Ltd.	Other receivables from related parties	Yes	260,000	120,000	60,000	2.4343%~3.0500%	Short-term financing	-	Operating capital	-	None	-	772,920	772,920

(Continued)

No.	Lender	Borrower	Financial Statement Account	Related Party Status	Maximum Balance for the Period	Closing Balance	Amount Drawn	Interest Rate Range	Nature of Financing	Transaction Amount	Reasons for Necessity of Short-term Financing	Loss Allowance	Collateral		Limit of Financing to Individual Borrower (Note 1)	Total Limit of Financing Provided (Note 1)
													Name	Value		
5	Rih Siang Property Management Co., Ltd.	Wan Da Tong Enterprise Co., Ltd.	Other receivables from related parties	Yes	$ 120,000	$ 120,000	$ 120,000	2.4343%~3.0500%	Short-term financing	$ -	Operating capital	$ -	None	$ -	$ 772,920	$ 772,920
6	Ji Sheng Zih Chan Development Co., Ltd.	Rih Yao Development Co., Ltd.	Other receivables from related parties	Yes	10,000	10,000	10,000	0.2253%~0.5207%	Short-term financing	-	Operating capital	-	None	-	32,684	32,684
7	PritBiotech Co., Ltd.	Wan Da Tong Enterprise Co., Ltd.	Other receivables from related parties	Yes	70,000	70,000	70,000	1.2550%	Short-term financing	-	Operating capital	-	None	-	70,796	70,796

Note 1: The Company's and its subsidiaries' cumulative balance of financing provided and the total amount of financing provided to the same borrower shall not exceed 40% of the net worth of each company as stated in most recent financial statements verified by CPAs.

Radium Life Tech Co., Ltd. and Investees

Endorsements/Guarantees Provided

For the Year ended December 31, 2020

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

No.	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/Guarantee to Net Equityin Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	Radium Life Tech Co., Ltd.	Radium-Kagaya International HotelRadium-Kagaya International Hotel Co., Ltd.	Subsidiary in which at least 50% of equity is held	$ 35,109,413	$ 80,000	$ 80,000	$ 80,000	$ -	0.68%	$ 70,218,826	Y	N	N
0	Radium Life Tech Co., Ltd.	Xin Xiu Ge Hotel Co., Ltd.Xin Xiu Ge Hotel Co., Ltd.	Subsidiary in which at least 50% of equity is held	35,109,413	176,000	88,000	88,000	-	0.75%	70,218,826	Y	N	N
0	Radium Life Tech Co., Ltd.	Rih Yao Development Co., Ltd.	Subsidiary in which at least 50% of equity is held	35,109,413	904,250	904,250	904,250	-	7.73%	70,218,826	Y	N	N
0	Radium Life Tech Co., Ltd.	Titan Development and Construction Co., Ltd.	Subsidiary in which at least 50% of equity is held	35,109,413	1,453,500	1,169,000	1,169,000	650,000	9.99%	70,218,826	Y	N	N
0	Radium Life Tech Co., Ltd.	Zhao Yao Enterprise Co., Ltd.	Subsidiary in which at least 50% of equity is held	35,109,413	1,896,000	1,836,000	1,836,000	-	15.69%	70,218,826	Y	N	N
0	Radium Life Tech Co., Ltd.	Rih Siang Property Management Co., Ltd.	Subsidiary in which at least 50% of equity is held	35,109,413	4,882,350	1,982,350	1,982,350	-	16.94%	70,218,826	Y	N	N
0	Radium Life Tech Co., Ltd.	Ji Shun Life Tech Co., Ltd.	Subsidiary in which at least 50% of equity is held	35,109,413	2,297,865	2,297,865	2,297,865	-	19.63%	70,218,826	Y	N	N
0	Radium Life Tech Co., Ltd.	Rih Ding Water Enterprise Co., Ltd.	Subsidiary in which at least 50% of equity is held	35,109,413	7,310,000	7,310,000	7,310,000	-	62.46%	70,218,826	Y	N	N
0	Radium Life Tech Co., Ltd.	Wan Da Tong Enterprise Co., Ltd.	Subsidiary in which at least 50% of consolidated equity is held	35,109,413	815,130	799,380	799,380	-	6.83%	70,218,826	Y	N	N
0	Radium Life Tech Co., Ltd.	Rih Zuan Green Energy Technology Co., Ltd.	Subsidiary in which at least 50% of equity is held	35,109,413	85,000	58,000	58,000	-	0.50%	70,218,826	Y	N	N
1	Ji Shun Life Tech Co., Ltd.	Ji Sheng Zih Chan Development Co., Ltd.	Subsidiary in which at least 50% of equity is held	2,147,010	134,000	134,000	134,000	82,187	18.72%	4,294,019	N	N	N
1	Ji Shun Life Tech Co., Ltd.	Radium Life Tech Co., Ltd.	Parent company in which at least 50% of equity is held	2,147,010	310,000	-	-	-	-	4,294,019	N	Y	N
2	Xin Xiu Ge Hotel Co., Ltd.Xin Xiu Ge Hotel Co., Ltd.	Radium Life Tech Co., Ltd.	Parent company in which at least 50% of equity is held	134,995	240,000	120,000	120,000	493	266.68%	269,989	N	Y	N
3	Titan Development and Construction Co., Ltd.	Radium Life Tech Co., Ltd.	Parent company in which at least 50% of equity is held	5,736,997	1,266,000	1,066,000	1,066,000	186,000	55.74%	11,473,994	N	Y	N
4	Jing-Jan Investment Holdings Co., Ltd.	Radium Life Tech Co., Ltd.	Parent company in which at least 50% of equity is held	17,249,063	3,135,000	3,135,000	3,135,000	2,880,000	54.42%	34,498,126	N	Y	N
5	Li Chiang Development Co., Ltd.	Radium Life Tech Co., Ltd.	Parent company in which at least 50% of equity is held	1,560,541	100,000	50,000	50,000	-	9.61%	3,121,083	N	Y	N

Note 1: The amount of the Company's or its subsidiaries' endorsements/guarantees to a single enterprise is limited to 3 times the net worth of each company as stated in most recent financial statements verified by CPAs.

Note 2: The total amount of endorsements/guarantees by the Company or its subsidiaries is limited to not more than 6 times the net worth of each company as stated in most recent financial statements verified by CPAs.

Radium Life Tech Co., Ltd. and Investees

Marketable Securities Held

December 31, 2020

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2020				Note
				Number of Shares or Units (in Thousands)	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Radium Life Tech Co., Ltd.	Stock							
	Linkou Recreation Enterprise Co., Ltd.	None	Financial assets at FVTOCI - Non-current	-	$ 5,100	-	$ 5,100	
Titan Development and Construction Co., Ltd.	Stock							
	Xantia Corporation	None	Financial assets at FVTOCI - Non-current	55	-	0.07%	-	
Prit Biotech Co., Ltd.	Stock							
	Tsinghua Life Technology Co., Ltd.	None	Financial assets at FVTOCI - Non-current	3	145	2.50%	145	
Prit Biotech Co., Ltd.	Stock							
	Deyang Biotechnology Venture Capital Co., Ltd.	None	Financial assets at FVTOCI - Non-current	118	1,250	3.70%	1,250	
Prit Biotech Co., Ltd.	Stock							
	Shih Jui Biotech Corp. Ltd.	None	Financial assets at FVTOCI - Non-current	50	-	16.67%	-	
Radium Far East Co., Ltd.	Stock							
	Mega Growth Venture Capital Co., Ltd.	None	Financial assets at FVTOCI - Non-current	5,000	52,300	3.94%	52,300	
Radium Life Tech Co., Ltd.	Fund							
	TCB US Short Duration High Yield Bond Fund	None	Financial assets at FVTPL - current	300	2,969	-	2,969	
Ji Shun Life Tech Co., Ltd.	Fund							
	Mega Danish Covered Mortgage Bond Index Fund	None	Financial assets at FVTPL - current	500	5,006	-	5,006	
Jing-Jan Retail Business Co., Ltd.	Fund							
	Taiwan Business Bank Eastspring Investments India Bond Fund	None	Financial assets at FVTPL - current	500	4,965	-	4,965	

Note 1: Refer to Tables 8 and 9 for the information on subsidiaries and associates.

Radium Life Tech Co., Ltd. and Its Investees

Marketable Securities Acquired or Sold at Costs or Prices at Least NT$300 Million or 20% of the Paid-in Capital

For the Year ended December 31, 2020

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

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Others		Ending Balance	
					Number of Shares (in Thousands)	Amount	Number of Shares (in Thousands)	Amount	Number of Shares (in Thousands)	Amount	Carrying Amount	Gains/Losses on Disposal	Number of Shares (in Thousands)	Amount	Number of Shares (in Thousands)	Amount
Titan Development and Construction Co., Ltd.	Bills International Bills Finance Corporation - bills under repurchase agreement	Financial assets at amortized cost -current	None	None	-	$ 345,000	-	$ 4,390,000	-	$ 4,735,000	$ 4,735,000	$ -	-	$ -	-	$ -
Jing-Jan Investment Holding Co., Ltd.	Bills International Bills Finance Corporation - bills under repurchase agreement	Financial assets at amortized cost -current	None	None	-	-	-	735,000	-	735,000	735,000	-	-	-	-	-
Radium Life Tech Co., Ltd.	Stock Rih Ding Circular Economy Investment Holding Co., Ltd.	Investments accounted for the equity method	Rih-Ding Circular Economy Investment Holding Co., Ltd.	Subsidiary	-	-	63,500	5,097,197 (Notes 2 & 5)	-	-	-	-	-	616,777 (Note 3)	63,500	5,713,974
Radium Life Tech Co., Ltd.	Stock Ding Sheng Green Energy Technology Co., Ltd.	Investments accounted for the equity method	Rih-Ding Circular Economy Investment Holding Co., Ltd.	Subsidiary	5,000	50,122	-	-	5,000	-	49,913 (Note 2)	-	-	(209) (Note 3)	-	-
Radium Life Tech Co., Ltd.	Stock Rih Ding Water Enterprise Co., Ltd.	Investments accounted for the equity method	Rih-Ding Circular Economy Investment Holding Co., Ltd.	Subsidiary	355,940	4,466,864	-	-	421,640	-	4,747,699 (Note 2)	-	65,700 (Note 4)	280,835 (Note 3)	-	-

Note 1: The securities mentioned in this table refer to stocks, bills, beneficiary certificates, and securities derived from the items above.

Note 2: The Company's board of directors resolved to adjust the organizational structure on April 6, 2020. Rih-Ding Hldg issued new shares and obtained 100% of the Company's shares in Rih-Ding Water and Ding-Sheng through share swap arrangements, and the record date of share swap was May 8, 2020.

Note 3: It is the share of comprehensive income recognized by the Company using the equity method and the effect of IFRS16.

Note 4: This is the stock dividends distributed by investees in the current period.

Note 5: It is for capital stock in the amount of NT$299,585 thousand for incorporation.

Table 5

Radium Life Tech Co., Ltd. and Its Investees

Disposal of Individual Property at Costs of at Least NT$300 Million or 20% of the Paid-in Capital

For the Year ended December 31, 2020

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

Seller	Property	Event Date	Original Acquisition Date	Carrying Amount	Transaction Amount	Collection	Gain(Loss) on Disposal	Counterparty	Relationship	Purpose of Disposal	Price Reference	Terms
Radium Life Tech Co., Ltd.	5F, No. 157 as well as 5F , 5F-1, 5F-2, No. 159, Zhongyang Road, Xindian District, New Taipei City	2020.12.14	2013.12.11	$ 1,238,099	$ 2,363,428	Received	$1,125,329 (Note)	Jing-Jan Retail Business Co.,	Sub-subsidiary	To effectively sell assets and increase working capital	The value appraised by a real estate appraiser’s office and market conditions are adopted as a reference	None

Note: It is recognized in deferred credits - gains between associates.

Table 6

Radium Life Tech Co., Ltd. and Its Investees

Total Purchases from or Sales to Related Parties Amounting to at Least NT$100 Million or 20% of the Paid-in Capital

For the Year ended December 31, 2020

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

Buyer/Seller	Related Party	Relationship	Transaction Details (Note 1)				Abnormal Trancaction		Note/Trade receivables (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Titan Development and Construction Co., Ltd.	Rih Ding Water Enterprise Co., Ltd.	Associate	Sales	($ 838,061)	(55.89%)	As agreed in contract	-	—	$ 373,821	81.08%	
Titan Development and Construction Co., Ltd.	Ji Shun Life Tech Co., Ltd.	Associate	Sales	(403,006)	(26.88%)	As agreed in contract	-	—	-	-	
Wan Da Tong Enterprise Co., Ltd.	Jing-Jan Retail Business Co.,	Associate	Sales	(501,161)	(60.94%)	As agreed in contract	-	—	2,014	34.81%	
Rih Ding Water Enterprise Co., Ltd.	Ding Sheng Green Energy Technology Co., Ltd.	Associate	Construction costs	348,289	27.63%	As agreed in contract	-	—	(92,864)	(12.28%)	
Rih Ding Water Enterprise Co., Ltd.	Titan Development and Construction Co., Ltd.	Associate	Construction costs	911,852	72.33%	As agreed in contract	-	—	(663,437)	(87.72%)	
Ji Shun Life Tech Co., Ltd.	Titan Development and Construction Co., Ltd.	Associate	Construction costs	299,884	100%	As agreed in contract	-	—	(99,752)	(100%)	
Ding Sheng Green Energy Technology Co., Ltd.	Rih Ding Water Enterprise Co., Ltd.	Associate		(420,143)	(100%)	As agreed in contract	-	—	74,243	100%	

Note 1: Since there was no relevant identical transaction to follow for the unit price of purchases from and sales to related parties, the transaction conditions were negotiated and determined by both parties.

Table 7

Radium Life Tech Co., Ltd. and Its Investees

Receivables from Related Parties Amounting to at Least NT$100 million or 20% of the Paid-in Capital

December 31, 2020

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

Company Name	Name of Counterparty	Relationship	Balance of Receivables from Related Parties	Turnover Rate	Overdue		Amounts Received Subsequent Period	Allowance for Impairment Loss	Note
					Amount	Actions Taken			
Titan Development and Construction Co., Ltd.	Radium Life Tech Co., Ltd.	Parent company	$ 180,000	-	$ -	—	$ -	$ -	As of January 31, 2021 (Note 1)
Titan Development and Construction Co., Ltd.	Rih Ding Water Enterprise Co., Ltd.	Associate	373,821	3.37	-	—	142,673	-	As of January 31, 2021
Titan Development and Construction Co., Ltd.	Wan Da Tong Enterprise Co., Ltd.	Associate	110,000	-	-	—	-	-	As of January 31, 2021 (Note 1)
Li Chiang Development Co., Ltd.	Radium Life Tech Co., Ltd.	Parent company	110,000	-	-	—	-	-	As of January 31, 2021 (Note 1)
Rih Siang Property Management Co., Ltd.	Wan Da Tong Enterprise Co., Ltd.	Associate	120,000	-	-	—	-	-	As of January 31, 2021 (Note 1)
Jing-Jan Investment Holding Co., Ltd.	Radium Life Tech Co., Ltd.	Parent company	340,000	-	-	—	-	-	As of January 31, 2021 (Note 1)

Note 1: Other receivables.

Radium Life Tech Co., Ltd. and Its Investees

Information on Name and Location of Investees

For the Year ended December 31, 2020

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

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31,2020			Net Income(Loss) of the Investee	Share of Proft (Loss)	Note
				December 31,2020	December 31,2019	Number of Shares (in Thousands)	Percentage (%)	Carrying Amount			
Radium Life Tech Co., Ltd.	Ji Shun Life Tech Co., Ltd.	13F, No. 209, Section 1, Civic Boulevard, Taipei City	Housing and Building Development and Rental	$ 318,000	$ 75,000	70,000	100.00%	$ 716,492	($ 56,102)	($ 54,845)	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	Li Chiang Development Co., Ltd.	13F, No. 209, Section 1, Civic Boulevard, Taipei City	Housing and Building Development and Rental	1,000,000	1,000,000	100,000	100.00%	520,180	(44,928)	(44,928)	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	Rih Yao Development Co., Ltd.	13F, No. 209, Section 1, Civic Boulevard, Taipei City	Housing and Building Development and Rental	950,000	950,000	95,000	100.00%	748,458	(47,664)	(47,665)	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	Radium Far East Co., Ltd.	5F–2, No. 270, Section 4, Zhongxiao East Road, Taipei City	Housing and Building Development and Rental	1,113,455	1,113,455	38,773	99.93%	624,249	(7,993)	(7,987)	Subsidiary (Notes 1 & 2)
Radium Life Tech Co., Ltd.	Titan Development and Construction Co., Ltd.	5F–2, No. 270, Section 4, Zhongxiao East Road, Taipei City	Civil engineering and construction	968,650	968,650	120,000	100.00%	1,249,678	122,342	138,814	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	Wan Da Tong Enterprise Co., Ltd.	13F, No. 209, Section 1, Civic Boulevard, Taipei City	Housing and Building Development and Rental	1,248,666	1,248,666	148,000	28.35%	1,760,682	227,048	64,195	Subsidiary (Notes 1 & 3)
Radium Life Tech Co., Ltd.	Radium-Kagaya International Hotel Co., Ltd.	No. 236, Guangming Road, Beitou District, Taipei City, Taiwan	Hot spring hotel	953,363	953,363	15,000	100.00%	114,907	(18,103)	(16,511)	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	Zhao Yao Enterprise Co., Ltd.	3F-11F. No. 23, Lane 27, Section 4, Ren'ai Road, Daan District, Taipei City; No. 25, 3F-11F. No. 25, Lane 27, Section 4, Ren'ai Road, Daan District, Taipei City; 2F-14F. No. 237 Lane 27, Section 4, Ren'ai Road, Daan District, Taipei City	Housing and Building Development and Rental	2,350,000	2,350,000	235,000	100.00%	1,463,779	(118,654)	(118,654)	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	CLEVER BASE INVESTMENTS LIMITED	Vistra Corporate Services Contre, Ground Floor NPF Building, Beach Road, Asia , Samoa	Investment	USD 2,080	USD 2,080	2,080	100.00%	5,434	(1,438)	(1,438)	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	Xin Xiu Ge Hotel Co., Ltd.	No. 238, Guangming Road, Beitou District, Taipei City, Taiwan	Regular hotel	421,500	421,500	125	100.00%	324,423	(4,028)	(4,533)	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	Rih Ding Water Enterprise Co., Ltd.	No. 177, Section 1, Fuhua Road, Luzhu District, Taoyuan City	Sewage Treatment	-	2,790,000	-	-	-	879,241	280,835	Sub-subsidiary (Notes 1 & 8)
Radium Life Tech Co., Ltd.	Jing-Jan Investment Holding Co., Ltd.	13F, No. 209, Section 1, Civic Boulevard, Taipei City	Investment	3,039,339	3,039,339	91,590	61.06%	3,602,643	315,675	233,588	Subsidiary (Notes 1 & 11)
Radium Life Tech Co., Ltd.	Rih Siang Property Management Co., Ltd.	14F, No. 209, Section 1, Civic Boulevard, Taipei City	Housing and Building Development and Rental	2,300,000	2,300,000	230,000	100.00%	1,932,299	(27,747)	(27,760)	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	Rih Zuan Green Energy Technology Co., Ltd.	14F, No. 209, Section 1, Civic Boulevard, Taipei City	Energy Technical Services	40,500	40,500	4,050	90.00%	42,089	282	376	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	Ding Sheng Green Energy Technology Co., Ltd.	14F, No. 209, Section 1, Civic Boulevard, Taipei City	Energy Technical Services	-	50,000	-	-	-	20,355	(209)	Sub-subsidiary (Notes 1 & 8)

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31,2020			Net Income(Loss) of the Investee	Share of Proft (Loss)	Note
				December 31,2020	December 31,2019	Number of Shares (in Thousands)	Percentage (%)	Carrying Amount			
Radium Life Tech Co., Ltd.	Wan Tong Digital Technology Co., Ltd.	14F, No. 209, Section 1, Civic Boulevard, Taipei City	Retail	$ 27,000	$ 27,000	2,700	90.00%	$ 8,477	($ 13,198)	($ 11,878)	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	Rih Ding Circular Economy Investment Holding Co., Ltd.	14F, No. 209, Section 1, Civic Boulevard, Datong District, Taipei City	Investment	5,097,197	-	63,500	100.00%	5,713,974	616,777	616,777	Subsidiary (Note 1)
Radium Life Tech Co., Ltd.	Jing Ding Green Energy Technology Co., Ltd.	No. 76, Pinghe 1st Street, Changhua City, Changhua County	Energy Technical Services	7,400	-	740	37.00%	7,200	(541)	(200)	Subsidiary (Notes 1 & 9)
Titan Development and Construction Co., Ltd.	Jing-Jan Investment Holding Co., Ltd.	13F, No. 209, Section 1, Civic Boulevard, Taipei City	Investment	1,832,017	1,832,017	55,195	36.80%	2,115,885	315,675	116,157	Subsidiary (Notes 1 & 12)
Ji Shun Life Tech Co., Ltd.	Ji Sheng Zih Chan Development Co., Ltd.	13F, No. 209, Section 1, Civic Boulevard, Taipei City	Housing and Building Development and Rental	87,000	87,000	8,700	100.00%	81,711	(476)	(476)	Sub-subsidiary (Note 1)
Ji Shun Life Tech Co., Ltd.	Jing-Yang Apartment Building Management and Maintenance Co., Ltd.	1F, No. 106, Section 6, Roosevelt Road, Wenshan District, Taipei City	Condominium buildings management service	9,800	9,800	980	49.00%	10,003	7,270	3,562	(Note 1)
Jing-Jan Investment Holding Co., Ltd.	Jing-Jan Retail Business Co.,	No. 1, Section 1, Chengde Road, Taipei City	Shopping mall business	509,201	509,201	45,001	75.00%	866,125	203,214	152,415	Sub-subsidiary (Note 1)
Jing-Jan Investment Holding Co., Ltd.	Wan Da Tong Enterprise Co., Ltd.	13F, No. 209, Section 1, Civic Boulevard, Taipei City	Housing and Building Development and Rental	4,295,288	4,295,288	374,015	71.65%	4,449,836	227,048	162,675	Subsidiary (Note 1)
Jing-Jan Retail Business Co.,	Jing-Jan Digital Square Co., Ltd.	4F No. 1, Section 1, Chengde Road, Datong District, Taipei City	Retail	50,000	50,000	2,000	100.00%	17,131	553	553	Sub-subsidiary (Note 1)
CLEVER BASE INVESTMENTS LIMITED	SHARP CHINA INVESTMENTS LIMITED	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Asia , Samoa	Investment	-	USD 2,010	-	-	-	(352)	(352)	Sub-subsidiary (Notes 1 & 7)
CLEVER BASE INVESTMENTS LIMITED	Rih Ding Investments Limited	15/F., BOC Group Life Assurance Tower, 136 Des Voeux Road Central, Central, Hong Kong	Investment	USD 30	USD 30	30	100.00%	170	(68)	(68)	Sub-subsidiary (Note 1)
CLEVER BASE INVESTMENTS LIMITED	Kai Chuang International Limited.	The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box 32052, Grand Cayman KY1-1208, Cayman Islands	Investment	-	USD 40	-	-	-	-	-	Sub-subsidiary (Notes 1 & 6)
Radium Far East Co., Ltd.	Prit Biotech Co., Ltd.	3F-1, No.50, Lane 462, Gongyi Road, Zhunan Town, Miaoli County	Biotechnology and cosmetic manufacturing	90,000	90,000	9,000	37.31%	78,495	(18,360)	(6,850)	Sub-subsidiary (Notes 1 & 10)
Rih Ding Circular Economy Investment Holding Co., Ltd.	Rih Ding Water Enterprise Co., Ltd.	No. 177, Section 1, Fuhua Road, Luzhu District, Taoyuan City	Sewage Treatment	5,027,699	-	449,640	100.00%	5,626,105	879,241	598,406	Sub-subsidiary (Notes 1 & 8)
Rih Ding Circular Economy Investment Holding Co., Ltd.	Ding Sheng Green Energy Technology Co., Ltd.	14F, No. 209, Section 1, Civic Boulevard, Taipei City	Energy Technical Services	49,913	-	5,000	100.00%	70,475	20,355	20,564	Sub-subsidiary (Notes 1 & 8)
Ding Sheng Green Energy Technology Co., Ltd.	Jing Ding Green Energy Technology Co., Ltd.	No. 76, Pinghe 1st Street, Changhua City, Changhua County	Energy Technical Services	6,600	-	660	33.00%	6,421	(541)	(179)	Subsidiary (Notes 1 & 9)

Note 1: It is calculated based on the investees' financial statements audited by CPAs for the same period and the Company's shareholding ratio.

Note 2: The accumulated impairment of NT$155,686 thousand has not yet been deducted from the carrying amount.

Note 3: The unrealized gains between associates of NT$163,927 thousand has not yet been deducted from the carrying amount.

Note 4: Information on investees in mainland China is detailed in Table 9.

Note 5: Except for Jing-Yang Apartment Building Management and Maintenance Co., Ltd., the securities held above have been written off in accordance with regulations when the consolidated financial statements were prepared.

Note 6: The deregistration of Kai-Chuang International Limited. was completed on April 8, 2020.

Note 7: The deregistration of Sharp China Investments Limited was completed on April 17, 2020.

Note 8: The Company's board of directors resolved to adjust the organizational structure on April 6, 2020. Rih-Ding Hldg issued new shares and obtained 100% of the Company's shares in Rih-Ding Water and Ding-Sheng through share swap arrangements, and the record date of share swap was May 8, 2020.

Note 9: Jing-Ding was established on September 18, 2020, and the establishment was approved by and registered with the Central Region Office, Ministry of Economic Affairs.

Note 10: The accumulated impairment of NT$12,460 thousand has not yet been deducted from the carrying amount.

Note 11: The unrealized gains between associates of NT$1,125,329 thousand has not yet been deducted from the carrying amount.

Note 12: The unrealized gains between associates of NT$143,454 thousand has not yet been deducted from the carrying amount.

Radium Life Tech Co., Ltd. and Its Investees

Information on investments in Mainland China

For the Year ended December 31, 2020

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

Investee Company	Main Businesses and Products	Paid-In Capital	Method of Investments	Accumulated Outward Remittance for Investment from Taiwan as of January 1,2020	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December31,2020	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain(Loss) (Note 2)	Carrying Amount as of December31,2020	Accumulated Repatriation of Investment Income as of December31,2020
					Outward	Inward						
LiJiang Business Consulting (Shanghai) Linited.	Business and Corporate Management Consulting Services	$ 52,288 (US$1,700,000)	Note 1(1)	$ 52,288 (US$1,700,000)	$ -	$ -	$ 52,288 (US$1,700,000)	($ 1,905)	100%	($ 1,905) (2)B	$ 2,959	$ -

Accumulated Outward Remittance for Investments in Mainland China as of	Investment Amount Authorized by the Investment Commission of MOEA	Upper Limit on the Amount of Investments Stipulated by the Investment Commission of MOEA
NT$56,848 (US$1,840,000)	NT$52,688 (US$1,850,000) (Note 4)	$ 7,021,882 (Note 5)

Note 1: Investment methods are divided into the following three types, just enter the code:

(1) Direct investment in mainland China.

(2) Indirect investment in mainland China through third-region companies.

(3) Other methods.

Note 2: In the field “Investment Gains/Losses Recognized for Current Period”

(1) If it is under preparation and there is no investment gain or loss, it shall be indicated.

(2) The recognition basis of investment gains and losses is divided into the following three types, which shall be indicated.

A. Financial statements audited and attested by any international accounting firms with partnership with any accounting firm of the Republic of China.

B. Financial statements audited and attested by CPAs appointed by the parent company in Taiwan.

C. Others.

Note 3: The relevant figures in this table shall be presented in New Taiwan dollars.

Note 4: The exchange rate is based on the average spot buying/selling exchange rate of the Bank of Taiwan on December 31, 2020. In addition, the limit approved by the Investment Commission is in foreign currency, and the investment amount had not exceeded the limit as of the current period.

Note 5: It is 60% of the net equity of the Company.

Note 6: The deregistration of Wan-Da-Tong (Xiamen) Enterprise Co., Ltd. was completed on November 22, 2019, and its registered capital of US$140 thousand was not remitted back to Taiwan due to losses.

Table 10

Radium Life Tech Co., Ltd.

Information on Major Shareholders

December 31, 2020

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Rong Shian Lin	111,682,177	12.40%
CTBC Bank Co., Ltd. In custody for Verivia PCC	82,131,547	9.12%
Golden Century Co., Ltd.	58,223,051	6.46%
Ding-Sheng Digital Life Co., Ltd.	49,260,000	5.47%

Note 1: The major shareholders in this table are shareholders holding at least 5% of the ordinary and preference shares (including treasury shares) with dematerialized registration and delivery completed on the last business day of the quarter calculated by the Taiwan Depository & Clearing Corporation. The share capital recorded in the Company's parent company only financial statements and the number of shares actually delivered by the Company with the dematerialized registration completed may differ due to different calculation bases.

Note 2: For the information above, where a shareholder transfers the shares to a trust, the trustor’s individual account opened by the trustee shall be disclosed. As for the insider declaration of the ownership percentage over 10% in accordance with the Securities and Exchange Act, including the shares on hand and those being put in the trust, and the right to use the trust asset, please refer to the declaration information on MOPS.