TPK Holding Co., Ltd. and Subsidiaries

Consolidated Financial Statements for the Years Ended December 31, 2020 and 2019 and Independent Auditors' Report

Deloitte.

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
TPK Holding Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of TPK Holding Co., Ltd. and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2020 and 2019 and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the 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, and 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 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 consolidated financial statements for the year ended December 31, 2020. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

Valuation of Inventory

The description of key audit matter:

As of December 31, 2020, the carrying amount of inventory was NT$8,425,247 thousand (net of the allowance for inventory valuation and obsolescence losses of NT$352,914 thousand), which accounted for 10% of the Group's total assets. The Group is mainly engaged in the business of developing, manufacturing and selling touch modules and related products. As the touch modules industry is characterized by rapid change in technology, as well as short life cycles for the related products, in this regard, the risk surrounding the write-down of slow moving and obsolete inventory is higher. Based on the aging of inventories, the net realizable value of the Group's products, the related sales status and the changes in the market, the Group evaluated and recognized losses related to the write-down of slow moving and obsolete inventory monthly. Since such valuation of inventory requires significant judgment from management, the valuation of inventory has been identified as a key audit matter.

Refer to Notes 4 (g), 5 (c) and 11 to the Group's consolidated financial statements for details of the related accounting policy and the relevant information about inventory.

Corresponding audit procedures:

As for the evaluation of losses related to the write-down of slow moving and obsolete inventory, after first gaining familiarity with the industry characteristics to which the Group belongs, we obtained an understanding of the reasonability of the Group's policy for the provision for obsolete inventory and inventory whose carrying amount was lower than the net realizable value, and we randomly inspected inventory aging and performed our own calculation to verify whether the loss recognized adhered to the Group's provision policy.

In addition, at the end of the year, we performed an inventory observation and random counting to understand the inventory status and evaluate the appropriateness of the loss of obsolete and damaged inventory.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease 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.

Auditors' 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 of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional 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 management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of 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 communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

The engagement partners on the audits resulting in this independent auditors' report are Tzu-Jung Kuo and Pi-Yu Chuang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 11, 2021

Notice to Readers

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

TPK HOLDING 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 (Note 4)				
Cash and cash equivalents (Notes 4 and 6)	$ 22,603,449	27	$ 17,202,387	20
Financial assets at fair value through profit or loss - current (Notes 4, 7 and 31)	1,142,450	1	149,870	-
Financial assets at fair value through other comprehensive income - current (Notes 4, 8 and 31)	3,930,240	5	156,325	-
Financial assets at amortized cost - current (Notes 4, 9, 31 and 33)	2,834,934	4	8,554,285	10
Notes and trade receivable, net (Notes 4, 10, 31 and 32)	12,763,804	15	12,893,862	15
Other receivables, net (Notes 4, 10, 31 and 32)	2,224,763	3	4,328,134	5
Current tax assets (Notes 4 and 25)	10,603	-	51,368	-
Inventories (Notes 4, 5 and 11)	8,425,247	10	8,202,304	10
Other current assets	177,725	-	122,803	-
Total current assets	54,113,215	65	51,661,338	60
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 4, 7 and 31)	377,889	-	77,755	-
Property, plant and equipment (Notes 4, 14, 32 and 33)	19,997,310	24	25,417,590	30
Right-of-use assets (Notes 4 and 15)	3,903,055	5	2,849,990	3
Investment properties (Notes 4 and 16)	251,964	-	326,599	1
Intangible assets (Notes 4 and 17)	70,168	-	95,834	-
Deferred tax assets (Notes 4, 5 and 25)	1,904,040	2	2,422,152	3
Prepayments for equipment	2,887,680	4	2,469,047	3
Refundable deposits (Note 32)	113,399	-	172,409	-
Other non-current assets	2,308	-	403	-
Total non-current assets	29,507,813	35	33,831,779	40
TOTAL	$ 83,621,028	100	$ 85,493,117	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES (Note 4)				
Short-term borrowings (Notes 18 and 31)	$ 3,400,323	4	$ 6,492,737	8
Financial liabilities at fair value through profit or loss - current (Notes 4, 7 and 31)	1,181,289	2	180,953	-
Notes and trade payable (Note 32)	14,443,161	17	18,327,590	21
Payables for purchase of equipment (Notes 19, 29 and 32)	941,126	1	1,004,691	1
Other payables - others (Notes 19 and 32)	2,729,047	3	2,315,974	3
Current tax liabilities (Notes 4 and 25)	31,846	-	60,427	-
Provisions - current (Notes 4, 5, 11 and 20)	1,929,985	2	2,103,289	3
Lease liabilities - current (Notes 4, 15 and 32)	556,388	1	296,282	-
Current portion of long-term borrowings (Notes 4, 18 and 33)	3,351,097	4	2,606,330	3
Other current liabilities (Note 16)	470,321	1	146,702	-
Total current liabilities	29,034,583	35	33,534,975	39
NON-CURRENT LIABILITIES				
Long-term borrowings (Notes 14, 18, 32 and 33)	11,566,775	14	10,570,515	13
Deferred tax liabilities (Notes 4 and 25)	2,796,329	3	2,780,286	3
Lease liabilities - non-current (Notes 4, 15 and 32)	2,987,243	4	1,648,609	2
Net defined benefit liabilities - non-current (Notes 4 and 21)	5,184	-	6,304	-
Guarantee deposits received	29,489	-	30,749	-
Other non-current liabilities	395,944	-	752,969	1
Total non-current liabilities	17,780,964	21	15,789,432	19
Total liabilities	46,815,547	56	49,324,407	58
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4, 8, 22, 27 and 28)				
Share capital				
Ordinary shares	4,066,638	5	4,066,638	5
Capital surplus	28,165,226	34	28,162,570	33
Retained earnings				
Legal reserve	3,287,058	4	3,268,129	4
Unappropriated earnings (accumulated deficits)	304,010	-	(709,071)	(1)
Total retained earnings	3,591,068	4	2,559,058	3
Other equity				
Exchange differences on translating foreign operations	(226,291)	-	1,380,444	1
Unrealized valuation gain on financial assets at fair value through other comprehensive income	1,083,190	1	-	-
Total other equity	856,899	1	1,380,444	1
Total equity attributable to owners of the Company	36,679,831	44	36,168,710	42
NON-CONTROLLING INTERESTS	125,650	-	-	-
Total equity	36,805,481	44	36,168,710	42
TOTAL	$ 83,621,028	100	$ 85,493,117	100

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

TPK HOLDING 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	%
OPERATING REVENUE, NET (Notes 4, 23, 32 and 39)	$ 114,583,199	100	$ 136,606,695	100
OPERATING COSTS (Notes 4, 11, 14, 15, 17, 20, 21, 24, 27 and 32)	109,717,613	96	131,866,816	97
GROSS PROFIT	4,865,586	4	4,739,879	3
OPERATING EXPENSES (Notes 4, 10, 14, 15, 17, 21, 24, 27 and 32)				
Selling and marketing expenses	447,917	-	571,068	-
General and administrative expenses	2,692,047	2	2,920,099	2
Research and development expenses	775,933	1	1,124,585	1
Total operating expenses	3,915,897	3	4,615,752	3
OPERATING INCOME	949,689	1	124,127	-
NON-OPERATING INCOME AND EXPENSES				
Government grant revenue (Note 4)	539,664	1	529,779	-
Interest income (Notes 4, 24 and 32)	775,988	1	682,503	1
Other income (Notes 4, 15, 24 and 32)	220,683	-	218,967	-
Gain on financial products at fair value through profit or loss (Notes 4, 7 and 31)	413,093	-	-	-
Finance costs (Notes 4, 15, 18, 24 and 32)	(754,970)	(1)	(918,693)	(1)
Foreign exchange gain, net (Notes 4 and 37)	-	-	216,684	-
Foreign exchange loss, net (Notes 4 and 37)	(306,991)	-	-	-
Loss on financial products at fair value through profit or loss (Notes 4, 7 and 31)	-	-	(37,243)	-
Other losses (Notes 4 and 16)	(25,887)	-	(36,022)	-
Total non-operating income and expenses	861,580	1	655,975	-
PROFIT BEFORE INCOME TAX	1,811,269	2	780,102	-
INCOME TAX EXPENSE (Notes 4 and 25)	776,896	1	477,363	-
NET PROFIT FOR THE YEAR	1,034,373	1	302,739	-

(Continued)

TPK HOLDING 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	%
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Notes 4 and 21)	$ 687	-	$ 5,201	-
Unrealized valuation gain on investments in equity instruments at fair value through other comprehensive income (Notes 4, 8 and 22)	1,083,190	1	-	-
Exchange differences arising on translation to the presentation currency (Notes 4 and 22)	(1,861,072)	(2)	(887,444)	-
	(777,195)	(1)	(882,243)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations (Notes 4 and 22)	249,881	-	12,932	-
Other comprehensive loss for the year, net of income tax	(527,314)	(1)	(869,311)	-
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	$ 507,059	-	$ (566,572)	-
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	$ 1,031,323	1	$ 208,882	-
Non-controlling interests	3,050	-	93,857	-
	$ 1,034,373	1	$ 302,739	-
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	$ 508,465	-	$ (670,831)	-
Non-controlling interests	(1,406)	-	104,259	-
	$ 507,059	-	$ (566,572)	-
EARNINGS PER SHARE (Note 26)				
Basic	$ 2.54		$ 0.51	
Diluted	$ 2.53		$ 0.51	

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

TPK HOLDING 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)

	Equity Attributable to Owners of the Company								
			Retained Earnings		Other Equity				
	Share Capital (Notes 4 and 22)	Capital Surplus (Notes 4, 22, 27 and 28)	Legal Reserve (Note 22)	Unappropriated Earnings (Accumulated Deficits) (Notes 4, 21, 22 and 28)	Exchange Differences on Translating Foreign Operations (Notes 4 and 22)	Unrealized Valuation Gain on Financial Assets at Fair Value Through Other Comprehensive Income (Notes 4 and 22)	Total	Non-controlling Interests (Notes 4, 12, 22 and 28)	Total Equity
BALANCE AT JANUARY 1, 2019	$ 4,066,638	$ 28,146,706	$ 3,246,461	$ (833,561)	$ 2,265,358	$ -	$ 36,891,602	$ 350,107	$ 37,241,709
Appropriation of 2018 earnings									
Legal reserve	-	-	21,668	(21,668)	-	-	-	-	-
Net profit for the year ended December 31, 2019	-	-	-	208,882	-	-	208,882	93,857	302,739
Other comprehensive income (loss) for the year ended December 31, 2019, net of income tax	-	-	-	5,201	(884,914)	-	(879,713)	10,402	(869,311)
Total comprehensive income (loss) for the year ended December 31, 2019	-	-	-	214,083	(884,914)	-	(670,831)	104,259	(566,572)
Recognition of employee share options by the Company	-	15,864	-	-	-	-	15,864	-	15,864
Decrease in non-controlling interests	-	-	-	(67,925)	-	-	(67,925)	(454,366)	(522,291)
BALANCE AT DECEMBER 31, 2019	4,066,638	28,162,570	3,268,129	(709,071)	1,380,444	-	36,168,710	-	36,168,710
Appropriation of 2019 earnings									
Legal reserve	-	-	18,929	(18,929)	-	-	-	-	-
Net profit for the year ended December 31, 2020	-	-	-	1,031,323	-	-	1,031,323	3,050	1,034,373
Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax	-	-	-	687	(1,606,735)	1,083,190	(522,858)	(4,456)	(527,314)
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	1,032,010	(1,606,735)	1,083,190	508,465	(1,406)	507,059
Increase in non-controlling interests	-	2,656	-	-	-	-	2,656	127,056	129,712
BALANCE AT DECEMBER 31, 2020	$ 4,066,638	$ 28,165,226	$ 3,287,058	$ 304,010	$ (226,291)	$ 1,083,190	$ 36,679,831	$ 125,650	$ 36,805,481

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

TPK HOLDING 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	$ 1,811,269	$ 780,102
Adjustments for:		
Depreciation expenses	6,157,402	7,811,934
Amortization expenses	21,538	27,560
Expected credit loss reversed on trade receivables	(7,482)	(5,837)
Net loss on fair value changes of financial assets and liabilities at fair value through profit or loss	56,592	31,493
Finance costs	754,970	918,693
Interest income	(775,988)	(682,503)
Compensation costs of employee share options	-	15,864
(Gain) loss on disposal of property, plant and equipment	(129,709)	187,204
Gain on disposal of intangible assets	(4)	-
Loss (gain) on lease modification	17	(544)
Impairment loss recognized on property, plant and equipment	18,572	803,474
Recognition (reversal) of write-downs of inventories	29,501	(297,742)
Recognition of provisions	410,793	1,129,808
Changes in operating assets and liabilities		
Decrease (increase) in trade and notes receivable	129,223	(2,442,209)
Decrease (increase) in other receivables	2,155,544	(1,497,054)
(Increase) decrease in inventories	(239,716)	2,910,831
(Increase) decrease in other current assets	(36,612)	58,368
Decrease in notes and trade payable	(3,884,429)	(1,090,842)
Increase (decrease) in other payables	320,640	(320,761)
Decrease in provisions	(483,770)	(721,624)
Decrease in other current liabilities	(98,799)	(48,106)
Decrease in net defined benefit liabilities	(433)	(365)
Cash generated from operations	6,209,119	7,567,744
Interest received	575,259	611,174
Income tax paid	(230,558)	(546,318)
Net cash generated from operating activities	6,553,820	7,632,600
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(2,850,500)	-
Proceeds from sale of financial assets at fair value through other comprehensive income	151,094	100,000
Proceeds from sale (purchase) of financial assets at amortized cost	5,719,351	(4,422,720)
Purchase of financial assets at fair value through profit or loss	(382,857)	(77,755)
Payments for property, plant and equipment	(64,543)	(59,237)
Proceeds from disposal of property, plant and equipment	199,844	375,339
Decrease (increase) in refundable deposits	59,010	(18,570)
Payments for intangible assets	(17,097)	(13,527)
Proceeds from disposal of intangible assets	4	-

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TPK HOLDING 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
Increase in other assets	$ (1,905)	$ (36)
Increase in prepayments for equipment	(1,601,393)	(4,259,080)
Net cash generated from (used in) investing activities	1,211,008	(8,375,586)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease) increase in short-term borrowings	(2,420,489)	1,701,269
Proceeds from long-term borrowings	6,935,347	7,622,767
Repayments of long-term borrowings	(4,785,441)	(6,103,090)
(Refund of) proceeds from guarantee deposits received	(1,260)	14,790
Repayments of the principal portion of lease liabilities	(324,028)	(340,045)
Increase in other liabilities	65,393	466,137
Interest paid	(656,707)	(867,406)
Increase (decrease) in non-controlling interests	129,712	(522,291)
Net cash (used in) generated from financing activities	(1,057,473)	1,972,131
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	(1,306,293)	(1,090,655)
NET INCREASE IN CASH AND CASH EQUIVALENTS	5,401,062	138,490
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	17,202,387	17,063,897
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 22,603,449	$ 17,202,387

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

1. GENERAL INFORMATION

TPK Holding Co., Ltd. (the "Company") was incorporated as a limited company under the provisions of the Company Law of the Cayman Islands on November 21, 2005.

The Company and its subsidiaries (collectively referred to as the "Group") are mainly engaged in the business of developing, manufacturing and selling touch modules, touch display and indium tin oxide (ITO) glass-related products.

The Company's shares have been listed on the Taiwan Stock Exchange since October 29, 2010.

The functional currency of the Company is the U.S. dollar. For greater comparability and consistency of financial reporting, the consolidated financial statements are presented in New Taiwan dollars since the Company's shares are listed on the Taiwan Stock Exchange.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors on March 11, 2021.

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

a. 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 initial application of the IFRSs endorsed and issued into effect by the FSC did not have a material impact on the Group's accounting policies:

Amendment to IFRS 16 "Covid-19 - Related Rent Concessions"

The Group elected to apply the practical expedient provided in the amendment to IFRS 16 with respect to rent concessions negotiated with the lessor as a direct consequence of the COVID-19. The related accounting policies are stated in Note 4. Prior to the application of the amendment, the Group shall determine whether or not the abovementioned rent concessions need to be accounted for as lease modifications.

The Group applied the amendment from January 1, 2020. Because the abovementioned rent concessions affect only in 2020, retrospective application of the amendment has no impact on the retained earnings as of January 1, 2020.

b. The IFRSs endorsed by the FSC for application starting from 2021

New IFRSs	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

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 "Interest Rate Benchmark Reform - Phase 2"

  "Interest Rate Benchmark Reform - Phase 2" primarily amends IFRS 9, IFRS 7 and IFRS 16 to provide practical relief from the impact of the interest rate benchmark reform.

  Changes in the basis for determining contractual cash flows as a result of interest rate benchmark reform

  The changes in the basis for determining contractual cash flows of financial assets, financial liabilities or lease liabilities are accounted for by updating the effective interest rate at the time the basis is changed, provided the changes are necessary as a direct consequence of the reform and the new basis is economically equivalent to the previous basis.

As of the date the consolidated financial statements were authorized for issue, the Group has assessed that the application of above standards and interpretations will not have a significant impact on the Group's financial position and financial performance.

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

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

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual reporting periods beginning on or after their 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 periods beginning on or after January 1, 2022. The amendments to IFRS 1 "First-time Adoptions of IFRSs" will be applied retrospectively for annual reporting periods beginning on or after January 1, 2022.

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

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

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

Note 6: The amendments will be applied prospectively for annual reporting periods beginning on or after January 1, 2023.

Note 7: 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.

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

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.

b. Basis of preparation

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

c. 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 an 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, 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.

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

d. Basis of consolidation

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

Income and expenses of subsidiaries acquired or disposed of during the reporting period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of such acquisitions up to the effective dates of disposals, as appropriate.

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

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 are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

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

The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition of financial assets at fair value through other comprehensive income.

See Note 12, Table 7 and Table 8 following the Notes to Consolidated Financial Statements for detailed information on subsidiaries (including the percentages of ownership and main businesses).

e. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. Acquisition-related costs are generally recognized in profit or loss as they are incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interests in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured at the non-controlling interests' proportionate share of recognized amounts of the acquiree's identifiable net assets. Other types of non-controlling interests are measured at fair value.

Business combinations involving entities under common control are not accounted for by the acquisition method. In preparing the consolidated financial statements, the balance of the difference between the investment cost generated from the acquisition of the acquiree's interests and the net assets is analyzed and dealt with in the way which was initially performed at the acquisition date.

f. 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 at the dates of the transactions.

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

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of the transaction.

For the purpose of presenting the consolidated financial statements, the functional currencies of the Company and its foreign operations (including subsidiaries, associates and branches in other countries that use currencies which are different from the currency of the Company) are translated into the presentation currency, the New Taiwan dollar, as follows. Income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income attributed to the owners of the Company and non-controlling interests as appropriate. The exchange differences accumulated in equity which resulted from the translation of the assets and liabilities of the entities in the Group into the presentation currency are not subsequently reclassified to profit or loss.

On the disposal of a foreign operation (i.e., a disposal of the Group's entire interest in a foreign operation, or a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In relation to a partial disposal of a subsidiary that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to the non-controlling interests of the subsidiary and is not recognized in profit or loss. For all other partial disposals, the proportionate share of accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets and liabilities acquired arising from the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences are recognized in other comprehensive income.

g. Inventories

Inventories consist of raw materials, supplies, finished goods and work-in-progress and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the standard cost and adjusted to approximate the weighted-average cost on the balance sheet date.

h. Investments in associates

An associate is an entity over which the Group has significant influence and that is not a subsidiary.

The Group uses 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 profit or loss and other comprehensive income of that associate. The Group also recognizes the changes in the Group's share of equity of associates.

Any excess of the cost of an acquisition over the Group's share of net fair value of the identifiable assets and liabilities of an associate at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Group's share of net fair value of the identifiable assets and liabilities over the cost of the acquisition, after reassessment, is recognized immediately in profit or loss.

When the Company subscribes for additional new shares of an associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Group's proportionate interest in that associate. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus - changes in capital surplus from investments in associates accounted for using the equity method. If the Group's ownership interest is reduced due to its additional subscription of the new shares of the associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required if the investee had directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.

When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any carrying amount of the investment accounted for using the equity method and 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 that 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 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date, and the fair value is regarded as the investment's fair value at its initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities.

When the Group transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the Group's consolidated financial statements only to the extent that interests in the associate are not related to the Group.

i. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment in the course of construction are carried at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

Depreciation on property, plant and equipment is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

j. Investment properties

Investment properties are properties held to earn rental and/or for capital appreciation. Investment properties include right-of-use assets.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss.

Investment properties acquired through leases were initially measured at cost, which comprises the initial measurement of lease liabilities. These investment properties are subsequently measured at cost less accumulated depreciation and accumulated impairment loss and adjusted for any remeasurement of the lease liabilities.

Depreciation is recognized using the straight-line method.

For a transfer of classification from investment properties to property, plant and equipment, the deemed cost of the property for subsequent accounting is its carrying amount at the commencement of owner-occupation.

For a transfer of classification from property, plant and equipment and right-of-use assets to investment properties, the deemed cost of an item of property for subsequent accounting is its carrying amount at the end of owner-occupation.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss

k. Goodwill (recognized as intangible assets)

Goodwill arising from the acquisition of a business is carried at cost as established at the date of the acquisition of the business less accumulated impairment loss.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units (referred to as "cash-generating units") that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently when there is an indication that the unit may be impaired by comparing its carrying amount, including the attributed goodwill, with its recoverable amount. However, if the goodwill allocated to a cash-generating unit was acquired in a business combination during the current annual period, that unit shall be tested for impairment before the end of the current annual period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then pro rata to the other assets of the unit based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. Any impairment loss recognized for goodwill is not reversed in subsequent periods.

If goodwill has been allocated to a cash-generating unit and the Group disposes of an operation within that unit, the goodwill associated with the operation which is disposed of is included in the carrying amount of the operation when determining the gain or loss.

l. Intangible assets

1) Intangible assets 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. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis.

2) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date. Subsequent to initial recognition, they are measured on the same basis as intangible assets that are acquired separately.

3) Derecognition of intangible assets

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.

m. Impairment of property, plant and equipment, investment properties, right-of-use assets and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, investment properties, right-of-use assets and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only the corresponding of the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

n. Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement categories

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost and investments in debt instruments and equity instruments at FVTOCI.

i. Financial assets at FVTPL

Financial assets are classified as at FVTPL when such a financial asset is mandatorily classified or designated as at FVTPL. Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI and debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria.

Financial assets at FVTPL are subsequently measured at fair value, and any interest earned on such financial assets are recognized in interest income,. Fair value is determined in the manner described in Note 31.

ii. Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, trade receivables and other receivables at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

i) Purchased or originated credit impaired financial assets, for which interest income is calculated by applying the credit adjusted effective interest rate to the amortized cost of such financial assets; and

ii) Financial assets that are not credit impaired on purchase or origination but have subsequently become credit impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

A financial asset is credit impaired when one or more of the following events have occurred:

i) Significant financial difficulty of the issuer or the borrower;

ii) Breach of contract, such as a default;

iii) It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or

iv) The disappearance of an active market for that financial asset because of financial difficulties.

Cash equivalents include time deposits with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

iii. Investments in debt instruments at FVTOCI

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

i) The debt instrument is held within a business model whose objective is achieved by both the collecting of contractual cash flows and the selling of such financial assets; and

ii) The contractual terms of the debt instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in debt instruments at FVTOCI are subsequently measured at fair value. Changes in the carrying amounts of these debt instruments relating to changes in foreign currency exchange rates, interest income calculated using the effective interest method and impairment losses or reversals are recognized in profit or loss. Other changes in the carrying amount of these debt instruments are recognized in other comprehensive income and will be reclassified to profit or loss when the investment is disposed of.

iv. Investments in equity instruments at FVTOCI

On initial recognition, the Group may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

b) Impairment of financial assets and contract assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables) and investments in debt instruments that are measured at FVTOCI.

The Group always recognizes lifetime expected credit losses (ECLs) for trade receivables. For all other financial instruments, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

For internal credit risk management purposes, the Group determines that the following situations indicate that a financial asset is in default (without taking into account any collateral held by the Group):

i. Internal or external information show that the debtor is unlikely to pay its creditors.

ii. When a financial asset is more than 60 days past due unless the Group has reasonable and corroborative information to support a more lagged default criterion.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and the carrying amounts of such financial assets are not reduced.

c) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset 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 sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in a debt instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss which had been recognized in other comprehensive income is recognized in profit or loss. However, on derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity instruments

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

Equity instruments issued by a group entity are recognized at the proceeds received, net of direct issue costs.

The repurchase of the Company's own equity instruments is recognized in and deducted directly from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Company's own equity instruments.

3) Financial liabilities

a) Subsequent measurement

Except for financial liabilities at FVTPL, all financial liabilities are measured at amortized cost using the effective interest method.

Financial liabilities are classified as at FVTPL when such financial liabilities are held for trading.

Financial liabilities held for trading are stated at fair value, with any gain or loss arising on remeasurement recognized in profit or loss. Fair value is determined in the manner described in Note 31.

b) Derecognition of financial liabilities

The difference between the carrying amount of a financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

4) Derivative financial instruments

The Group enters into derivative financial instruments, such as foreign exchange forward contracts, to manage its exposure to foreign currency exchange rate and interest rate risks.

Derivatives are initially recognized at fair value at the date in which the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately. When the fair value of derivative financial instrument is positive, the derivative is recognized as a financial asset; when the fair value of a derivative financial instrument is negative, the derivative is recognized as a financial liability.

Derivatives embedded in hybrid contracts that contain financial asset hosts that is within the scope of IFRS 9 are not separated; instead, the classification is determined in accordance with the entire hybrid contract. Derivatives embedded in non-derivative host contracts that are not financial assets that is within the scope of IFRS 9 (e.g., financial liabilities) are treated as separate derivatives when they meet the definition of a derivative; their risks and characteristics are not closely related to those of the host contracts; and the host contracts are not measured at FVTPL.

o. Provisions

Provisions are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

1) Onerous contracts

Provisions for onerous contracts arise where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. The present obligations arising under onerous contracts are recognized and measured as provisions.

2) Warranties

Provisions for the expected cost of warranty obligations to assure that products comply with agreed-upon specifications are recognized on the date of sale of the relevant products at the best estimate by the management of the Company of the expenditures required to settle the Group's obligations.

p. Revenue recognition

The Group identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

Revenue from the sale of goods comes from sales of touch modules, touch display and ITO glass-related products. Sales of touch modules, touch display and ITO glass-related products are recognized as revenue when the goods are delivered to the customer's specific location or the goods are shipped because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Trade receivables are recognized concurrently.

The Group does not recognize sales revenue on materials delivered to subcontractors because this delivery does not involve a transfer of control.

q. Leasing

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

1) The Group as lessor

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

When the Group subleases a right-of-use asset, the sublease is classified by reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. However, if the head lease is a short-term lease that the Group, as a lessee, has accounted for applying recognition exemption, the sublease is classified as an operating lease.

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases.

2) The Group as lessee

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

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets, except for those that meet the definition of investment properties. With respect to the recognition and measurement of right-of-use assets that meet the definition of investment properties, refer to Note 10 for the accounting policies for investment properties.

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

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

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

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

r. Borrowing costs

Borrowing costs directly attributable to an acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

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.

s. 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 that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable.

t. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost) and net interest on the net defined benefit liabilities are recognized as an employee benefits expense in the period in which they occur. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

The net defined benefit liabilities represent the actual deficit in the Group's defined benefit plans.

u. Employee share options

Equity-settled share-based payment arrangements and employee share options granted to employees are measured at the fair value of the equity instruments at their grant dates.

The fair value at the grant date of employee share options is expensed on a straight-line basis over the vesting period, based on the Group's best estimate of the number of shares or options that are expected to ultimately vest, with a corresponding increase in capital surplus - employee share options. It is recognized as an expense in full at the grant date if vested immediately.

At the end of each reporting period, the Group revises its estimate of the number of employee share options expected to vest. The impact of the revision of the original estimates is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to capital surplus - employee share options.

v. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

For the subsidiaries incorporated in the territory of the Republic of China, according to the Income Tax Law in the Republic of China, an additional tax on unappropriated earnings is provided for as income tax 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, unused loss carryforwards and unused tax credits for purchases of machinery, equipment and technology and expenditures on research, development and personnel training to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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 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 taxes for the year

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income, in which case, the current and deferred taxes are also recognized in other comprehensive income. Where current taxes or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

Key Sources of Estimation Uncertainty

a. Impairment test for property, plant and equipment

In the process of evaluating impairment of assets, the management is required to make subjective judgments in determining the independent cash flows, useful lives, expected future revenue and expenses related to specific asset groups while taking into consideration the nature of the industry. Furthermore, any changes in such estimations resulting from changes in economic conditions or the Company's strategy could possibly lead to a material impairment loss in future periods.

For the year ended December 31, 2019, the Group recognized an impairment loss on property, plant and equipment in the amount of $803,474 thousand (for the year ended December 31, 2020: None).

b. Income taxes

As of December 31, 2020 and 2019, no deferred tax asset has been recognized on the tax loss and deductible temporary differences of $20,694,255 thousand and $26,256,268 thousand, respectively, due to the unpredictability of future profit streams. The realizability of deferred tax assets mainly depends on whether sufficient future profits or taxable temporary differences will be available. In cases where the actual future profits generated are difference with expected, a material adjustment of deferred tax assets may arise, which would be recognized in profit or loss for the period in which such a adjustment takes place.

The details of unused tax losses as of December 31, 2020 and 2019 are described in Note 25.

c. Write-downs of inventories

The net realizable value of inventory is the estimated selling price in the ordinary course of business less the estimated costs of completion and disposal. The estimation of net realizable value is based on current market conditions and historical experience with product sales of a similar nature. Changes in market conditions may have a material impact on the estimation of the net realizable value.

The carrying amounts of inventories as of December 31, 2020 and 2019 are disclosed in Note 11.

d. Estimated provisions

Provisions are present obligations arising as a result of past events. Based on the past experience, the Group recognized the estimated expenditures for settling such obligations as provisions. The Group has a variety of provisions, including onerous contracts and warranties. The carrying amounts of provisions as of December 31, 2020 and 2019 are disclosed in Note 20.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2020	2019
Cash on hand	$ 828	$ 981
Checking accounts and demand deposits	8,943,644	9,314,053
Cash equivalents		
Time deposits	13,658,977	7,887,353
	$ 22,603,449	$ 17,202,387

Interest rates for deposits in the bank at the end of the year were as follows:

	December 31	
	2020	2019
Deposits	0%-4.18%	0%-4.18%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31	
	2020	2019
Financial assets at FVTPL - current		
Financial assets mandatorily classified as at FVTPL		
Derivative financial assets (not under hedge accounting)		
Foreign exchange forward contracts	$ 1,142,450	$ 42,309
Foreign exchange option contracts	-	91,528
Exchange swap contracts	-	16,033
	$ 1,142,450	$ 149,870
Financial assets at FVTPL - non-current		
Financial assets mandatorily classified as at FVTPL		
Non-derivative financial assets - foreign private fund	$ 377,889	$ 77,755
Financial liabilities at FVTPL - current		
Financial liabilities held for trading		
Derivative financial liabilities (not under hedge accounting)		
Foreign exchange option contracts	$ 1,173,145	$ 57,358
Foreign exchange forward contracts	8,144	123,595
	$ 1,181,289	$ 180,953

At the end of the year, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
December 31, 2020			
Sell USD/Buy RMB	USD/RMB	January 6, 2021-May 21, 2021	USD730,000/RMB5,047,783
Sell RMB/Buy USD	RMB/USD	January 7, 2021-March 18, 2021	RMB654,317/USD100,000
December 31, 2019			
Sell USD/Buy RMB	USD/RMB	March 27, 2020-December 4, 2020	USD566,000/RMB3,945,862

At the end of the year, outstanding foreign exchange option contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
December 31, 2020			
Foreign exchange option portfolio			
Buy USD call options	RMB/USD	February 3, 2021-	RMB3,071,370/USD430,000
Sell USD put options	RMB/USD	May 19, 2021	RMB3,070,510/USD430,000
December 31, 2019			
Foreign exchange option portfolio			
Buy USD call options	RMB/USD	April 15, 2020-	RMB2,433,075/USD350,000
Sell USD put options	RMB/USD	December 2, 2020	RMB2,432,375/USD350,000

At the end of the year, outstanding exchange swap contract not under hedge accounting were as follows (as of December 31, 2020: None):

	Currency	Maturity Date	Notional Amount (In Thousands)
December 31, 2019			
Buy USD	RMB/USD	March 25, 2020	RMB107,672/USD16,000

The Group entered into foreign exchange forward contracts, foreign exchange option contracts and exchange swap contracts to manage exposures to exchange rate and interest rate fluctuations of foreign currency denominated assets and liabilities. However, those contracts did not meet the criteria of hedge effectiveness and, therefore, were not accounted for using hedge accounting.

The Group invested US$15,000 thousand in the convertible bonds issued by Light Polymers Holding (HK) Limited in January 2020. The convertible bonds, which could be converted to preference shares, had an interest rate of 8.5% and a maturity period of 6 months, and the principal and interest are payable at maturity. As the bonds have expired and the Group has not yet withdrawn the principal and interest and no other solutions were negotiated; in the third quarter of 2020, the Group recognized a loss of $44,235 thousand.

Gains and losses on foreign private fund, foreign convertible bonds, foreign exchange forward contract, foreign exchange option contracts and exchange swap contracts for the years ended December 31, 2020 and 2019 were as follows:

	For the Year Ended December 31	
	2020	**2019**
Gain on foreign exchange forward contracts	$ 1,765,616	$ 21,638
Loss on foreign exchange option contracts	(1,308,908)	(75,449)
Gain on exchange swap contracts	7,568	16,568
Loss on foreign private fund	(6,948)	-
Loss on foreign convertible bonds	(44,235)	-
	$ 413,093	$ (37,243)

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	December 31	
	2020	**2019**
Investments in equity instruments at FVTOCI - current		
Domestic unlisted ordinary shares		
Kingyoup Optronics Co., Ltd. Ordinary shares ("KYO")	$ -	$ 50,000
Overseas unlisted ordinary shares		
Jin Shun Xin Development (Pingtan) Co., Ltd. ("JSX")	-	106,325
Overseas listed ordinary shares		
Canoo Inc.	3,930,240	-
	$ 3,930,240	$ 156,325

The Group acquired ordinary shares of KYO, JSX and Canoo Inc. for strategic purposes. Therefore, the management elected to designate these investments in equity instruments as at FVTOCI.

In June 2014, the Group acquired 16.57% (6,000 thousand shares) equity shares of KYO for $150,000 thousand. According to the investment contract, if KYO cannot complete the initial public offering process in 5 years after the Group acquired the equity shares of KYO, the Group will request the original shareholder to buy back equity shares at the originally acquired price in June 2019, December 2019 and June 2020, separately. The original shareholders bought back 6,000 thousand shares of KYO for $50,000 thousand in June 2019, December 2019 and June 2020, respectively.

Because the industry of JSX is not the core business of the Company, on January 26, 2017, the Company's board of directors resolved to sell its interest in JSX to Ruei-Shin Investment (Pingtan) Co., Ltd. ("Ruei-Shin") in order to concentrate and utilize the Company's limited resources. In March 2017, TPKP sold 91% of its interest in JSX at the price of RMB246,192 thousand, and TPKP's percentage of ownership decreased from 100% to 9%. Since the Group lost control over JSX, any investment retained in JSX was reclassified to financial assets at FVTOCI. According to the agreement, TPKP had sold the remaining 9% of its shares of JSX to Ruei-Shin for RMB24,349 thousand in December 2020. At the end of the year, the Group sold all its shares held in JSX.

In December 2020, the Group indirectly invested in Canoo Holding Ltd. by participating in the private placement of Hennessy Capital Acquisition Corp. IV for a total investment amount of US$100,000 thousand. After the acquisition, Hennessy Capital Acquisition Corp. IV merged with Canoo Holding Ltd. and changed its name to Canoo Inc. After the merger, the Group owned 4.24% (10,000 thousand shares) of Canoo Inc.'s shares.

9. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2020	**2019**
Current		
Financial products	$ -	$ 773,304
Restricted bank deposits	844	2,550
Time deposits with original maturity of more than 3 months	2,834,090	7,778,431
	$ 2,834,934	$ 8,554,285

Financial products were trade from the bank by subsidiaries. As of December 31, 2019 the relevant product details were as follows (as of December 31, 2020: None):

	December 31, 2019
Annual return rates	3.80%
Maturity dates	January 10, 2020- February 25, 2020

The Group's policy is to invest short-term financial products that have low credit risk. The Group assessed the impact of credit risk to principal and interest of financial products by understanding the final underlying asset of financial products and the value of collateral. After assessment, the credit risk of financial products is low, therefore, there is no allowance for impairment loss recognized on financial products.

The interest rates for time deposits with original maturity of more than 3 months as at the end of the year were as follows:

	December 31	
	2020	**2019**
Term deposits	0.06%-2.00%	2.47075%-4.18%

The interest rates for restricted bank deposits as at the end of the year were as follow:

	December 31	
	2020	**2019**
Restricted bank deposits	0.30%-1.75%	0.35%-1.75%

Restricted bank deposits are mainly in use as guarantees to banks and for payments of tariffs from importing raw materials.

Refer to Note 33 for information relating to investments in financial assets at amortized cost pledged as security.

10. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	December 31	
	2020	2019
Notes receivable and trade receivables (a)		
At amortized cost		
Notes receivable	$ -	$ 69
Trade receivables	9,765,183	8,361,726
	9,765,183	8,361,795
Less: Allowance for impairment loss	(2,576)	(1,297)
	9,762,607	8,360,498
At FVTOCI	3,001,197	4,533,364
	$ 12,763,804	$ 12,893,862
Other receivables (b)		
At amortized cost		
Tax refund receivable	$ 399,617	$ 333,978
Others	725,535	578,636
	1,125,152	912,614
Less: Allowance for impairment loss	(74,808)	(76,175)
	1,050,344	836,439
At FVTOCI	1,174,419	3,491,695
	$ 2,224,763	$ 4,328,134

a. Trade receivables

1) At amortized cost

The average credit period on sales of goods is 45 to 105 days after the end of the month in which sales occur. No interest was charged on trade receivables.

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

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g., when the debtor has been placed under liquidation. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of trade receivables based on the Group's provision matrix.

December 31, 2020

	Not Past Due and Up to 60 Days	61 to 90 Days	91 to 180 Days	Over 180 Days	Total
Gross carrying amount	$ 12,761,571	$ 2,672	$ 240	$ 1,897	$ 12,766,380
Loss allowance (Lifetime ECL)	-	(535)	(144)	(1,897)	(2,576)
Amortized cost	$ 12,761,571	$ 2,137	$ 96	$ -	$ 12,763,804

December 31, 2019

	Not Past Due and Up to 60 Days	61 to 90 Days	91 to 180 Days	Over 180 Days	Total
Gross carrying amount	$ 12,884,784	$ 4,587	$ 7	$ 5,712	$ 12,895,090
Loss allowance (Lifetime ECL)	-	(463)	-	(834)	(1,297)
Amortized cost	$ 12,884,784	$ 4,124	$ 7	$ 4,878	$ 12,893,793

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

	For the Year Ended December 31	
	2020	2019
Balance at January 1	$ 1,297	$ 824
Add: Amounts received	620	-
Add: Net remeasurement of loss allowance	868	477
Less: Amounts written off	(175)	-
Foreign exchange gains and losses	(34)	(4)
Balance at December 31	$ 2,576	$ 1,297

2) At FVTOCI

For some trade receivables, the Group will decide whether to sell these trade receivables to banks without recourse based on its level of working capital. These trade receivables are classified as at FVTOCI because they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

b. Other receivables

As of December 31, 2020 and 2019, the Group's other receivables mainly consists of factored but unused receivables, tax refund receivable and receivable from equipment sold. Apart from tax refund receivable and receivable from equipment sold, the aging of the remaining receivables is less than 60 days (based on the invoice date).

1) At amortized cost

The Group assessed an allowance for impairment loss on other receivables by reference to the recoverability of receivables. After evaluating the operations and recoverability of the receivables from debtors, the Group recognized an allowance for impairment loss of 100% against the other receivables.

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

	For the Year Ended December 31	
	2020	2019
Balance at January 1	$ 76,175	$ 83,327
Add: Amounts recovered	9,293	-
Less: Net remeasurement of loss allowance	(8,350)	(6,314)
Foreign exchange gains and losses	(2,310)	(838)
Balance at December 31	$ 74,808	$ 76,175

2) At FVTOCI

For some other receivables, the Group will decide whether to sell these other receivables to banks without recourse based on its level of working capital. These other receivables are classified as at FVTOCI because they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

11. INVENTORIES

	December 31	
	2020	2019
Finished goods	$ 4,072,696	$ 4,015,899
Work in progress	713,185	852,870
Raw materials	3,639,366	3,333,535
	$ 8,425,247	$ 8,202,304

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2020 and 2019 was $109,717,613 thousand and $131,866,816 thousand, respectively.

The accounts listed below were included in cost of goods sold:

	For the Year Ended December 31	
	2020	2019
Recognition (reversal) of inventory write-downs	$ 29,501	$ (297,742)
Provision for loss on purchase commitments	10,338	264
Loss on inventory scraps	24,769	159,827
	$ 64,608	$ (137,651)

The cost of goods sold for the year ended December 31, 2020 included inventory write-downs of $29,501 thousand. For the year ended December 31, 2019, the cost of goods sold included reversals of inventory write-downs of $297,742 thousand.

Because of the characteristics of the industry, the product life cycle is short. Therefore, there is an accrued allowance for losses on inventory with aging of over 360 days.

Due to the characteristics of the industry and market fluctuations, certain raw materials are no longer usable. For the years ended December 31, 2020 and 2019, the Group evaluated and recognized a loss on purchase commitments in the amount of $10,338 thousand and $264 thousand, respectively. As of December 31, 2020 and 2019, the Group estimated and recognized short-term provisions for purchase commitments (Note 20) in the amounts of $14,709 thousand and $9,117 thousand, respectively.

12. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements

Investor	Investee	Nature of Activities	Proportion of Ownership (%) December 31 2020	Proportion of Ownership (%) December 31 2019	Remark
TPK Holding Co., Ltd. ("TPKH")	TPK Technology International Inc. ("TTI")	International trade	-	100.00	14)
	Improve Idea Investments Ltd. ("Improve")	Holding company	100.00	100.00	
	Optera TPK Holding Pte. Ltd. ("OTH")	Holding company	100.00	100.00	
	Upper Year Holdings Limited ("UYH")	Holding company	100.00	100.00	6)
	Ray-Star Universal Solutions Limited ("RUSL")	Holding company	100.00	100.00	
	Amplifi Technologies Inc. (AMPH)	Holding company; research and development, manufacturing and sale of resin products	57.69	-	10)
Improve	TPK Asia Pacific Sdn. Bhd. ("TPKA")	Holding company	100.00	100.00	5)
TPKA	TPK Touch Solutions Inc. ("TPKT")	Touch related material sales and machinery manufacture, wholesale and retail	100.00	100.00	
UYH	TPK Touch Solutions (Xiamen) Inc. ("TPKC")	Touch related material sales and machinery manufacture, wholesale and retail	73.84	73.84	1) and 16)
	TPK Lens Solutions Inc. ("TPKL")	Optical glass processing and sales	-	100.00	9)
	TPK Touch Systems (Xiamen) Inc. ("TPKS")	Touch modules research, development, manufacture and sales	100.00	100.00	
	Ray-Star Optical Solutions (Xiamen) Inc. ("RSO")	Optical glass processing and sales	-	63.85	9)
OTH	TPK America, LLC ("TPKU")	International trade	100.00	100.00	
	TPK Touch Solutions (Xiamen) Inc. ("TPKC")	Touch related material sales and machinery manufacture, wholesale and retail	10.27	10.27	1) and 16)
RUSL	TPK Universal Solutions Limited ("TPK HK")	Touch module related product research; holding company and international trade	100.00	100.00	11)
TPK HK	TPK Glass Solutions (Xiamen) Inc. ("TPKG")	Optical glass processing and sales	100.00	100.00	
	TPK Film Solutions Limited ("TPKF HK")	Holding company	100.00	100.00	15)
	TPK MasTouch Solutions (Xiamen) Inc. ("MTOH")	Touch modules research, development, manufacture and sales	100.00	100.00	4)
	TPK Touch Solutions (Pingtan) Inc. ("TPKP")	Touch modules research, development, manufacture and sales	100.00	100.00	4)
	TPK Material Solutions Inc. ("TPKM")	Touch related electronic materials manufacture	100.00	100.00	17)
	TPK Advanced Solutions Inc. ("TPKD")	Touch modules research, development, manufacture and sales	49.90	49.90	8)
	TPK Touch Solutions (Xiamen) Inc. ("TPKC")	Touch related material sales and machinery manufacture, wholesale and retail	15.89	15.89	1) and 16)
	Xiamen Jan Jia Optoelectronics Co., Ltd. ("TPKJ")	Protective film and optical adhesive manufacture and sales	51.00	51.00	7)
	TPK Material Solutions (Xiamen) Inc. ("TPKMT")	Touch related electronic materials manufacture	100.00	100.00	3)

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership (%) December 31 2020	2019	Remark
	TPK Film Solutions (Xiamen) Inc. ("TPKF")	Touch modules and resin products research, development, manufacture and sales	43.27	-	15) and 16)
TPKT	Ray-Star System Solutions Limited ("RSSL")	Holding company	-	100.00	2)
TPKC	Ray-Star Optical Solutions (Xiamen) Inc. ("RSO")	Optical glass processing and sales	-	36.15	9)
	TPK Advanced Solutions Inc. ("TPKD")	Touch modules research, development, manufacture and sales	50.10	50.10	8)
	Xiamen Jan Jia Optoelectronics Co., Ltd. ("TPKJ")	Protective film and optical adhesive manufacture and sales	49.00	49.00	7)
	TPK Film Solutions (Xiamen) Inc. ("TPKF")	Touch modules and resin products research, development, manufacture and sales	56.73	-	15) and 16)
TPKF HK	TPK Film Solutions (Xiamen) Inc. ("TPKF")	Touch modules research, development, manufacture and sales	-	100.00	15) and 16)
TPKG	Trend Trading (Xiamen) Inc. ("TPKMS")	Trade	100.00	100.00	12)
TPKJ	Jan Jia Trading Company Limited ("TPKJ HK")	International trading	100.00	100.00	
AMPH	Amplifi Tech Hong Kong Co., Limited (AMP HK)	Holding company and international trading	100.00	-	10) and 13)

(Concluded)

Remark:

1) On November 12, 2019, the Company's board of directors resolved TPKC to increase capital an amount of US$50,000 thousand from retained earnings, and after issuance, the capital of TPKC increased from US$304,067 thousand to US$354,067 thousand. The amendment on registration for capital increase was completed on December 6, 2019.

2) The Company resolved to dissolve and liquidate RSSL in order to simplify its organizational structure, and the process of liquidation was completed in January 2020.

3) In response to the demand for electronic materials, on October 9, 2018, the Company's board of directors resolved to set up TPK Material Solutions (Xiamen) Inc. ("TPKMT") with a capital of US$10,000 thousand from TPK HK, and a capital of US$10,000 thousand was invested in TPKMT in 2019.

4) On November 8, 2018, the Company's board of directors resolved to increase the capital of TPKP and MTOH from TPK HK in order to improve the financial structure of TPKP and MTOH. In January 2019, TPK HK invested in TPKP and MTOH with an amount of US$68,852 thousand and US$3 thousand, respectively.

5) The Company resolved to dissolve and liquidate TPKA in order to simplify its organizational structure. As of March 11, 2021, the process of dissolution and liquidation was not completed.

6) The Company resolved to annul the registration of UYH Hong Kong Branch in order to simplify its organizational structure, and the process of cancellation was completed in December 2019.

7) TPKC acquired the remaining 49% ownership of TPKJ from external shareholders in the amount of RMB114,000 thousand in June 2019. After the acquisition, the total percentage of ownership in TPKJ held by the Group was increased from 51% to 100%. Refer to Note 28 for more information.

8) On August 13, 2019, the Company's board of directors resolved to increase the capital of TPKD with amounts of US$50,000 thousand from retained earnings, and after issuance, the capital of TPKD increased from US$127,931 thousand to US$177,931 thousand. The amendment on registration for capital increase was completed on August 28, 2019.

9) The Company resolved to dissolve and liquidate TPKL and RSO in order to simplify its organizational structure, and the process of liquidation was completed in March 2020.

10) For operational needs, the Company's board of directors resolved to set up AMPH in Cayman Islands as a holding company, which was set up on December 19, 2019 and received a capital investment of US$400 thousand and US$5,600 thousand in February and April 2020, respectively. AMPH set up AMP HK as its subsidiary in Hong Kong on April 7, 2020, and invested in AMP HK in amounts of US$10 thousand and US$990 thousand in June and September 2020, respectively. In addition, AMPH set up a branch in Taiwan, and invested $10,000 thousand, $168,000 thousand, and $42,000 thousand in February 2020, April 2020 and January 2021, respectively.

    For the acquisition of external innovation technologies and expansion of its business, the Company's board of directors resolved to increase the capital of AMPH by issuing shares in the amount of US$44,000 thousand, which was fully subscribed by external investors, and the share issuance was completed in August 2020. After the issuance, the capital of AMPH increased to US$10,400 thousand, and the total percentage of ownership of the Company in AMPH decreased from 100% to 57.69%. Refer to Note 28 for more information.

11) TPK HK had set up a Japanese branch to expand its vehicle business in May 2020.

12) TPKMS changed its name to Trend Trading (Xiamen) Inc. for business needs.

13) For operational needs, AMP HK set up its subsidiary Amplifi Tech (Xiamen) Limited on December 15, 2020 with a registered capital of US$1,000 thousand, and invested in the amount of US$500 thousand in February 2021.

14) The Company resolved to dissolve and liquidate TTI in order to simplify its organizational structure, and the process of liquidation was completed in November 4, 2020.

15) The Company's board of directors resolved to ask TPK HK to acquire 100% of TPKF's shares from TPKF HK in order to simplify its organizational structure, and the acquisition process was completed on September 25, 2020. The Company resolved to dissolve and liquidate TPKF HK. As of March 11, 2021, the dissolution and liquidation procedures were not completed.

16) The Company's board of directors resolved to increase the capital of TPKF of US$23,210 thousand by conversion of debt due to TPKC in order to integrate resources and decrease operating costs. After the issuance of shares, the capital of TPKF increased from US$17,700 thousand to US$40,910 thousand. The amendment on registration for the capital increase was completed on September 25, 2020. In addition, TPKC intends to issue shares to TPK HK to exchange the shares of TPKF which are held by TPK HK; and after the exchange, TPKC will merge with TPKF and become the surviving company. After the merger, the percentages of shares of TPKC held by UYH, OTH, and TPK HK are 70.33%, 9.78% and 19.89%, respectively.

17) The Company resolved to dissolve and liquidate TPKM in order to simplify its organizational structure. As of March 11, 2021, the process of dissolution and liquidation was not completed.

b. Details of subsidiaries with material non-controlling interests

After TPKC acquired the remaining 49% ownership of TPKJ from external shareholders, TPKJ is not a subsidiary with material non-controlling interests. For the year ended December 31, 2019, profit allocated to non-controlling interests was $93,857 thousand.

The summarized financial information below represents amounts before intragroup eliminations.

	For the Year Ended December 31, 2019
Operating revenue	$ 1,843,442
Net profit for the year	$ 191,546
Other comprehensive income (loss) for the year	21,227
Total comprehensive income for the year	$ 212,773
Net profit attributable to:	
Owners of the Company	$ 97,689
Non-controlling interests of TPKJ	93,857
	$ 191,546
Total comprehensive income attributable to:	
Owners of the Company	$ 108,514
Non-controlling interests of TPKJ	104,259
	$ 212,773
Net cash flows from:	
Operating activities	$ 245,811
Investing activities	(72,259)
Financing activities	(214,320)
Translation adjustments	6,137
Net cash outflows	$ (34,631)

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Material Associates

Name of Associate	Nature of Activities	Principal Place of Business	Proportion of Ownership and Voting Rights December 31 2020	2019
Unlisted shares				
TPK Cando Solutions, Inc. (“Cando”)	Touch modules research, development and manufacture	Taiwan	19.78%	19.78%

The Group is able to exercise significant influence over Cando. As such, the investment and the related profit and loss from the investment are accounted for using the equity method.

Cando, a company with unlisted shares which the Group accounts for using the equity method. Due to the fact that Cando's assets were not sufficient enough to offset its liabilities, Cando declared bankruptcy on July 21, 2016, and the court announced its bankruptcy on January 17, 2018. After an assessment, the Group determined that the future recoverable amount for its investment in Cando was zero. As a result, the impairment loss of $283,252 thousand was recognized at the end of the calendar year 2015. As of December 31, 2020 and 2019, the carrying amounts of the investment in Cando were zero.

14. PROPERTY, PLANT AND EQUIPMENT

	December 31	
	2020	**2019**
Carrying amount for each category		
Buildings	$ 13,157,676	$ 14,739,351
Machinery and equipment	5,676,023	9,332,414
Transportation and others	1,009,877	1,213,142
Property in construction	153,734	132,683
	$ 19,997,310	$ 25,417,590

	For the Year Ended December 31, 2020				
	Buildings	**Machinery and Equipment**	**Transportation and Others**	**Property in Construction**	**Total**
Cost					
Balance, beginning of year	$ 25,691,858	$ 57,878,040	$ 6,918,211	$ 132,683	$ 90,620,792
Additions	-	-	-	64,543	64,543
Disposals	-	(8,591,588)	(564,666)	-	(9,156,254)
Reclassification	202,916	1,048,030	213,527	(35,748)	1,428,725
Effects of foreign currency exchange differences	(1,289,021)	(2,577,326)	(305,637)	(7,744)	(4,179,728)
Balance, end of year	24,605,753	47,757,156	6,261,435	153,734	78,778,078
Accumulated depreciation					
Balance, beginning of year	8,027,186	38,455,195	5,665,739	-	52,148,120
Depreciation expenses	1,023,383	4,312,316	372,955	-	5,708,654
Disposals	-	(6,970,205)	(559,608)	-	(7,529,813)
Reclassification	59,217	33	(33)	-	59,217
Effects of foreign currency exchange differences	(440,798)	(1,809,339)	(261,094)	-	(2,511,231)
Balance, end of year	8,668,988	33,988,000	5,217,959	-	47,874,947
Accumulated impairment losses					
Balance, beginning of year	2,925,321	10,090,431	39,330	-	13,055,082
Disposals	-	(1,552,118)	(4,188)	-	(1,556,306)
Reclassification	137	-	-	-	137
Effects of foreign currency exchange differences	(146,369)	(445,180)	(1,543)	-	(593,092)
Balance, end of year	2,779,089	8,093,133	33,599	-	10,905,821
Carrying amount, end of year	$ 13,157,676	$ 5,676,023	$ 1,009,877	$ 153,734	$ 19,997,310

	For the Year Ended December 31, 2019				
	Buildings	Machinery and Equipment	Transportation and Others	Property in Construction	Total
Cost					
Balance, beginning of year	$ 26,488,843	$ 63,777,053	$ 8,360,049	$ 213,051	$ 98,838,996
Additions	-	-	-	59,237	59,237
Disposals	(2,828)	(5,618,193)	(1,910,162)	-	(7,531,183)
Reclassification	(164,297)	1,110,118	621,607	(136,870)	1,430,558
Effects of foreign currency exchange differences	(629,860)	(1,390,938)	(153,283)	(2,735)	(2,176,816)
Balance, end of year	25,691,858	57,878,040	6,918,211	132,683	90,620,792
Accumulated depreciation					
Balance, beginning of year	7,229,202	36,612,627	6,943,141	-	50,784,970
Depreciation expenses	1,071,478	5,926,075	435,485	-	7,433,038
Disposals	(1,485)	(3,118,382)	(1,587,938)	-	(4,707,805)
Reclassification	(67,932)	(1,524)	951	-	(68,505)
Effects of foreign currency exchange differences	(204,077)	(963,601)	(125,900)	-	(1,293,578)
Balance, end of year	8,027,186	38,455,195	5,665,739	-	52,148,120
Accumulated impairment losses					
Balance, beginning of year	3,001,952	11,479,655	334,814	-	14,816,421
Impairment losses	-	803,474	-	-	803,474
Disposals	-	(1,964,207)	(296,628)	-	(2,260,835)
Reclassification	(4,946)	-	-	-	(4,946)
Effects of foreign currency exchange differences	(71,685)	(228,491)	1,144	-	(299,032)
Balance, end of year	2,925,321	10,090,431	39,330	-	13,055,082
Carrying amount, end of year	$ 14,739,351	$ 9,332,414	$ 1,213,142	$ 132,683	$ 25,417,590

Operating leases relate to leases of machinery and other equipment with lease terms for 1 year to Cambrios Film Solutions (Xiamen) Corp. The lessees do not have bargain purchase options to acquire the assets at the expiry of the lease periods. The lease contract ended on October 31, 2020.

The future minimum lease payments of non-cancellable operating lease are as follows (as of December 31, 2020: None):

	December 31, 2019
Year 1	$ 8,928

Part of the equipment for manufacturing purposes could no longer be used due to an alteration in the manufacturing process; such equipment was provided with an allowance for impairment loss. The impairment loss shall be reserved subsequently if the idled equipment is used again after the alteration in the manufacturing process.

The impairment losses recognized by the Group were as follows (for the year ended December 31, 2020: None):

	For the Year Ended December 31, 2019
Operating costs	$ 803,068
Operating expenses	406
	$ 803,474

The Group's buildings mainly consist of factories and the construction of clean rooms, which are depreciated over an estimated useful life ranging from 1 to 20 years.

Otherwise, the property, plant and equipment listed above are depreciated on a straight-line basis over the estimated useful lives of the assets as follows:

Building	1-20 years
Machinery and equipment	1-10 years
Transportation and others	1-10 years

Property, plant and equipment pledged as collateral for bank borrowings are set out in Note 33.

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2020	**2019**
Carrying amounts		
Land	$ 891,167	$ 962,245
Buildings	2,798,661	1,872,899
Machinery	203,096	-
Transportation equipment	10,131	14,846
	$ 3,903,055	$ 2,849,990

	For the Year Ended December 31	
	2020	**2019**
Additions to right-of-use assets	$ 1,738,084	$ 770,767
Depreciation charge for right-of-use assets		
Land	$ 23,985	$ 25,041
Buildings	381,356	328,623
Machinery	17,391	-
Transportation equipment	7,410	8,709
	$ 430,142	$ 362,373
Income from the subleasing of right-of-use assets (presented in other income)	$ (5,532)	$ (3,660)

The Group has been subleasing its leasehold plant space located in Xiamen and Zhongli to Cambrios Film Solutions (Xiamen) Corporation, Cambrios Film Solutions Corporation Taiwan Branch since June 2020 and 2018 under operating leases. The related right-of-use assets are presented as investment properties (as set out in Note 16). The amounts disclosed above with respect to the right-of-use assets do not include right-of-use assets that meet the definition of investment properties.

b. Lease liabilities

	December 31	
	2020	2019
Carrying amounts		
Current	$ 556,388	$ 296,282
Non-current	$ 2,987,243	$ 1,648,609

Range of discount rate for lease liabilities was as follows:

	December 31	
	2020	2019
Buildings	1.9535%-4.8293%	1.7128%-4.8293%
Machinery	1.4472%	-
Transportation equipment	2.3650%-3.6388%	2.3580%-2.3650%

c. Material lease-in activities and terms

The Group leases certain official vehicles and machinery for operational use and the manufacturing of products with lease terms of 2 to 4 years. These arrangements do not contain renewal or purchase options.

The Group leases certain land and buildings for the use of plants and offices with lease terms of 1 to 50 years. The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms.

Because of the market conditions severely affected by COVID-19 in 2020, the Group negotiated with the lessor for rent concessions for parts of building lease. The lessor agreed to provide unconditionally whole rent reductions from March 1 to May 31, 2020 for the lease of the factory, and provide unconditionally 10% rent reductions from March 1 to May 31, 2020 for the lease of the office. The Group recognized in profit for the impact of rent concessions of $31,238 thousand (presented in other income) for the year ended December 31, 2020.

d. Other lease information

Lease arrangements under operating leases for the leasing out of investment properties are set out in Note 16.

	For the Year Ended December 31	
	2020	2019
Expenses relating to short-term leases	$ 7,512	$ 5,431
Total cash outflow for leases	$ (331,540)	$ (345,476)

The Group's leases of certain official vehicles and buildings qualify as short-term leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

For the year ended December 31, 2019, expenses relating to short-term leases also include expenses relating to leases for which the lease terms end on or before December 31, 2019 and for which the recognition exemption is applied. Just before the balance sheet date, the Group also entered into several lease arrangements that qualified as short-term leases. The amount of lease commitments for short-term leases for which the recognition exemption is applied (including lease commitments for short-term leases with lease terms commencing after the balance sheet dates) was $3,391 thousand as of December 31, 2019.

All lease commitments (the Group as a lessee) with lease terms commencing after the balance sheet dates are as follows:

	December 31	
	2020	**2019**
Lease commitments	$ 964,829	$ 3,309,375

16. INVESTMENT PROPERTIES

	December 31	
	2020	**2019**
Buildings	$ 156,432	$ 292,423
Right-of-use assets	95,532	34,176
	$ 251,964	$ 326,599

	Buildings	**Right-of-use Assets**	**Total**
Cost			
Balance at January 1, 2020	$ 407,079	$ 37,704	$ 444,783
Reclassification	(172,691)	71,050	(101,641)
Effects of foreign currency exchange differences	(13,736)	(4,130)	(17,866)
Balance at December 31, 2020	$ 220,652	$ 104,624	$ 325,276
Accumulated depreciation			
Balance at January 1, 2020	$ 109,861	$ 3,528	$ 113,389
Depreciation Expense	12,930	5,676	18,606
Reclassification	(59,217)	-	(59,217)
Effects of foreign currency exchange differences	(3,777)	(112)	(3,889)
Balance at December 31, 2020	$ 59,797	$ 9,092	$ 68,889
Accumulated impairment			
Balance at January 1, 2020	$ 4,795	$ -	$ 4,795
Reclassification	(137)	-	(137)
Effects of foreign currency exchange differences	(235)	-	(235)
Balance at December 31, 2020	$ 4,423	$ -	$ 4,423
Carrying amounts at December 31, 2020	$ 156,432	$ 95,532	$ 251,964

(Continued)

	Buildings	Right-of-use Assets	Total
Cost			
Balance at January 1, 2019	$ 152,904	$ -	$ 152,904
Adjustments on initial application of IFRS 16	-	38,374	38,374
Balance at January 1, 2019 (restated)	152,904	38,374	191,278
Reclassification	265,929	-	265,929
Effects of foreign currency exchange differences	(11,754)	(670)	(12,424)
Balance at December 31, 2019	$ 407,079	$ 37,704	$ 444,783
Accumulated depreciation			
Balance at January 1, 2019	$ 31,623	$ -	$ 31,623
Depreciation Expense	12,971	3,552	16,523
Reclassification	68,505	-	68,505
Effects of foreign currency exchange differences	(3,238)	(24)	(3,262)
Balance at December 31, 2019	$ 109,861	$ 3,528	$ 113,389
Accumulated impairment			
Balance at January 1, 2019	$ -	$ -	$ -
Reclassification	4,946	-	4,946
Effects of foreign currency exchange differences	(151)	-	(151)
Balance at December 31, 2019	$ 4,795	$ -	$ 4,795
Carrying amounts at December 31, 2019	$ 292,423	$ 34,176	$ 326,599

(Concluded)

In order to activate the land use rights of TPKP, TPKP signed a land development contract with Land Development Corporation of Pingtan Comprehensive Pilot Zone ("Land Development Corporation") and Fujian Luheng Construction Engineering Company Limited ("Luheng"). TPKP consigned Luheng to build dormitories which was sold to Luheng and Land Development Corporation upon the construction completion. The land development project is about 3 years. TPKP signed a sell agreement and construction contract with Land Development Corporation and Luheng for RMB1,255,000 thousand. As of December 31, 2020, TPKP received an amount of RMB643,549 thousand, and paid Luheng an amount of RMB570,428 thousand for construction cost. The advance payment was classified to current liabilities. The land use rights met the definition of the right-of-use assets of investment properties, which was presented as investment properties.

Right-of-use assets included in investment properties are units of plant space in Xiamen and Zhongli and subleased under operating leases to Cambrios Film Solutions (Xiamen) Corporation and Cambriod Film Solutions Corporation Taiwan Branch.

The investment properties were leased out for 1 to 10 years, with an option to extend for an additional 1 year. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

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

	December 31	
	2020	**2019**
Year 1	$ 31,263	$ 17,013
Year 2	16,762	12,196
Year 3	14,350	12,196
Year 4	13,924	12,196
Year 5	13,626	294
Year 6 onwards	57,623	-
	$ 147,548	$ 53,895

Investment properties are depreciated using the straight-line method over their estimated useful lives as follows:

Buildings	10-20 years
Right-of-use assets	4-50 years

Management was unable to reliably measure the fair value of investment property located at Xiamen, the market is inactive and alternative reliable measurements of fair value are not available; therefore, the Group determined that the fair value of the investment property is not reliably measurable.

Lease commitments (the Group as a lessor) with lease terms commencing after the balance sheet dates are as follows (as of December 31, 2020: None):

	December 31, 2019
Lease commitments of investment properties	$ 76,311

17. INTANGIBLE ASSETS

	December 31	
	2020	**2019**
Goodwill	$ 7,719	$ 32,292
Computer software	31,125	28,402
Patents	26,010	35,140
Others	5,314	-
	$ 70,168	$ 95,834

	For the Year Ended December 31, 2020					
	Goodwill	Technical Know-how	Computer Software	Patents	Others	Total
Cost						
Balance at January 1, 2020	$ 666,878	$ 324,989	$ 376,385	$ 137,880	$ 41,898	$ 1,548,030
Additions	-	-	17,097	-	-	17,097
Disposals	-	(305,861)	(18,878)	(92,466)	(24,020)	(441,225)
Effects of foreign currency exchange differences	(37,751)	(4,894)	(10,044)	(3,269)	4,140	(51,818)
Balance at December 31, 2020	629,127	14,234	364,560	42,145	22,018	1,072,084
Accumulated amortization						
Balance at January 1, 2020	-	272,149	337,929	102,732	41,897	754,707
Amortization expenses	-	-	13,343	7,724	471	21,538
Disposals	-	(253,660)	(18,379)	(92,466)	(24,020)	(388,525)
Effects of foreign currency exchange differences	-	(4,255)	(8,601)	(1,863)	(1,645)	(16,364)
Balance at December 31, 2020	-	14,234	324,292	16,127	16,703	371,356
Accumulated impairment losses						
Balance at January 1, 2020	634,586	52,840	10,054	8	1	697,489
Impairment loss recognized	18,572	-	-	-	-	18,572
Disposals	-	(52,201)	(499)	-	-	(52,700)
Effects of foreign currency exchange differences	(31,750)	(639)	(412)	-	-	(32,801)
Balance at December 31, 2020	621,408	-	9,143	8	1	630,560
Carrying amounts at December 31, 2020	$ 7,719	$ -	$ 31,125	$ 26,010	$ 5,314	$ 70,168

	For the Year Ended December 31, 2019					
	Goodwill	Technical Know-how	Computer Software	Patents	Others	Total
Cost						
Balance at January 1, 2019	$ 682,772	$ 331,740	$ 372,011	$ 141,014	$ 42,925	$ 1,570,462
Additions	-	-	13,274	253	-	13,527
Disposals	-	-	(3,645)	-	-	(3,645)
Effects of foreign currency exchange differences	(15,894)	(6,751)	(5,255)	(3,387)	(1,027)	(32,314)
Balance at December 31, 2019	666,878	324,989	376,385	137,880	41,898	1,548,030
Accumulated amortization						
Balance at January 1, 2019	-	277,605	327,074	97,078	42,924	744,681
Amortization expenses	-	-	18,842	8,226	492	27,560
Disposals	-	-	(3,642)	-	-	(3,642)
Effects of foreign currency exchange differences	-	(5,456)	(4,345)	(2,572)	(1,519)	(13,892)
Balance at December 31, 2019	-	272,149	337,929	102,732	41,897	754,707

(Continued)

	For the Year Ended December 31, 2019					
	Goodwill	Technical Know-how	Computer Software	Patents	Others	Total
Accumulated impairment losses						
Balance at January 1, 2019	$ 650,144	$ 54,135	$ 10,268	$ 8	$ 1	$ 714,556
Disposals	-	-	(3)	-	-	(3)
Effects of foreign currency exchange differences	(15,558)	(1,295)	(211)	-	-	(17,064)
Balance at December 31, 2019	634,586	52,840	10,054	8	1	697,489
Carrying amounts at December 31, 2019	$ 32,292	$ -	$ 28,402	$ 35,140	$ -	$ 95,834

(Concluded)

The intangible assets listed above are amortized on a straight-line basis over the estimated useful life of the related asset as follows:

Technical know-how	4 years
Computer software	1-6 years
Patents	4-19 years
Other intangible assets	3-10 years

	For the Year Ended December 31	
	2020	2019
An analysis of amortization by function		
Operating costs	$ 609	$ 1,013
Selling and marketing expenses	471	505
General and administrative expenses	11,717	21,188
Research and development expenses	8,741	4,854
	$ 21,538	$ 27,560

18. BORROWINGS

a. Short-term borrowings

	December 31	
	2020	2019
Unsecured borrowings		
Bank loans	$ 3,400,323	$ 6,492,737

As of December 31, 2020 and 2019, the range of weighted average effective interest rates on bank loans was 0.8449%-3.50%, and 2.30%-4.85% per annum, respectively.

b. Long-term borrowings

	December 31	
	2020	2019
Secured borrowings		
Others	$ -	$ 303,866
Unsecured borrowings		
Bank loans	14,917,872	12,872,979
	14,917,872	13,176,845
Less: Current portion (due in one year)	(3,351,097)	(2,606,330)
Long-term borrowings	$ 11,566,775	$ 10,570,515

As of December 31, 2020 and 2019, the long-term borrowings were collateralized by machinery and equipment (see Note 33) and were guaranteed by related parties (see Note 32). As of December 31, 2020 and 2019, the range of weighted average effective interest rates of bank borrowings were 1.3545%-4.0375% and 2.92%-4.75% per annum. The Group will repay all loans in the next 3 years.

For repayment of borrowings and replenishment of mid-term working capital, the Company's board of directors resolved to apply for joint credit line. The Company signed a 3-year syndicated loan which amounted to US$163,000 thousand (approximately NT$4,881,850 thousand) with 10 financial institutions including Mega Bank in May 2018, and the loan was fully utilized in June 2018. Additionally, the Company promised the lender on the condition of maintaining these financial ratios for the existence of the loan agreement. For repayment of borrowings and replenishment of mid-term working capital, the Company's board of directors resolved to apply for a joint credit line on March 11, 2021, which amounted to US$100,000 thousand. The joint credit line can be adjusted between US$80,000 thousand and US$120,000 thousand.

19. OTHER LIABILITIES

	December 31	
	2020	2019
Other payables		
Payables for purchase of equipment	$ 941,126	$ 1,004,691
Other payables - others		
Payable for salaries and bonuses	$ 1,356,744	$ 1,021,516
Payable for repairs	241,215	184,373
Payable for unused paid leaves	151,224	149,081
Payable for supplies	124,571	118,541
Others	855,293	842,463
	$ 2,729,047	$ 2,315,974

20. PROVISIONS

	December 31	
	2020	2019
Current		
Warranties (a)	$ 1,915,276	$ 2,094,172
Onerous contracts (b)	14,709	9,117
	$ 1,929,985	$ 2,103,289

	Warranties	Onerous Contracts	Total
Balance, January 1, 2020	$ 2,094,172	$ 9,117	$ 2,103,289
Additions	400,455	10,338	410,793
Usage	(479,453)	(4,317)	(483,770)
Effect of foreign currency exchange differences	(99,898)	(429)	(100,327)
Balance, December 31, 2020	$ 1,915,276	$ 14,709	$ 1,929,985
Balance, January 1, 2019	$ 1,735,680	$ 14,247	$ 1,749,927
Additions	1,129,544	264	1,129,808
Usage	(716,321)	(5,303)	(721,624)
Effect of foreign currency exchange differences	(54,731)	(91)	(54,822)
Balance, December 31, 2019	$ 2,094,172	$ 9,117	$ 2,103,289

a. The provision for warranty claims represents the present value of management's best estimate of the future outflow of economic benefits that will be required under the Group's obligations for warranties under local sale of goods legislation. The estimate had been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality.

b. The provision for onerous contracts represents the loss that the Group was presently obligated to make under non-cancellable onerous purchase contracts where the purchased materials and supplies cannot be used for other products. The estimate may vary as a result of changes in future products.

21. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

TPKT and TPK HK Taiwan branch adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

The employees of the Company's subsidiaries in China are members of retirement benefit plans operated by their respective governments. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit schemes to fund the benefits. The only obligation of the Company with respect to the retirement benefit plans is to make the specified contributions.

The Company's subsidiaries in the USA are required to contribute to the retirement benefit schemes according to the respective policies.

b. Defined benefit plans

The defined benefit plans adopted by TPKT and TPK HK Taiwan Branch, in accordance with the Labor Standards Law, are operated by the Government of the ROC. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. TPKT contributes amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Group assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Group is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Group has no right to influence the investment policy and strategy.

The amounts included in the consolidated balance sheets in respect of the Group's defined benefit plans were as follows:

	December 31	
	2020	**2019**
Present value of defined benefit obligation	$ 17,784	$ 17,942
Fair value of plan assets	(12,600)	(11,638)
Net defined benefit liability	$ 5,184	$ 6,304

Movements in the net defined benefit liabilities were as follows:

	Present Value of the Defined Benefit Obligation	**Fair Value of the Plan Assets**	**Net Defined Benefit Liability**
Balance at January 1, 2019	$ 22,516	$ (10,646)	$ 11,870
Service cost			
Net interest expense (income)	304	(148)	156
Recognized in profit or loss	304	(148)	156
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(323)	(323)
Actuarial gain - experience adjustments	(4,878)	-	(4,878)
Recognized in other comprehensive income	(4,878)	(323)	(5,201)
Contributions from the employer	-	(521)	(521)
Balance at December 31, 2019	17,942	(11,638)	6,304
Service cost			
Net interest expense (income)	198	(131)	67
Recognized in profit or loss	198	(131)	67
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(331)	(331)
Actuarial gain - experience adjustments	(356)	-	(356)
Recognized in other comprehensive income	(356)	(331)	(687)
Contributions from the employer	-	(500)	(500)
Balance at December 31, 2020	$ 17,784	$ (12,600)	$ 5,184

Through the defined benefit plans under the Labor Standards Law, the Group is exposed to the following risks:

1) Investment risk: The plan assets are invested in both domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.

2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.

3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants 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 significant assumptions used for the purposes of the actuarial valuations were as follows:

	December 31	
	2020	**2019**
Discount rate	0.75%	1.10%
Expected rate of salary increase	3.00%	3.00%

If possible reasonable change in each of the significant actuarial assumptions will occur and all other assumptions will remain constant, the present value of the defined benefit obligation would increase (decrease) as follows:

	December 31	
	2020	**2019**
Discount rate		
0.25% increase	$ (470)	$ (631)
0.25% decrease	$ 489	$ 659
Expected rate of salary increase		
1% increase	$ 2,016	$ 2,742
1% decrease	$ (1,759)	$ (2,359)

The sensitivity analysis presented above may not be representative of the actual changes in the present value of the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	December 31	
	2020	**2019**
Expected contributions to the plan for the next year	$ 500	$ 521
Average duration of the defined benefit obligation	14 years	15 years

22. EQUITY

	December 31	
	2020	2019
Share capital		
Ordinary shares	$ 4,066,638	$ 4,066,638
Capital surplus	28,165,226	28,162,570
Retained earnings	3,591,068	2,559,058
Other equity items	856,899	1,380,444
Non-controlling interests	125,650	-
	$ 36,805,481	$ 36,168,710

a. Share capital

1) Ordinary shares

	December 31	
	2020	2019
Numbers of shares authorized (in thousands)	600,000	600,000
Shares authorized	$ 6,000,000	$ 6,000,000
Number of shares issued and fully paid (in thousands)	406,664	406,664
Shares issued	$ 4,066,638	$ 4,066,638
Additional paid-in capital	24,836,079	24,836,079
	$ 28,902,717	$ 28,902,717

Each holder of fully paid ordinary shares with a face value of $10 has the right to dividends and to vote.

2) Global depositary receipts

The issuance of the GDRs was completed on October 1, 2012, April 8, 2015, and September 8, 2017, respectively. The GDRs were traded and listed on the Luxembourg Stock Exchange where 17,600 thousand, 20,000 thousand and 59,820 thousand (with 180 thousand units of ordinary shares reserved for employee subscription) units of GDRs were issued at a price of US$13.42, US$6.68, and US$3.95 which were less the issuance cost per unit, respectively. The GDRs were issued in the total amount of US$231,734 thousand, US$131,405 thousand, and US$233,721 thousand (including ordinary shares for employee subscription), respectively. One GDR unit represents one of the Company's ordinary shares.

As of December 31, 2020, a total of 2 thousand units of GDRs corresponding to 2 thousand ordinary shares were outstanding.

b. Capital surplus

	December 31	
	2020	**2019**
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)		
Recognized on issuance of ordinary shares	$ 24,257,305	$ 24,257,305
Recognized on redemption of convertible bonds	2,089,848	2,089,848
Treasury share transactions	54,820	54,820
	26,401,973	26,401,973
May only be used to offset a deficit		
Expired on employee share options	1,181,823	937,750
Employee recognized on issuance of ordinary shares	578,774	578,774
Changes in ownership interests in subsidiaries (2)	2,656	-
	1,763,253	1,516,524
May not be used for any purpose		
Recognized on employee share options	-	244,073
	$ 28,165,226	$ 28,162,570

1) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company capital surplus and to once a year).

2) Such capital surplus arises from the effects of changes in ownership interests in subsidiaries resulting from equity transactions other than actual disposals or acquisitions.

c. Retained earnings and dividend policy

Under the Company's Articles of Incorporation (the "Articles"), the Company may distribute its profits in accordance with the proposals made by the Company's board of directors for a distribution plan and approved in the annual shareholders' meeting. While distributing any profit, the profit shall be first utilized for offsetting losses of previous years, and 10% of the remaining profit shall be set aside as a legal reserve until the accumulated legal reserve equals the Company's paid-in capital. Secondly, the Company shall appropriate the remaining profit to a special reserve in accordance with the Applicable Public Company Rules or as requested by the competent authorities. Any remaining profit together with any undistributed retained earnings may be distributed as dividends (including cash dividends and share dividends) or bonuses under the Company Law of the Cayman Islands and Applicable Public Company Rules after taking into consideration the financial, business and operational factors. The total amount to be distributed as dividends shall be no less than 10 % of the remaining profit, where the total amount of the distributed cash dividends shall be greater than 10 % of the total dividends. However, if dividends per share is less than NT$1 in any given year, the aforementioned 10% threshold shall not apply. The Company may decide to distribute cash dividends or share dividends in whole or in part at its sole discretion. If the Company's distribute earnings for the current year are less than 10% of the paid-in capital of the Company at the end of the fiscal year, the Company may decide not to pay any dividend (including cash dividends or stock dividends) for the current year. Refer to Note 24(f) for more information related to the Articles of association for distribution policy of employees' compensation and remuneration of directors.

Items referred to under Rule No. 1010012865 and Rule No. 1010047490 issued by the FSC and in the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs" should be appropriated to or reversed from a special reserve by the Company. Distribution can be made out of any subsequent reversal of the debit to other equity items.

The appropriation of earnings for 2018 were resolved by the annual shareholders' meeting on May 16, 2019 except for legal reserve of US$697 thousand, there was no appropriations of earnings.

The appropriation of earnings for 2019 were resolved by the annual shareholders' meeting on June 10, 2020 except for legal reserve of US$636 thousand, there was no appropriations of earnings.

The appropriation of earnings for 2020 were resolved by the board of directors on March 11, 2021. The appropriation and dividends per share were as follows:

	Appropriation of Earnings	
	(In Thousands of US Dollars)	(In Thousands of N.T. Dollars)
Legal reserve	$ 3,481	$ 98,815
Cash dividend	$ 14,324	$ 406,664
Cash dividends per share (NT$)		$ 1

The appropriations of earnings for 2020 in U.S. dollars were translated into NTD based on the average closing exchange rate of US$1 to NT$28.39 on January 29, 2021. The actual amount in U.S. dollars will be calculated at the average closing exchange rate of the day immediately preceding the shareholders' meeting. The appropriation of earnings for 2020 is subject to resolution of the shareholders' meeting to be held on June 8, 2021.

d. Other equity items

Exchange differences on translating of foreign operations

	For the Year Ended December 31	
	2020	2019
Balance at January 1	$ 1,380,444	$ 2,265,358
Recognized for the year		
Exchange differences on translating the financial statements of foreign operations	250,096	14,456
Exchange differences on translating to presentation currency	(1,856,831)	(899,370)
Balance at December 31	$ (226,291)	$ 1,380,444

Unrealized valuation gain on financial assets at FVTOCI (for the year ended December 31, 2019: None)

	For the Year Ended December 31, 2020
Balance at January 1	$ -
Recognized for the year	
Unrealized gain - equity instruments	1,083,190
Balance at December 31	$ 1,083,190

e. Non-controlling interests

	For the Year Ended December 31	
	2020	2019
Balance at January 1	$ -	$ 350,107
Share in profit for the year	3,050	93,857
Other comprehensive income during the year		
Exchange differences on translating the financial statements of foreign operations	(215)	(1,524)
Exchange differences on translating to presentation currency	(4,241)	11,926
Change in ownership interest in AMPH (see Note 28)	127,056	-
Non-controlling interests arising from acquisition of subsidiaries - TPKJ (see Note 28)	-	(454,366)
Balance at December 31	$ 125,650	$ -

23. REVENUE

	For the Year Ended December 31	
	2020	2019
Revenue from the sale of goods	$ 113,799,232	$ 135,578,794
Others	783,967	1,027,901
	$ 114,583,199	$ 136,606,695

The Group's revenue from the sale of touch modules, touch display and ITO glass-related products. Refer to Note 39 for the details of revenue.

24. NET PROFIT FROM CONTINUING OPERATIONS

Net profit from continuing operation:

a. Interest income

	For the Year Ended December 31	
	2020	2019
Bank deposits	$ 756,031	$ 598,894
Financial assets at amortized cost - financing products	9,992	77,597
Others	9,965	6,012
	$ 775,988	$ 682,503

b. Other income

	For the Year Ended December 31	
	2020	2019
Rental income		
Rental income from operating lease		
Investment properties (see Notes 15,16 and 32)	$ 29,023	$ 38,859
Others	27,859	21,180
	56,882	60,039
Others	163,801	158,928
	$ 220,683	$ 218,967

c. Finance costs

	For the Year Ended December 31	
	2020	2019
Interest on bank loans	$ 631,439	$ 839,688
Interest on lease liabilities	123,531	79,005
Total interest expense for financial liabilities measured at amortized cost	$ 754,970	$ 918,693

d. Depreciation and amortization

	For the Year Ended December 31	
	2020	2019
Property, plant and equipment	$ 5,708,654	$ 7,433,038
Right-of-use assets	430,142	362,373
Investment properties	18,606	16,523
Intangible assets	21,538	27,560
	$ 6,178,940	$ 7,839,494

e. Employee benefits expense

	For the Year Ended December 31	
	2020	2019
Post-employment benefits (see Note 21)		
Defined contribution plans	$ 233,225	$ 335,739
Defined benefit plans	67	156
	233,292	335,895
Share-based payments (see Note 27)		
Equity - settled	-	15,864
Other employee benefits	8,689,757	9,620,631
Total employee benefits expense	$ 8,923,049	$ 9,972,390
An analysis of employee benefits expense by function		
Operating costs	$ 6,520,857	$ 7,563,908
Operating expenses	2,402,192	2,408,482
	$ 8,923,049	$ 9,972,390

f. Employees' compensation and remuneration of directors

In accordance with the amendments to the Company Act announced in May 2015, and the annual shareholders' meeting resolved to the amendment in the Articles on May 29, 2018, the Company accrued employees' compensation at rates of no less than 0.1% and remuneration of directors at rates of no higher than 1%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors. If the Company has losses of previous years, net profit before income tax should be retained for offsetting the amount of those losses.

The employees' compensation and the remuneration of directors and supervisors for the year ended December 31, 2020, and the employees' compensation for the year ended December 31, 2019, which were approved by the Company's board of directors on March 11, 2021 and February 21, 2020, respectively, were as follows:

Accrual rate

	For the Year Ended December 31	
	2020	2019
Employees' compensation	1.00%	1.55%
Remuneration of directors	0.91%	-

Amount

	For the Year Ended December 31			
	2020		2019	
	In Thousands of U.S. Dollars	In Thousands of N.T. Dollars	In Thousands of U.S. Dollars	In Thousands of N.T. Dollars
Employees' compensation	$ 355	$ 10,516	$ 100	$ 3,138
Remuneration of directors	324	9,592	-	-

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

There was no difference between the actual amounts of employees' compensation and the amounts recognized in the consolidated financial statements for the years ended December 31, 2019 and 2018.

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

25. INCOME TAX RELATED TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

Major components of tax expense were as follows:

	For the Year Ended December 31	
	2020	2019
Current tax		
In respect of the current year	$ 230,587	$ 437,919
Adjustments for prior years	(15,493)	200,514
	215,094	638,433
Deferred tax		
In respect of the current year	703,269	(159,569)
Adjustments for prior years	(127,742)	(4,474)
Translation adjustments	(13,725)	2,973
	561,802	(161,070)
Income tax expense recognized in profit or loss	$ 776,896	$ 477,363

A reconciliation of accounting profit and income tax expense was as follows:

	For the Year Ended December 31	
	2020	2019
Profit before tax from continuing operations	$ 1,811,269	$ 780,102
Income tax expense calculated at the statutory rate	$ 518,994	$ 420,928
Permanent differences	(40,861)	266,708
Deferred tax effect of earnings of subsidiaries	165,520	65,739
Additional income tax under the Alternative Minimum Tax Act	-	25
Unrecognized deductible temporary differences	(188,026)	(399,480)
Unrecognized loss carryforwards	478,226	(89,494)
Exchange differences on translating to presentation currency	(13,725)	2,973
Effect of tax rate changes	-	(4,474)
Adjustments for prior years' tax	(143,235)	200,514
Others	3	13,924
Income tax expense recognized in profit or loss	$ 776,896	$ 477,363

The applicable tax rates used by subsidiaries to calculate deferred tax were as follows:

	December 31	
	2020	**2019**
TPKT, TPK HK (Taiwan Branch), and AMP (Taiwan Branch)	20%	20%
TPKC, TPKL, TPKS, RSO, TPKJ, TPKG, TPKF, TPKP, TPKD, TPKMS, MTOH, TPKM and TPKMT	15%-25%	15%-25%
TPK HK and TPKJ HK	16.5%	16.5%
TPKA	12.5%	12.5%
OTH and UYH	10%; 30%	10%; 30%
TPKU	36%	36%

b. Current tax assets and liabilities

	December 31	
	2020	**2019**
Current tax assets		
Tax refund receivable	$ 10,603	$ 51,368
Current tax liabilities		
Income tax payable	$ 31,846	$ 60,427

c. Deferred tax assets and liabilities

	December 31	
	2020	**2019**
Deferred tax assets		
Unrealized compensation costs	$ -	$ 86,387
Loss carryforwards	360,914	395,383
Unrealized warranty expenses	396,122	505,132
Unrealized losses on inventories	80,093	67,865
Unrealized impairment losses	580,591	992,075
Others	486,320	375,310
	$ 1,904,040	$ 2,422,152
Deferred tax liabilities		
Unappropriated earnings of subsidiaries	$ 2,786,418	$ 2,765,629
Unrealized foreign exchange gains	12	14,657
Others	9,899	-
	$ 2,796,329	$ 2,780,286

d. Deductible temporary differences and unused loss carryforwards for which no deferred tax assets have been recognized in the consolidated balance sheets

	December 31	
	2020	2019
Loss carryforwards		
Expire in 5 years	$ 16,605,341	$ 20,377,551
Expire in 6-10 years	772,937	253,318
More than 10 years	52,291	28,993
	$ 17,430,569	$ 20,659,862
Deductible temporary differences		
Unrealized impairment losses	$ 3,015,587	$ 4,559,185
Others	248,099	1,037,221
	$ 3,263,686	$ 5,596,406

e. Information about unused loss carryforwards

Loss carryforwards of subsidiaries as of December 31, 2020 were comprised of:

Year of Loss	Unused Amount	Creditable Amount	Expiry Year
2010	$ 1,092	$ 97	2030
2011	24,749	2,188	2031
2012	8,634	763	2032
2016	6,112,155	1,389,445	2021 and 2026
2017	3,522,454	755,386	2022 and 2027
2018	3,114,694	645,214	2023, 2028, 2038 and no expiry year
2019	2,894,647	598,470	2024, 2039 and no expiry year
2020	3,196,819	657,669	2025 and 2030
	$ 18,875,244	$ 4,049,232	

f. Income tax assessment

The income tax returns though 2018 of TPKT and TPK HK Taiwan Branch have been assessed by the tax authorities.

26. EARNINGS PER SHARE

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share were as follows:

Net Profit for the Year

	For the Year Ended December 31	
	2020	2019
Earnings used in the computation of basic and diluted earnings per share	$ 1,031,323	$ 208,882

Weighted Average Number of Ordinary Shares Outstanding (In Thousands of Shares)

	For the Year Ended December 31	
	2020	2019
Weighted average number of ordinary shares used in the computation of basic earnings per share	406,664	406,664
Effect of potentially dilutive ordinary shares:		
Employees' compensation or bonuses issued to employees	227	53
Weighted average number of ordinary shares used in the computation of diluted earnings per share	406,891	406,717

If the Group offers to settle the compensation or bonuses paid to employees in cash or shares, the Group will assume that the entire amount of the compensation or bonuses to be settled in shares, and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

Since the exercise price of the options issued by the Company exceeded the average market price of the shares during the years ended December 31, 2019, they are anti-dilutive and excluded from the computation of diluted earnings per share.

27. SHARE-BASED PAYMENT ARRANGEMENTS

Employee Share Option Plans

In May 2010, June 2012, April 2014, December 2014 and November 2015, 9,000 units, 2,808 units, 6,000 units, 6,300 units and 10,000 units of options were respectively granted to qualified employees of the Company and its subsidiaries. Each unit of options entitles the holder to subscribe for one thousand ordinary shares of the Company. The options granted in 2010, 2012, 2014 and 2015 are valid for 10 years, 7 years, 5 years and 5 years, respectively, and are exercisable at certain percentages after the second anniversary from the grant date. For any subsequent changes in the Company's capital surplus (via share dividend distributions and capital reductions other than by the cancellation of treasury shares), the exercise price shall be adjusted accordingly.

Information on employee share options was as follows:

	For the Year Ended December 31			
	2020		2019	
Employee Share Options	Units of Options	Weighted-average Exercise Price (NT$)	Units of Options	Weighted-average Exercise Price (NT$)
Balance at January 1	6,046	$ 99.9	12,430	$148.6
Options forfeited	(821)	100.0	(978)	104.6
Options expired	(5,225)	99.9	(5,406)	205.5
Balance at December 31	-	-	6,046	99.9
Options exercisable, end of year	-	-	6,046	99.9

Information about outstanding options as of December 31, 2019 was as follows (as of December 31, 2020:None):

	December 31, 2019	
Issue Date	Range of Exercise Price (NT$)	Weighted-average Remaining Contractual Life (Years)
May 1, 2010	$ 94.2	0.33
November 5, 2015	100.0	0.85

Options granted were priced using the Black-Scholes pricing model and the inputs for the model were as follows:

Issue date	November 2015	May 2010
Grant date share price (NT$)	$101	$155
Exercise price (NT$)	$101	$164
Expected volatility	50.90%-51.78%	51.65%-52.01%
Expected life	3.5-4.5 years	6-7 years
Expected dividend yield	-	-
Risk-free interest rate	0.68%-0.79%	1.44%-1.51%

Expected volatility was based on the historical share price volatility of similar industries.

Compensation costs recognized were $15,864 thousand for the years ended December 31, 2019 (for the year ended December 31, 2020: None).

28. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

In August 2020, the Group did not subscribe for the new shares of its subsidiary, AMPH, in accordance with its shareholding percentage, causing the percentage of ownership of AMPH to decrease from 100% to 57.69%. The capital surplus of $2,656 thousand increased due to the equity transaction.

TPKC acquired the remaining 49% of ownership in TPKJ from external shareholders in the amount of RMB114,000 thousand in June 2019. After the acquisition, the total percentage of ownership in TPKJ held by the Group was increased from 51% to 100%. The unappropriated earnings of $67,925 thousand were reduced since a difference from the equity transaction occurred.

The above transaction was accounted for as an equity transaction since the Group did not cease to have control over the subsidiary.

29. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

a. Non-cash transactions

In addition to those disclosed in other notes, the Group entered into the following non-cash investing and financing activities which were not reflected in the consolidated statements of cash flows for the years ended December 31, 2020 and 2019:

As of December 31, 2020 and 2019, the Group’s payables for the purchase of equipment amounted to $941,126 and $1,004,691, respectively.

b. Changes in liabilities arising from financing activities

For the year ended December 31, 2020

	Opening Balance	Cash Flows	Non-cash Changes: New Leases	Non-cash Changes: Amortization of Finance costs	Non-cash Changes: Exchange rate Changes	Non-cash Changes: Others	Closing Balance
Short-term borrowings	$ 6,492,737	$ (2,420,489)	$ -	$ -	$ (671,925)	$ -	$ 3,400,323
Long-term borrowings (including current portion)	13,176,845	2,149,906	-	-	(408,879)	-	14,917,872
Guarantee deposits received	30,749	(1,260)	-	-	-	-	29,489
Lease liabilities	1,944,891	(324,028)	1,738,084	123,531	65,383	(4,230)	3,543,631
Other liabilities	752,969	65,393	-	-	-	(422,418)	395,944
	$ 22,398,191	$ (530,478)	$ 1,738,084	$ 123,531	$ (1,015,421)	$ (426,648)	$ 22,287,259

For the year ended December 31, 2019

	Opening Balance	Cash Flows	Non-cash Changes: New Leases	Non-cash Changes: Amortization of Finance costs	Non-cash Changes: Exchange rate Changes	Non-cash Changes: Others	Closing Balance
Short-term borrowings	$ 5,208,695	$ 1,701,269	$ -	$ -	$ (417,227)	$ -	$ 6,492,737
Long-term borrowings (including current portion)	12,062,099	1,519,677	-	-	(404,931)	-	13,176,845
Guarantee deposits received	15,959	14,790	-	-	-	-	30,749
Lease liabilities	1,521,640	(340,045)	770,767	79,005	(80,139)	(6,337)	1,944,891
Other liabilities	321,168	466,137	-	-	-	(34,336)	752,969
	$ 19,129,561	$ 3,361,828	$ 770,767	$ 79,005	$ (902,297)	$ (40,673)	$ 22,398,191

30. CAPITAL MANAGEMENT

The capital structure of the Group consists of its net debt and equity. The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of its debt and equity balance. Key management personnel of the Group review the capital structure periodically. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Group may adjust the amount of dividends paid to shareholders, the number of new shares issued or repurchased, and the amount of new debt issued or existing debt redeemed.

31. FINANCIAL INSTRUMENTS

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

The management of the Group considers that the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values, or that their fair values cannot be measured reliably.

b. Fair value of financial instruments measured 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				
Derivatives financial assets	$ -	$ 1,142,450	$ -	$ 1,142,450
Foreign private fund	-	-	377,889	377,889
	$ -	$ 1,142,450	$ 377,889	$ 1,520,339

(Continued)

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
Overseas listed				
Ordinary shares	$ 3,930,240	$ -	$ -	$ 3,930,240
Trade receivables, net	-	3,001,197	-	3,001,197
Other receivables, net	-	1,174,419	-	1,174,419
	$ 3,930,240	$ 4,175,616	$ -	$ 8,105,856
Financial liabilities at FVTPL				
Derivative financial liabilities	$ -	$ 1,181,289	$ -	$ 1,181,289

(Concluded)

December 31, 2019

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivatives financial assets	$ -	$ 149,870	$ -	$ 149,870
Foreign private fund	-	-	77,755	77,755
	$ -	$ 149,870	$ 77,755	$ 227,625
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic unlisted				
Ordinary shares	$ -	$ -	$ 50,000	$ 50,000
Overseas unlisted				
Ordinary shares	-	-	106,325	106,325
	-	-	156,325	156,325
Trade receivables, net	-	4,533,364	-	4,533,364
Other receivables, net	-	3,491,695	-	3,491,695
	$ -	$ 8,025,059	$ 156,325	$ 8,181,384
Financial liabilities at FVTPL				
Derivative financial liabilities	$ -	$ 180,953	$ -	$ 180,953

There were no transfers between Levels 1 and 2 for the years ended December 31, 2020 and 2019.

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

For the year ended December 31, 2020

Financial Assets	Financial Assets at FVTPL: Other Financial Assets	Financial Assets at FVTPL: Hybrid Instruments	Financial Assets at FVTOCI: Equity Instruments	Total
Balance at January 1, 2020	$ 77,755	$ -	$ 156,325	$ 234,080
Recognized in profit or loss	(6,948)	(44,235)	-	(51,183)
Reclassification	(18,310)	-	-	(18,310)
Purchases	337,887	44,970	-	382,857
Sales	-		(151,094)	(151,094)
Effects of foreign currency exchange differences	(12,495)	(735)	(5,231)	(18,461)
Balance at December 31, 2020	$ 377,889	$ -	$ -	$ 377,889

For the year ended December 31, 2019

Financial Assets	Financial Assets at FVTPL: Other Financial Assets	Financial Assets at FVTOCI: Equity Instruments	Total
Balance at January 1, 2019	$ -	$ 258,932	$ 258,932
Purchases	77,755	-	77,755
Sales	-	(100,000)	(100,000)
Effects of foreign currency exchange differences	-	(2,607)	(2,607)
Balance at December 31, 2019	$ 77,755	$ 156,325	$ 234,080

3) Valuation techniques and inputs applied for Level 2 fair value measurement

The fair values of the Group's financial assets and liabilities were determined using methods and assumptions as follows:

a) The fair values of foreign exchange forward contracts and exchange swap contracts were determined using quoted prices of forward exchange rates and yield rates. Yield rates are estimated at quoted interest rates with the same contract period.

b) The fair values of foreign exchange option contracts were determined using spot exchange rate on valuation date, exercise price of options, exchange rate volatility, contract period and quoted prices of risk-free interest rate with the same contract period.

c) The fair values of trade receivables and other receivables at FVTOCI were discounted at a rate that reflected the credit risk of various counterparties and estimated future cash flows.

4) Valuation techniques and inputs applied for Level 3 fair value measurement.

The fair values of domestic and overseas unlisted equity investments held by the Group were determined using exercise the price of the put option of the investment contract and the transfer price of the equity interest transfer agreement.

The foreign private equity funds held by the Group were determined using the asset-based approach and were based on the net asset value measured at fair value and the investment agreement.

The fair values of foreign convertible bonds held by the Group were determined using the binomial tree model.

c. Categories of financial instruments

	December 31	
	2020	**2019**
Financial assets		
Financial assets at FVTPL		
Mandatorily classified as at FVTPL	$ 1,520,339	$ 227,625
Financial assets at amortized cost (1)	35,851,717	34,619,631
Financial assets at FVTOCI		
Equity instruments	3,930,240	156,325
Debt instruments	4,175,616	8,025,059
Refundable deposits	113,399	172,409
Financial liabilities		
Financial liabilities at FVTPL		
Held for trading	1,181,289	180,953
Financial liabilities at amortized costs (2)	34,562,939	39,912,691
Guarantee deposits	29,489	30,749

1) The balances included financial assets at amortized cost, which comprise cash and cash equivalents, financing products, notes receivable, trade receivables and other receivables (excluding trade receivables and other receivables at FVTOCI).

2) The balances included financial liabilities at amortized cost, which comprise short-term borrowings, notes and accounts payable, payables for purchase of equipment, payables - others, current portion of long-term borrowings, and long-term borrowings.

d. Financial risk management objectives and policies

The Group's major financial instruments include equity and debt investments, notes and trade receivable, notes and accounts payable, borrowings and lease liabilities. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

The Group sought to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives are governed by the Group's policies approved by the Company's board of directors, which provided written principles on foreign currency risk, interest rate risk, credit risk, the use financial derivatives and non-derivative financial instrument, and the investment of excess liquidity. Compliance with policies and exposure limits was reviewed by internal auditors on a continuous basis. The Group did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Significant financial activities of the Group should be reviewed by the Company's board of directors to ensure compliance with the related regulations and internal control rules. During the execution of financial plans, the Group shall comply with the financial operating procedures and overall financial risk management policies.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and other price.

a) Foreign currency risk

Several subsidiaries of the Company have foreign currency denominated sales and purchases, which exposed the Group to foreign currency risk. Exchange rate exposures were managed within approved policy parameters utilizing foreign exchange forward contract.

The carrying amounts of the Group's significant foreign currency denominated monetary assets and monetary liabilities at the end of the year were as follows:

In Thousands of U.S. Dollars

	December 31	
	2020	**2019**
Assets		
RMB	$ 227,781	$ 163,477
NTD	48,801	20,038
JPY	1,125	361
EUR	99	90
Liabilities		
RMB	387,017	297,844
NTD	9,674	8,284
JPY	2,907	4,067
EUR	1,904	1,458

Except for the data described above, the Group also disclosed its derivatives exposed to foreign currency risk at the end of the year in Note 7.

b) Analysis of sensitivity for foreign currency risk

The Group was mainly exposed to RMB, NTD, JPY and EUR.

The following table details the Group's sensitivity to a 5% increase and decrease in the US dollar (the functional currency) against the relevant foreign currencies. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rate is 5%. The sensitivity analysis included outstanding foreign currency denominated monetary items and derivatives tools, and adjusted their translation at the end of the year for a 5% change in foreign currency rates.

	Impact on Profit or Loss If USD Strengthened 5% Against the Relevant Currency	
	For the Year Ended December 31	
	2020	2019
RMB	$ 536,619	$ (122,800)
NTD	(53,064)	(16,781)
JPY	2,417	5,291
EUR	2,449	1,951

	Impact on Profit or Loss If USD Weakened 5% Against the Relevant Currency	
	For the Year Ended December 31	
	2020	2019
RMB	$ (483,413)	$ 68,042
NTD	58,649	18,547
JPY	(2,671)	(5,848)
EUR	(2,707)	(2,157)

c) Interest rate risk

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

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

	December 31	
	2020	2019
Fair value interest rate risk		
Financial assets	$ 16,493,911	$ 16,441,637
Financial liabilities	10,706,420	10,459,948
Cash flow interest rate risk		
Financial assets	8,787,302	9,280,577
Financial liabilities	11,155,406	11,154,525

d) Analysis of sensitivity to interest rate risk

The sensitivity analysis was determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the year. For floating rate liabilities, the analysis was prepared assuming the amount of the liability outstanding at the end of the year was outstanding for the whole year. A 50 basis point increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher and all other variables were held constant, the Group's the pre-tax profit for the years ended December 31, 2020 and 2019 would decrease by $11,841 thousand and decrease by $9,370 thousand, respectively, which was mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings and its variable-rate bank deposits.

e) Other price risk

Investments in equity instruments of domestic and overseas unlisted ordinary shares are held by the Group for strategic purposes. The fair values of the above-mentioned equity investments are determined using the exercise price of the put option of the investment contract and transfer price of the equity interest transfer agreement, and the level of price risk exposure is not high. The amount of investments in foreign private funds held by the Group is not significant, therefore, the level of price risk exposure is not high.

The Group was exposed to equity price risk through its investments in overseas listed ordinary shares. If equity prices had been 5% higher/lower, post-tax other comprehensive income for the year ended December 31, 2020 would have increased/decreased by $196,512 thousand as a result of the changes in the fair value of financial assets at FVTOCI (for the year ended December 31, 2019:None).

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at the end of the year, the Group's maximum exposure to credit risk, which will cause a financial loss to the Group due to the failure of counterparties to discharge an obligation, could arise from the carrying amount of the respective recognized financial assets as stated in the balance sheets.

The Group adopted a policy of using internal and external credit ratings, only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty-limits that are reviewed and approved by the risk management committee semi-annually.

The Group authorized and approved hierarchical credit lines and monitored trade receivables periodically based on the related trade receivables aging, thus reducing bad debts or overdue trade. Then, at the end of the year, the Group would assess line by line its collectable amounts, allowance for impairment loss, and amounts of impairment recognized on trade receivables. Therefore, the management believed that the credit management of the Group fully covered the credit risk.

The Group's concentration of credit risk of 72.26% and 83.90% in total trade receivables as of December 31, 2020 and 2019, respectively, was related to the Group's the five largest customers.

3) Liquidity risk

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

The Group relies on bank borrowings as a significant source of liquidity. As of December 31, 2020 and 2019, the Group had available unutilized short-term bank loan facilities of $45,027,934 thousand and $41,072,334 thousand, respectively.

a) Liquidity and interest rate risk table for non-derivative financial liabilities

The following table details of the Group's remaining contractual maturities for its short-term and long-term borrowings and lease liabilities. The table was drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay.

Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

December 31, 2020

	On Demand or Less than 1 Month	1 to 3 Months	3 Months to 1 Year	1 to 5 Years	5+ Years
Non-derivative financial liabilities					
Variable interest rate borrowings	$ -	$ 32,702	$ 1,456,702	$ 9,666,002	$ -
Fixed interest rate borrowings	760,017	645,214	3,856,784	1,900,774	-
Lease liabilities	194,892	33,020	328,476	1,048,363	1,938,880
	$ 954,909	$ 710,936	$ 5,641,962	$ 12,615,139	$ 1,938,880

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	$ 556,388	$1,408,363	$ 676,130	$ 677,988	$ 584,762	$ -

December 31, 2019

	On Demand or Less than 1 Month	1 to 3 Months	3 Months to 1 Year	1 to 5 Years	5+ Years
Non-derivative financial liabilities					
Variable interest rate borrowings	$ -	$ -	$ 2,302,464	$ 8,852,061	$ -
Fixed interest rate borrowings	984,918	1,199,200	4,612,485	1,718,454	-
Lease liabilities	61,518	27,181	207,583	752,254	896,355
	$ 1,046,436	$ 1,226,381	$ 7,122,532	$ 11,322,769	$ 896,355

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	$ 296,282	$ 752,254	$ 463,581	$ 203,646	$ 229,128	$ -

The following table details the Group's expected maturity for some of its non-derivative financial assets. The table below was drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis.

December 31, 2020

	On Demand or Less than 1 Month	1 to 3 Months	3 Months to 1 Year	1 to 5 Years
Non-derivative financial assets				
Variable interest rate assets	$ 8,787,302	$ -	$ -	$ -
Fixed interest rate assets	7,890,811	4,548,970	303,891	3,750,239
	$ 16,678,113	$ 4,548,970	$ 303,891	$ 3,750,239

December 31, 2019

	On Demand or Less than 1 Month	1 to 3 Months	3 Months to 1 Year	1 to 5 Years
Non-derivative financial assets				
Variable interest rate assets	$ 9,280,577	$ -	$ -	$ -
Fixed interest rate assets	6,724,550	8,578,385	751,648	387,054
	$ 16,005,127	$ 8,578,385	$ 751,648	$ 387,054

For non-interest-bearing liabilities recorded as notes and trade payable, payables for purchase of equipment and other payables, the Company has set up the financial risk management policy to secure payment for all the payables prior to the expiry of the credit terms.

b) Liquidity and interest rate risk tables for derivative financial liabilities

The following table details the Group's liquidity analysis of its derivative financial instruments. The table is based on the undiscounted contractual net cash inflows and outflows on derivative instruments that settle on a net basis, and the undiscounted gross inflows and outflows on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed is determined by reference to the projected interest rates as illustrated by the yield curves 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	5+ Years
Gross settled					
Foreign exchange forward contracts					
Inflows	$ 2,567,797	$ 3,141,012	$ -	$ -	$ -
Outflows	(2,565,419)	(3,135,231)	-	-	-
	$ 2,378	$ 5,781	$ -	$ -	$ -
Net settled					
Foreign exchange forward contracts	$ -	$ 570,254	$ 633,557	$ -	$ -
Foreign exchange option contracts	-	(551,616)	(588,608)	-	-
	$ -	$ 18,638	$ 44,949	$ -	$ -

December 31, 2019

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Net settled					
Foreign exchange forward contracts	$ -	$ (15,794)	$ 4,330	$ -	$ -
Foreign exchange option contracts	-	-	37,796	-	-
Exchange swap contracts	-	16,963	-	-	-
	$ -	$ 1,169	$ 42,126	$ -	$ -

c) Financing facilities

	December 31	
	2020	2019
Unsecured bank overdraft facility, reviewed annually and payable on demand:		
Amount used	$ 24,645,217	$ 29,403,150
Amount unused	47,581,617	41,598,834
	$ 72,226,834	$ 71,001,984

e. Transfers of financial assets

Factored trade receivables that are not yet overdue at the end of the year were as follows:

December 31, 2020

Subsidiary	Counterparties	Currencies	Receivables Factoring Proceeds	Amounts Reclassified to Other Receivables	Advances Received Unused	Advances Received Used	Annual Interest Rates on Advances Received (Used) (%)
TPK HK	A Bank	US$	$ 193,207	$ 41,237	$ 41,237	$ 151,970	2M Libor + 0.48%
		NT$	$ 5,502,531	$ 1,174,419	$ 1,174,419	$ 4,328,112	

December 31, 2019

Subsidiary	Counterparties	Currencies	Receivables Factoring Proceeds	Amounts Reclassified to Other Receivables	Advances Received Unused	Advances Received Used	Annual Interest Rates on Advances Received (Used) (%)
TPK HK	A Bank	US$	$ 342,350	$ 116,467	$ 116,467	$ 225,883	2M Libor + 0.48%
		NT$	$ 10,263,660	$ 3,491,695	$ 3,491,695	$ 6,771,965	

Pursuant to the factoring agreements, losses from sales returns and allowances were borne by the Group, while losses from credit risk shall be borne by the Bank.

f. Offsetting financial assets and financial liabilities

The Group is eligible to present certain financial assets and financial liabilities with financial institutions on a net basis on the balance sheet since the offsetting criteria are met.

The tables below present the quantitative information on financial assets and financial liabilities that have been offset in the balance sheet or that are covered by enforceable master netting arrangements or similar agreements (as of December 31, 2020: None).

December 31, 2019

Financial Assets	Gross Amounts of Recognized Financial Assets	Gross Amounts of Recognized Financial Liabilities Offset in the Balance Sheet	Net Amounts of Financial Assets Presented in the Balance Sheet
Financial assets at amortized cost	$ 9,693,525	$ (1,139,240)	$ 8,554,285

Financial Liabilities	Gross Amounts of Recognized Financial Liabilities	Gross Amounts of Recognized Financial Assets Offset in the Balance Sheet	Net Amounts of Financial Liabilities Presented in the Balance Sheet
Short-term borrowings	$ 7,631,977	$ (1,139,240)	$ 6,492,737

32. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed below.

a. Related party names and categories

Related Party Name	Related Party Category
Cando Corporation	Associate
Cando (Xiamen) Corporation	Associate
TES Touch Embedded Solutions Inc. (Taiwan Branch)	Related party in substance
TES Touch Embedded Solutions (Xiamen) Co., Ltd.	Related party in substance
BTO Technologies (Xiamen) Ltd. (“BTO”)	Related party in substance
Vision Optical Technologies (Xiamen) Inc. (“VOT”)	Related party in substance
Pan Shi (Xiamen) Real Estate Development Inc.	Related party in substance
Taiwan Video & Monitor Corp. (“Taiwan VM”)	Related party in substance
Cambrios Film Solutions Corporation (Taiwan Branch)	Related party in substance
Cambrios Film Solutions Corporation (“Cambrios Film”)	Related party in substance
Cambrios Advanced Materials Corporation	Related party in substance
Cambrios Film Solutions Japan Corporation	Related party in substance
Shanghai Jiuejie Information Technology Corporation	Related party in substance
Liangyi industry and trade (Xiamen) Co., Ltd.	Related party in substance
AMPOS Solution Inc. (Taiwan Branch)	Related party in substance
Cambrios Film Solutions (Xiamen) Corporation (“Cambrios Film Xiamen”)	Related party in substance
Cambrios Advanced Materials (Quan Zhou) Corporation	Related party in substance

b. Sales and other income

Related Party Category/Name	For the Year Ended December 31 2020	2019
1) Operating revenue, net		
Other related parties	$ 803,881	$ 807,226
2) Rental income (recorded as other income)		
Other related parties		
Cambrios Film Xiamen	$ 10,727	$ 1,799
Others	4,162	4,414
	$ 14,889	$ 6,213
3) Other income		
Other related parties		
BTO	$ 26,026	$ 8,908
Others	14,538	3,176
	$ 40,564	$ 12,084

Subsidiaries leased factories, offices and equipment to related parties under mutual lease agreements with monthly rental payments.

c. Purchases of goods, costs and expenses

Related Party Category/Name	For the Year Ended December 31 2020	2019
1) Purchases of goods		
Other related parties	$ 335,664	$ 312,516
2) Research expenses		
Other related parties	$ 5,692	$ 11,994
3) Material consumption		
Other related parties	$ 637	$ 2,937
4) Professional service fees		
Other related parties		
Cambrios Film	$ 17,741	$ 133,557
Others	18,878	8,703
	$ 36,619	$ 142,260
5) Repairs and other expenses		
Other related parties	$ 1,512	$ 1,060

d. Receivables from (payables to) related parties

Related Party Category/Name	December 31 2020	December 31 2019
1) Trade receivables - related parties (recorded as trade receivables)		
Associates	$ -	$ 4,884
Other related parties	144,356	104,416
	$ 144,356	$ 109,300
2) Trade payables - related parties (recorded as trade payables)		
Associates	$ 3,698	$ 7,863
Other related parties	52,981	53,523
	$ 56,679	$ 61,386

The outstanding payables to related parties are unsecured and will be settled in cash. No guarantees were received for receivables from related parties.

Related Party Category/Name	December 31 2020	December 31 2019
3) Other receivables - related parties (recorded as other receivables)		
Associates	$ -	$ 836
Other related parties	11,750	227,563
	$ 11,750	$ 228,399

Other receivables are mainly for the sale of equipment as of December 31, 2020 and 2019.

Related Party Category/Name	December 31 2020	December 31 2019
4) Payables for purchase of equipment - related parties (recorded as payable for purchase of equipment)		
Associates	$ -	$ 5,651
5) Other payables - related parties (recorded as other payables - others)		
Associates	$ -	$ 822
Other related parties	24,383	57,637
	$ 24,383	$ 58,459

e. Others

Related Party Category/Name	December 31 2020	December 31 2019
Refundable deposits		
Other related parties		
VOT	$ 15,261	$ 15,036
Others	7,523	7,500
	$ 22,784	$ 22,536

Refundable deposits are the security deposits for leasing parts of plants and offices from related parties during the lease period from 2019 to 2021. For the years ended December 31, 2020 and 2019, the interest income on the deposits were both $4 thousand.

f. Disposals of property, plant and equipment

Related Party Category/Name	Proceeds For the Year Ended December 31 2020	Proceeds For the Year Ended December 31 2019
Cambrios Film Xiamen	$ (258,119)	$ 285,654
Other related parties	-	66
	$ (258,119)	$ 285,720

Related Party Category/Name	Gains on Disposals For the Year Ended December 31 2020	Gains on Disposals For the Year Ended December 31 2019
Cambrios Film Xiamen	$ -	$ 100
Other related parties	-	66
	$ -	$ 166

The proceeds from disposals in 2020 included the amount of $8,162 thousand from the sale of equipment to Cambrios Film Xiamen, and the Group canceled the 2019 equipment transaction with Cambrios Film Xiamen in order to adjust the demand, and therefore decreased the proceeds of the disposal by $266,281 thousand.

g. Lease arrangements - the Group is lessee

Line Item	Related Party Category/Name	December 31 2020	December 31 2019
1) Lease liabilities - current	Other related parties		
	BTO	$ 70,126	$ 70,973
	VOT	45,396	46,103
	Taiwan VM	30,414	29,704
		$ 145,936	$ 146,780
2) Lease liabilities - non current	Other related parties	$ -	$ 152,021
3) Interest expense	Other related parties	$ 8,154	$ 13,937

The Group leased buildings from other related parties for the use of plant and office spaces. The contents of the contracts were determined by both sides, and the fixed lease payments are paid monthly. The Group reduced the leased area and modified the agreement in August 2019. Therefore, the right-of-use assets and lease liabilities decreased by $2,405 thousand and $2,439 thousand, respectively, and gain on lease modification was recognized at the amount of $34 thousand.

h. Endorsements and guarantees

As of December 31, 2020 and 2019, guarantees for long-term and short-term borrowings provided by related parties were as follows:

	December 31, 2020		
	US$	NT$	Guarantor
TPKD	$ 33,682	$ 959,263	TPKH
TPKD	33,682	959,263	TPKC
TPK HK	45,930	1,308,086	TPKC

	December 31, 2019		
	US$	NT$	Guarantor
TPKD	$ 31,526	$ 945,149	TPKH
TPKD	31,526	945,149	TPKC
TPK HK	14,330	429,613	TPKC

Other related parties that have substantive related party relationship with the Company and the transaction price and payment terms of related parties are provided in Table 5 following the Notes to Consolidated Financial Statements.

i. Remuneration of key management personnel

For the years ended December 31, 2020 and 2019, the total amounts of the remuneration of directors and other key management personnel were as follows:

	For the Year Ended December 31	
	2020	2019
Short-term employee benefits	$ 76,966	$ 67,322
Post-employment benefits	927	1,057
Share-based payments	-	4,191
	$ 77,893	$ 72,570

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends.

33. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for borrowings from banks and leasing companies, and bank guarantee:

	December 31	
	2020	2019
Bank deposits (classified as financial assets at amortized cost)	$ 844	$ 2,550
Machinery and equipment, net	-	669,015
	$ 844	$ 671,565

34. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

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

a. As of December 31, 2020 and 2019, unused letters of credit for purchases of raw materials and machinery and equipment amounted to approximately $136,240 thousand and $291,367 thousand, respectively.

b. Unrecognized commitments are as follows:

	December 31	
	2020	2019
Acquisition of property, plant and equipment	$ 1,231,586	$ 1,669,002

35. OTHER ITEMS

Due to the impact of the COVID-19 pandemic, some of the Group's overseas operating locations have postponed the resumption of operations in the first quarter of 2020. However, all the operations resumed before February 2020. The Group evaluates that the effect of COVID-19 is not significant.

The Group has successively applied to the government for various subsidies such as salaries, working capital, taxes, etc., and negotiated with the lessor to decrease the rent of factories and offices; refer to Note 15 for more information. Additionally, according to the local government announcement, parts of the Group's subsidiaries in China are eligible for the reduction in payments or exemption from the retirement, unemployment, industrial injury, and medical insurance from February to June 2020.

Based on the information available as of the balance sheet date, the Group considered the economic implications of the epidemic when making its critical accounting estimates.

36. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

The board of directors of the Company and its subsidiary TPKT resolved on March 11 and January 11, 2021, respectively, to invest in Hennessy Capital Investment Corp. V through Ocean Capital Enterprises Co., Ltd. The investment included acquiring 363,529 shares of the post-marketing Class A ordinary shares with 90,882 units of options, 100,171 shares post-marketing Class B ordinary shares, and 109,805 units of post-marketing private placement options. The total amount of investments was US$3,800 thousand.

37. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than the functional currency (the U.S. dollar) and the related the exchange rates between the foreign currencies and the respective functional currency were as follows:

(All Currencies in Thousands)

	December 31, 2020		
	Foreign Currency	**Exchange Rate**	**U.S. Dollars**
Financial assets			
Monetary items			
RMB	$ 1,487,793	6.5325	$ 227,781
NTD	1,389,846	28.4800	48,801
JPY	116,209	103.3007	1,125
EUR	80	0.8151	99
Non-monetary items			
Derivative instruments			
RMB buy	5,047,783	6.5325	40,114
Financial liabilities			
Monetary items			
RMB	2,527,868	6.5325	387,017
NTD	275,507	28.4800	9,674
JPY	300,289	103.3007	2,907
EUR	1,552	0.8151	1,904
Non-monetary items			
Derivative instruments			
Foreign exchange options	3,071,370	6.5325	41,192
RMB sell	654,317	6.5325	286

	December 31, 2019		
	Foreign Currency	**Exchange Rate**	**U.S. Dollars**
Financial assets			
Monetary items			
RMB	$ 1,140,800	6.9762	$ 163,477
NTD	600,738	29.9800	20,038
JPY	39,215	108.6232	361
EUR	81	0.8925	90
Non-monetary items			
Derivative instruments			
RMB buy	2,112,415	6.9762	1,411
RMB sell	107,672	6.9762	535
Foreign exchange options	1,720,875	6.9762	3,053

(Continued)

	December 31, 2019		
	Foreign Currency	Exchange Rate	U.S. Dollars
Financial liabilities			
Monetary items			
RMB	$ 2,078,463	6.9762	$ 297,844
NTD	248,341	29.9800	8,284
JPY	441,813	108.6232	4,067
EUR	1,301	0.8925	1,458
Non-monetary items			
Derivative instruments			
RMB buy	1,833,447	6.9762	4,123
Foreign exchange options	712,200	6.9762	1,913

(Concluded)

The realized and unrealized net foreign exchange losses were $306,991 thousand for the year ended December 31, 2020, and the realized and unrealized net foreign exchange gains were $216,684 thousand for the year ended December 31, 2019. It is impractical to disclose net foreign exchange gains and losses by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the Group entities.

38. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions:

1) Financing provided to others. (Table 1)

2) Endorsements/guarantees provided. (Table 2)

3) Marketable securities held (excluding investment in subsidiaries). (Table 3)

4) Marketable securities acquired and disposed of at costs or prices of 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 prices of at least NT$300 million or 20% of the paid-in capital. (None)

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital. (Table 5)

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital. (Table 6)

9) Trading in derivative instruments. (Notes 7 and 31)

10) Intercompany relationships and significant intercompany transactions. (Table 9)

b. Information on investees (Table 7)

c. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investee, investment income or loss, carrying amount of the investment at the end of the year, repatriations of investment income, and limit on the amount of investment in the mainland China area: (Table 8)

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (Tables 1, 2, 5 and 6)

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year.

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year.

c) The amount of property transactions and the amount of the resultant gains or losses.

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes.

e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to financing of funds.

f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services.

d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (Table 10)

39. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Specifically, the Group's reportable segment under IFRS 8 "Operating Segment" is the touch modules segment. The related information was as follows:

a. Information of reportable segment's gains or losses and assets

	For the Year Ended December 31					
	2020			2019		
	Touch Modules	Others	Total	Touch Modules	Others	Total
Revenue from external customers	$ 114,538,573	$ 44,626	$ 114,583,199	$ 136,579,738	$ 26,957	$ 136,606,695
Inter-segment revenue	217,012	7,229,754	7,446,766	267,555	8,252,999	8,520,554
Interest income	809,194	12,218	821,412	854,544	60,924	915,468
Finance costs	631,024	196,026	827,050	696,610	502,598	1,199,208
Depreciation and amortization	4,855,921	1,323,019	6,178,940	5,929,687	1,909,807	7,839,494
Impairment loss on assets	18,572	-	18,572	259,275	544,199	803,474
Reportable segment profit (loss) before tax	3,882,483	1,095,501	4,977,984	3,592,857	(2,754,787)	838,070
Reportable segment income tax expense	(634,727)	(142,169)	(776,896)	(323,076)	(154,287)	(477,363)

(Continued)

	For the Year Ended December 31					
	2020			2019		
	Touch Modules	Others	Total	Touch Modules	Others	Total
Reportable segment net profit (loss)	$ 3,247,756	$ 953,332	$ 4,201,088	$ 3,269,781	$ (2,909,074)	$ 360,707
Reportable segment assets	85,899,408	79,249,207	165,148,615	37,611,756	70,736,244	108,348,000
Reportable segment capital expenditure on acquisition of property, plant and equipment and intangible assets	1,551,930	314,900	1,866,830	4,258,212	190,080	4,448,292

(Concluded)

b. Reportable segment's gains or losses and other significant items reconciliation

1) Segment revenues and results

Profit and Loss	For the Year Ended December 31 2020	2019
Reportable segment profit before tax	$ 3,882,483	$ 3,592,857
Reportable segment income tax expense	(634,727)	(323,076)
Reportable segment net profit	3,247,756	3,269,781
Non-reportable segment's gain (loss)	953,332	(2,909,074)
Less: Inter-segment profit	(3,166,715)	(57,968)
Less: Net profit on non-controlling interests	(3,050)	(93,857)
Net profit attributable to owners of the Company	$ 1,031,323	$ 208,882

2) Other significant items reconciliation

For the Year Ended December 31, 2020				
Other Significant Items	Total Amount of Reportable Segment	Total Amount of Non-reportable Segment	Reconciliation	Total
Interest income	$ 809,194	$ 12,218	$ (45,424)	$ 775,988
Finance costs	631,024	196,026	(72,080)	754,970
Capital expenditure on acquisition of property, plant and equipment and intangible assets	1,551,930	314,900	(183,797)	1,683,033
Depreciation and amortization	4,855,921	1,323,019	-	6,178,940
Impairment loss	18,572	-	-	18,572

For the Year Ended December 31, 2019				
Other Significant Items	**Total Amount of Reportable Segment**	**Total Amount of Non-reportable Segment**	**Reconciliation**	**Total**
Interest income	$ 854,544	$ 60,924	$ (232,965)	$ 682,503
Finance costs	696,610	502,598	(280,515)	918,693
Capital expenditure on acquisition of property, plant and equipment and intangible assets	4,258,212	190,080	(116,448)	4,331,844
Depreciation and amortization	5,929,687	1,909,807	-	7,839,494
Impairment loss	259,275	544,199	-	803,474

3) Revenue from major products and services

The Company and its subsidiaries categorized reportable segment based on the type of products. There were no specific additional disclosure for products and revenue.

4) Geographical information

The Group operate in three principal geographical areas - Taiwan, the United States ("USA") and China.

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below.

	Revenue from External Customers		**Non-current Assets**	
	For the Year Ended December 31		**December 31**	
	2020	**2019**	**2020**	**2019**
North America	$ 53,022,012	$ 64,716,789	$ 179,271	$ 2,796
Asia	39,296,552	38,608,349	27,046,613	31,329,076
Europe	22,263,216	33,280,870	-	-
Others	1,419	687	-	-
	$ 114,583,199	$ 136,606,695	$ 27,225,884	$ 31,331,872

Non-current assets above excludes deferred tax assets and financial assets at FVTPL.

5) Information about major customers

Customers who contributed 10% or more to the Group's revenue for the years ended December 31, 2020 and 2019 are as follows:

	For the Year Ended December 31	
	2020	**2019**
Customer A	$ 59,910,965	$ 78,278,744
Customer B	13,566,037	16,985,308
	$ 73,477,002	$ 95,264,052

TPK HOLDING CO., LTD. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands)

No. (Note 1)	Lender	Borrower	Financial Statements Account	Related Parties	Highest Balance for the Period (Notes 5 and 6)	Ending Balance (Notes 5 and 6)	Actual Borrowing Amount (Note 5)	Interest Rate	Nature of Financing (Note 2)	Business Transaction Amount	Reason for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Notes 3 and 5)	Aggregate Financing Limit (Notes 3 and 5)	Note
													Item	Value			
0	TPKH	TPK HK	Loan to related parties	Y	NT$ 2,136,000 (approximately US$ 75,000)	NT$ - -	NT$ - -	3.0000%-3.0500%	b	$ -	Operating capital	$ -	-	$ -	NT$ 14,617,932 (approximately US$ 515,166)	NT$ 18,339,916 (approximately US$ 643,958)	
1	TPKC	TPKG	Loan to related parties	Y	NT$ 12,531,200 (approximately US$ 440,000)	NT$ 6,265,600 (approximately US$ 220,000)	NT$ 2,765,855 (approximately US$ 97,116)	0.0000%	b	-	Operating capital	-	-	-	NT$ 67,670,304 (approximately US$ 2,376,064)	NT$ 84,587,880 (approximately US$ 2,970,080)	
		MTOH	Loan to related parties	Y	NT$ 4,556,800 (approximately US$ 160,000)	NT$ 2,278,400 (approximately US$ 80,000)	NT$ 1,129,736 (approximately US$ 39,668)	0.0000%	b	-	Operating capital	-	-	-	NT$ 67,670,304 (approximately US$ 2,376,064)	NT$ 84,587,880 (approximately US$ 2,970,080)	
		TPKH	Loan to related parties	Y	NT$ 5,696,000 (approximately US$ 200,000)	- -	- -	-	b	-	Operating capital	-	-	-	NT$ 67,670,304 (approximately US$ 2,376,064)	NT$ 84,587,880 (approximately US$ 2,970,080)	
		TPKP	Loan to related parties	Y	NT$ 13,100,800 (approximately US$ 460,000)	NT$ 6,835,200 (approximately US$ 240,000)	NT$ 6,323,655 (approximately US$ 222,038)	0.0000%	b	-	Operating capital	-	-	-	NT$ 67,670,304 (approximately US$ 2,376,064)	NT$ 84,587,880 (approximately US$ 2,970,080)	
		TPKF	Loan to related parties	Y	NT$ 740,480 (approximately US$ 26,000)	- -	- -	-	b	-	Operating capital	-	-	-	NT$ 67,670,304 (approximately US$ 2,376,064)	NT$ 84,587,880 (approximately US$ 2,970,080)	
		TPKD	Loan to related parties	Y	NT$ 2,848,000 (approximately US$ 100,000)	NT$ 1,424,000 (approximately US$ 50,000)	NT$ 1,338,174 (approximately US$ 46,986)	0.0000%	b	-	Operating capital	-	-	-	NT$ 67,670,304 (approximately US$ 2,376,064)	NT$ 84,587,880 (approximately US$ 2,970,080)	
		TPKS	Loan to related parties	Y	NT$ 1,139,200 (approximately US$ 40,000)	NT$ 569,600 (approximately US$ 20,000)	NT$ 176,886 (approximately US$ 6,211)	0.0000%	b	-	Operating capital	-	-	-	NT$ 67,670,304 (approximately US$ 2,376,064)	NT$ 84,587,880 (approximately US$ 2,970,080)	
		TPK HK	Loan to related parties	Y	NT$ 8,544,000 (approximately US$ 300,000)	NT$ 4,272,000 (approximately US$ 150,000)	NT$ 2,753,150 (approximately US$ 96,670)	0.0000%	b	-	Operating capital	-	-	-	NT$ 67,670,304 (approximately US$ 2,376,064)	NT$ 84,587,880 (approximately US$ 2,970,080)	
		TPKJ	Loan to related parties	Y	NT$ 284,800 (approximately US$ 10,000)	- -	- -	-	b	-	Operating capital	-	-	-	NT$ 67,670,304 (approximately US$ 2,376,064)	NT$ 84,587,880 (approximately US$ 2,970,080)	
2	TPK HK	TPKH	Loan to related parties	Y	NT$ 11,392,000 (approximately US$ 400,000)	NT$ 7,120,000 (approximately US$ 250,000)	NT$ 6,664,320 (approximately US$ 234,000)	0.9165%-2.9090%	b	-	Operating capital	-	-	-	NT$ 16,067,370 (approximately US$ 564,163)	NT$ 20,084,213 (approximately US$ 705,204)	
		TPKC	Loan to related parties	Y	NT$ 5,696,000 (approximately US$ 200,000)	NT$ 2,848,000 (approximately US$ 100,000)	NT$ 44 (approximately US$ 2)	0.0000%	b	-	Operating capital	-	-	-	NT$ 16,067,370 (approximately US$ 564,163)	NT$ 20,084,213 (approximately US$ 705,204)	
		TPKG	Loan to related parties	Y	NT$ 4,841,600 (approximately US$ 170,000)	NT$ 1,993,600 (approximately US$ 70,000)	NT$ 1,993,600 (approximately US$ 70,000)	0.0000%	b	-	Operating capital	-	-	-	NT$ 16,067,370 (approximately US$ 564,163)	NT$ 20,084,213 (approximately US$ 705,204)	
		UYH	Loan to related parties - long-term	Y	NT$ 854,400 (approximately US$ 30,000)	NT$ 854,400 (approximately US$ 30,000)	NT$ 854,400 (approximately US$ 30,000)	0.0000%	b	-	Operating capital	-	-	-	NT$ 16,067,370 (approximately US$ 564,163)	NT$ 20,084,213 (approximately US$ 705,204)	
		AMPH	Loan to related parties	Y	NT$ 142,400 (approximately US$ 5,000)	NT$ 142,400 (approximately US$ 5,000)	- -	-	b	-	Operating capital	-	-	-	NT$ 3,213,474 (approximately US$ 112,833)	NT$ 4,016,843 (approximately US$ 141,041)	
		AMP HK	Loan to related parties	Y	NT$ 142,400 (approximately US$ 5,000)	NT$ 142,400 (approximately US$ 5,000)	- -	-	b	-	Operating capital	-	-	-	NT$ 3,213,474 (approximately US$ 112,833)	NT$ 4,016,843 (approximately US$ 141,041)	

(Continued)

No. (Note 1)	Lender	Borrower	Financial Statements Account	Related Parties	Highest Balance for the Period (Notes 5 and 6)	Ending Balance (Notes 5 and 6)	Actual Borrowing Amount (Note 5)	Interest Rate	Nature of Financing (Note 2)	Business Transaction Amount	Reason for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Notes 3 and 5)	Aggregate Financing Limit (Notes 3 and 5)	Note
													Item	Value			
3	TPKA	TPK HK	Loan to related parties	Y	NT$ 2,221,440 (approximately US$ 78,000)	NT$ 1,110,720 (approximately US$ 39,000)	NT$ 1,110,720 (approximately US$ 39,000)	0.0000%	b	$ -	Operating capital	$ -	-	$ -	NT$ 7,669,110 (approximately US$ 269,281)	NT$ 9,586,388 (approximately US$ 336,601)	
		TPK HK	Loan to related parties - long-term	Y	NT$ 797,440 (approximately US$ 28,000)	NT$ 797,440 (approximately US$ 28,000)	NT$ 797,440 (approximately US$ 28,000)	0.0000%	b	-	Operating capital	-	-	-	NT$ 7,669,110 (approximately US$ 269,281)	NT$ 9,586,388 (approximately US$ 336,601)	
4	TPKS	TPKC	Loan to related parties	Y	NT$ 3,417,600 (approximately US$ 120,000)	NT$ 1,708,800 (approximately US$ 60,000)	NT$ 724,816 (approximately US$ 25,450)	0.0000%	b	-	Operating capital	-	-	-	NT$ 6,414,444 (approximately US$ 225,226)	NT$ 8,018,055 (approximately US$ 281,533)	
5	TPKM	TPKC	Loan to related parties	Y	NT$ 526,880 (approximately US$ 18,500)	NT$ 242,080 (approximately US$ 8,500)	NT$ 101,802 (approximately US$ 3,575)	0.0000%	b	-	Operating capital	-	-	-	NT$ 561,058 (approximately US$ 19,700)	NT$ 701,323 (approximately US$ 24,625)	
6	TPKD	TPKC	Loan to related parties	Y	NT$ 11,392,000 (approximately US$ 400,000)	NT$ 5,696,000 (approximately US$ 200,000)	NT$ 28 (approximately US$ 1)	0.0000%	b	-	Operating capital	-	-	-	NT$ 27,981,204 (approximately US$ 982,486)	NT$ 34,976,505 (approximately US$ 1,228,108)	
7	TPKT	TPK HK	Loan to related parties	Y	NT$ 1,139,200 (approximately US$ 40,000)	NT$ 569,600 (approximately US$ 20,000)	NT$ 569,600 (approximately US$ 20,000)	0.9130%-2.6006%	b	-	Operating capital	-	-	-	NT$ 748,009 (approximately US$ 26,264)	NT$ 935,011 (approximately US$ 32,830)	
8	TPKMT	TPKC	Loan to related parties	Y	NT$ 555,360 (approximately US$ 19,500)	NT$ 270,560 (approximately US$ 9,500)	NT$ 197,470 (approximately US$ 6,934)	0.0000%	b	-	Operating capital	-	-	-	NT$ 598,668 (approximately US$ 21,021)	NT$ 748,335 (approximately US$ 26,276)	
9	TPKJ	TPKC	Loan to related parties	Y	NT$ 1,139,200 (approximately US$ 40,000)	NT$ 854,400 (approximately US$ 30,000)	NT$ 498,261 (approximately US$ 17,495)	0.0000%	b	-	Operating capital	-	-	-	NT$ 3,494,546 (approximately US$ 122,702)	NT$ 4,368,183 (approximately US$ 153,377)	

Note 1: The parent company is indicated by “0”, while all other numbers indicate subsidiaries.

Note 2: Types of financing were as follows:

a. Business and trade.
b. Short-term financing.

Note 3: The limits of financing amounts were as follows:

a. Financing received from TPKH cannot exceed 50% of TPKH’s net asset value, and the total short-term financing cannot exceed 40% of TPKH’s net asset value.

b. Financing received from a financing company cannot exceed 50% of the financing company’s net asset value, and the total short-term financing cannot exceed 40% of the financing company’s net asset value.

c. The limits of individual financing provided are as follows:

1) Intercompany business and trade financing cannot exceed the business and trade amount. The business and trade amount is the higher of the sales amount or purchases amount within one year.
2) Short-term financing cannot exceed 40% of the financing company’s net asset value.

d. The total financing amount where TPKH directly and indirectly holds 100% of the voting shares of subsidiaries cannot exceed 250% of the lending company’s net asset value, and the amount of individual financing provided cannot exceed 200% of the lending company’s net asset value.

e. For loans provided to TPKH, the total financing amount where TPKH directly and indirectly holds 100% of the voting shares of subsidiaries cannot exceed 250% of the lending company’s net asset value, and the amount of individual financing provided cannot exceed 200% of the lending company’s net asset value.

Note 4: The Company’s board of directors approved the credit line of loans to another party for NT$45,995,200 thousand (approximately US$1,615,000 thousand). The loans to other parties disclosed on Table 1 did not exceed the credit lines approved by the Company’s board of directors.

Note 5: The exchange rate from U.S. dollars to New Taiwan dollars as of December 31, 2020 was US$1=NT$28.48.

Note 6: Highest balance and ending balance for the year only indicate credit line of loans to others, not the actual amount of loans.

(Concluded)

TPK HOLDING CO., LTD. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands)

No. (Note 1)	Endorser/ Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Given on Behalf of Each Party (Notes 2 and 3)	Maximum Amount Endorsed/ Guaranteed During the Period (Notes 3 and 4)	Outstanding Endorsement/ Guarantee at the End of the Period (Notes 3 and 4)	Actual Borrowing Amount (Note 3)	Amount Endorsed/ Guaranteed by Collaterals	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements	Aggregate Endorsement/ Guarantee Limit (Notes 2 and 3)	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	Note
		Name	Relationship											
0	TPKH	TPKD	Subsidiaries of which the Company held a 100% equity interest	NT$ 9,169,958 (approximately US$ 321,979)	NT$ 959,263 (approximately US$ 33,682)	NT$ 959,263 (approximately US$ 33,682)	$ -	$ -	2.62%	NT$ 18,339,916 (approximately US$ 643,958)	Y	N	Y	
1	TPKC	TPKD	Subsidiaries of which the Company directly held a more than 50% equity interest	NT$ 9,169,958 (approximately US$ 321,979)	NT$ 959,263 (approximately US$ 33,682)	NT$ 959,263 (approximately US$ 33,682)	-	-	2.62%	NT$ 18,339,916 (approximately US$ 643,958)	N	N	Y	
		TPK HK	Between subsidiaries of which the Company held a 100% equity interest	NT$ 9,169,958 (approximately US$ 321,979)	NT$ 1,308,086 (approximately US$ 45,930)	NT$ 1,308,086 (approximately US$ 45,930)	NT$ 1,101,566 (approximately US$ 38,679)	-	3.57%	NT$ 18,339,916 (approximately US$ 643,958)	N	N	N	
		TPK HK	Between subsidiaries of which the Company held a 100% equity interest	NT$ 9,169,958 (approximately US$ 321,979)	NT$ 436,029 (approximately US$ 15,310)	-	-	-	-	NT$ 18,339,916 (approximately US$ 643,958)	N	N	N	
2	TPKJ	TPKJ HK	Subsidiaries of which the Company directly held a more than 50% equity interest	NT$ 9,169,958 (approximately US$ 321,979)	NT$ 142,400 (approximately US$ 5,000)	-	-	-	-	NT$ 18,339,916 (approximately US$ 643,958)	N	N	N	

Note 1: The parent company is indicated by “0”, while all other numbers indicate subsidiaries.

Note 2: For TPKH, the total amount of endorsement/guarantee provided and the limit on endorsement/guarantee amounts provided to each guaranteed party cannot exceed 50% and 25% of TPKH’s net asset value, respectively. The maximum collateral/guarantee amount allowable was calculated based on the net assets value as of December 31, 2020.

Note 3: The exchange rate from U.S. dollars to New Taiwan dollars as of December 31, 2020 was US$1=NT$28.48.

Note 4: The maximum amount and outstanding endorsement/guarantee at the end of the year only indicate limits on endorsement/guarantee amount to others, not the actual borrowing amount.

TPK HOLDING CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
DECEMBER 31, 2020
(In Thousands, Unless Stated Otherwise)

Holding Company Name	Name and Type of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2020				Note
				Shares	Carrying Amount (Note 2)	Percentage of Ownership	Fair Value	
TPKH	Ordinary shares Canoo Inc.	-	Financial assets at FVTOCI - current	10,000,000	NT$3,930,240 (approximately US$ 138,000)	4.24	NT$3,930,240 (approximately US$ 138,000)	
TPK HK	Fund Wise Road Industry Investment fund I L.P	-	Financial assets at FVTPL - non-current	-	NT$ 377,889 (approximately US$ 13,269)	4.07	NT$ 377,889 (approximately US$ 13,269)	Note 3
	Short-term convertible bonds Light Polymers Holdings (HK) Limited	-	Financial assets at FVTPL - current	-	-	-	-	Note 1

Note 1: The Group evaluated the fair value of short-term convertible bonds as $0 on December 31, 2020.

Note 2: The exchange rate from U.S. dollars to New Taiwan dollars as of December 31, 2020 was US$1=NT$28.48.

Note 3: The Group disclosed the percentage of ownership based on the percentage of the Group's investment amount.

TPK HOLDING CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands, Unless Stated Otherwise)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Number of Shares	Amount (Note 1)	Number of Shares	Amount (Notes 2 and 4)	Number of Shares	Amount	Carrying Amount	Gain (Loss) on Disposal	Shares	Amount (Notes 3, 4 and 5)
TPKH	Ordinary shares Canoo Inc.	Financial assets at FVTOCI - current	-	-	-	$ -	10,000,000	NT$2,850,500 (approximately US$ 100,000)	-	$ -	$ -	$ -	10,000,000	NT$3,930,240 (approximately US$ 138,000)
TPK HK	Fund Wise Road Industry Investment fund I L.P	Financial assets at FVTPL - non-current	-	-	-	NT$ 77,755 (approximately US$ 2,594)	-	NT$ 337,887 (approximately US$ 11,513)	-	-	-	-	-	NT$ 377,889 (approximately US$ 13,269)

Note 1: The exchange rate from U.S. dollars to New Taiwan dollars as of December 31, 2019 was US$1=NT$29.98.

Note 2: The exchange rate used for the translation of U.S. dollars to New Taiwan dollars was the monthly average rate of the transaction.

Note 3: The exchange rate from U.S. dollars to New Taiwan dollars as of December 31, 2020 was US$1=NT$28.48.

Note 4: In December 2020, TPKH indirectly invested in Canoo Holding Ltd. by participating in the private placement of Hennessy Capital Acquisition Corp. IV for an investment amount of US$100,000 thousand. After the acquisition, Hennessy Capital Acquisition Corp. IV merged with Canoo Holding Ltd. and changed its name to Canoo Inc. After the merger, TPKH owned 4.24% (10,000 thousand shares) of Canoo Inc.'s shares.

Note 5: The ending balance included profit or loss on the fair value changes of financial assets.

TPK HOLDING 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
(In Thousands)

Company Name	Related Party	Relationship	Transaction Detail				Abnormal Transaction		Notes/Trade Receivable (Payables)		Note
			Purchase/ Sale	Amount (Notes 2 and 3)	% to Total	Payment Terms	Unit Price	Payment Term	Ending Balance (Notes 2 and 4)	% to Total	
TPKC	TPKS	The same ultimate parent company	Purchase	NT$ 1,117,708 (approximately US$ 37,738)	1.16	45 days after monthly closing	No significant difference	No significant difference	NT$ 384,931 (approximately US$ 13,516)	2.67	
	TPKG	The same ultimate parent company	Purchase	NT$ 527,949 (approximately US$ 17,826)	0.55	45 days after monthly closing	No significant difference	No significant difference	-	-	
	TPK HK	The same ultimate parent company	Purchase	NT$ 4,088,723 (approximately US$ 138,051)	4.25	45 days after monthly closing	No significant difference	No significant difference	NT$ 372,000 (approximately US$ 13,062)	2.58	
	TPKP	The same ultimate parent company	Purchase	NT$ 126,316 (approximately US$ 4,265)	0.13	45 days after monthly closing	No significant difference	No significant difference	NT$ 43,351 (approximately US$ 1,522)	0.30	
	TPKJ	Investments accounted for using equity method	Purchase	NT$ 1,853,781 (approximately US$ 62,591)	1.93	45 days after monthly closing	No significant difference	No significant difference	NT$ 349,791 (approximately US$ 12,282)	2.42	
	TPKU	The same ultimate parent company	Sales	NT$ 197,314 (approximately US$ 6,662)	0.17	45 days after monthly closing	No significant difference	No significant difference	-	-	
	TPKG	The same ultimate parent company	Sales	NT$ 143,265 (approximately US$ 4,837)	0.13	45 days after monthly closing	No significant difference	No significant difference	NT$ 18,515 (approximately US$ 650)	0.15	
	TPK HK	The same ultimate parent company	Sales	NT$ 35,632,166 (approximately US$ 1,203,078)	31.10	45 days after monthly closing	No significant difference	No significant difference	NT$ 10,070,265 (approximately US$ 353,591)	78.90	
	TPKD	Investments accounted for using equity method	Sales	NT$ 115,495 (approximately US$ 3,900)	0.10	45 days after monthly closing	No significant difference	No significant difference	NT$ 12,479 (approximately US$ 438)	0.10	
TPKS	TPK HK	The same ultimate parent company	Purchase	NT$ 3,077,561 (approximately US$ 103,910)	3.20	45 days after monthly closing	No significant difference	No significant difference	NT$ 361,224 (approximately US$ 12,683)	2.50	
	TPKJ	The same ultimate parent company	Purchase	NT$ 662,301 (approximately US$ 22,362)	0.69	45 days after monthly closing	No significant difference	No significant difference	NT$ 141,904 (approximately US$ 4,983)	0.98	
	TPKC	The same ultimate parent company	Sales	NT$ 1,117,708 (approximately US$ 37,738)	0.98	45 days after monthly closing	No significant difference	No significant difference	NT$ 384,931 (approximately US$ 13,516)	3.02	

(Continued)

Company Name	Related Party	Relationship	Transaction Detail				Abnormal Transaction		Notes/Trade Receivable (Payables)		Note
			Purchase/ Sale	Amount (Notes 2 and 3)	% to Total	Payment Terms	Unit Price	Payment Term	Ending Balance (Notes 2 and 4)	% to Total	
	TPK HK	The same ultimate parent company	Sales	NT$ 6,159,923 (approximately US$ 207,983)	5.38	45 days after monthly closing	No significant difference	No significant difference	NT$ 975,432 (approximately US$ 34,250)	7.64	
TPKU	TPKC	The same ultimate parent company	Purchase	NT$ 197,314 (approximately US$ 6,662)	0.21	45 days after monthly closing	No significant difference	No significant difference	-	-	
TPKG	TPKC	The same ultimate parent company	Purchase	NT$ 143,265 (approximately US$ 4,837)	0.15	45 days after monthly closing	No significant difference	No significant difference	NT$ 18,515 (approximately US$ 650)	0.13	
	TPKC	The same ultimate parent company	Sales	NT$ 527,949 (approximately US$ 17,826)	0.46	45 days after monthly closing	No significant difference	No significant difference	-	-	
	TPKD	The same ultimate parent company	Sales	NT$ 1,066,507 (approximately US$ 36,009)	0.93	45 days after monthly closing	No significant difference	No significant difference	NT$ 201,004 (approximately US$ 7,058)	1.57	
TPK HK	TPKC	Investments accounted for using equity method	Purchase	NT$ 35,632,166 (approximately US$ 1,203,078)	37.04	45 days after monthly closing	No significant difference	No significant difference	NT$ 10,070,265 (approximately US$ 353,591)	69.72	
	TPKS	The same ultimate parent company	Purchase	NT$ 6,159,923 (approximately US$ 207,983)	6.40	45 days after monthly closing	No significant difference	No significant difference	NT$ 975,432 (approximately US$ 34,250)	6.75	
	MTOH	Investments accounted for using equity method	Purchase	NT$ 2,810,790 (approximately US$ 94,903)	2.92	45 days after monthly closing	No significant difference	No significant difference	NT$ 945,949 (approximately US$ 33,214)	6.55	
	TPKD	Investments accounted for using equity method	Purchase	NT$ 59,021,231 (approximately US$ 1,992,782)	61.36	45 days after monthly closing	No significant difference	No significant difference	NT$ 10,020,766 (approximately US$ 351,853)	69.38	
	TPKC	Investments accounted for using equity method	Sales	NT$ 4,593,345 (approximately US$ 155,089)	4.01	45 days after monthly closing	No significant difference	No significant difference	NT$ 372,000 (approximately US$ 13,062)	2.91	
	TPKS	The same ultimate parent company	Sales	NT$ 3,077,561 (approximately US$ 103,910)	2.69	45 days after monthly closing	No significant difference	No significant difference	NT$ 361,224 (approximately US$ 12,683)	2.83	
	MTOH	Investments accounted for using equity method	Sales	NT$ 146,516 (approximately US$ 4,947)	0.13	45 days after monthly closing	No significant difference	No significant difference	NT$ 9,040 (approximately US$ 317)	0.07	
	TPKD	Investments accounted for using equity method	Sales	NT$ 36,851,145 (approximately US$ 1,244,236)	32.16	45 days after monthly closing	No significant difference	No significant difference	NT$ 3,534,719 (approximately US$ 124,112)	27.69	
	TES Touch Embedded Solutions (Xiamen) Co., Ltd. (TES XM)	Related party in substance	Sales	NT$ 602,118 (approximately US$ 20,330)	0.53	60 days after monthly closing	No significant difference	No significant difference	NT$ 127,481 (approximately US$ 4,476)	1.00	

(Continued)

Company Name	Related Party	Relationship	Transaction Detail				Abnormal Transaction		Notes/Trade Receivable (Payables)		Note
			Purchase/ Sale	Amount (Notes 2 and 3)	% to Total	Payment Terms	Unit Price	Payment Term	Ending Balance (Notes 2 and 4)	% to Total	
MTOH	TPK HK	The same ultimate parent company	Purchase	NT$ 146,516 (approximately US$ 4,947)	0.15	45 days after monthly closing	No significant difference	No significant difference	NT$ 9,040 (approximately US$ 317)	0.06	
	TPKP	The same ultimate parent company	Purchase	NT$ 271,035 (approximately US$ 9,151)	0.28	45 days after monthly closing	No significant difference	No significant difference	NT$ 68,194 (approximately US$ 2,394)	0.47	
	TPK HK	The same ultimate parent company	Sales	NT$ 2,810,790 (approximately US$ 94,903)	2.45	45 days after monthly closing	No significant difference	No significant difference	NT$ 945,949 (approximately US$ 33,214)	7.41	
	TES XM	Related party in substance	Sales	NT$ 161,272 (approximately US$ 5,445)	0.14	60 days after monthly closing	No significant difference	No significant difference	NT$ 1,829 (approximately US$ 64)	0.01	
TPKP	TPKC	The same ultimate parent company	Sales	NT$ 126,316 (approximately US$ 4,265)	0.11	45 days after monthly closing	No significant difference	No significant difference	NT$ 43,351 (approximately US$ 1,522)	0.34	
	MTOH	The same ultimate parent company	Sales	NT$ 271,035 (approximately US$ 9,151)	0.24	45 days after monthly closing	No significant difference	No significant difference	NT$ 68,194 (approximately US$ 2,394)	0.53	
TPKD	TPKC	The same ultimate parent company	Purchase	NT$ 115,495 (approximately US$ 3,900)	0.12	45 days after monthly closing	No significant difference	No significant difference	NT$ 12,479 (approximately US$ 438)	0.09	
	TPKG	The same ultimate parent company	Purchase	NT$ 1,066,507 (approximately US$ 36,009)	1.11	45 days after monthly closing	No significant difference	No significant difference	NT$ 201,004 (approximately US$ 7,058)	1.39	
	TPK HK	The same ultimate parent company	Purchase	NT$ 36,851,145 (approximately US$ 1,244,236)	38.31	45 days after monthly closing	No significant difference	No significant difference	NT$ 3,534,719 (approximately US$ 124,112)	24.47	
	TPKJ	The same ultimate parent company	Purchase	NT$ 2,349,670 (approximately US$ 79,334)	2.44	45 days after monthly closing	No significant difference	No significant difference	NT$ 381,171 (approximately US$ 13,384)	2.64	
	TPK HK	The same ultimate parent company	Sales	NT$ 59,021,231 (approximately US$ 1,992,782)	51.51	45 days after monthly closing	No significant difference	No significant difference	NT$ 10,020,766 (approximately US$ 351,853)	78.51	
	BTO	Related party in substance	Purchase	NT$ 145,474 (approximately US$ 4,912)	0.15	45 days after monthly closing	No significant difference	No significant difference	NT$ 27,696 (approximately US$ 972)	0.19	
TPKJ	TPKJ HK	Investments accounted for using equity method	Purchase	NT$ 246,805 (approximately US$ 8,333)	0.26	45 days after monthly closing	No significant difference	No significant difference	-	-	
	TPKC	The same ultimate parent company	Sales	NT$ 1,854,302 (approximately US$ 62,608)	1.62	45 days after monthly closing	No significant difference	No significant difference	NT$ 349,791 (approximately US$ 12,282)	2.74	

(Continued)

Company Name	Related Party	Relationship	Transaction Detail				Abnormal Transaction		Notes/Trade Receivable (Payables)		Note
			Purchase/ Sale	Amount (Notes 2 and 3)	% to Total	Payment Terms	Unit Price	Payment Term	Ending Balance (Notes 2 and 4)	% to Total	
	TPKS	The same ultimate parent company	Sales	NT$ 662,474 (approximately US$ 22,368)	0.58	45 days after monthly closing	No significant difference	No significant difference	NT$ 141,904 (approximately US$ 4,983)	1.11	
	TPKD	The same ultimate parent company	Sales	NT$ 2,350,079 (approximately US$ 79,348)	2.05	45 days after monthly closing	No significant difference	No significant difference	NT$ 381,171 (approximately US$ 13,384)	2.99	
TPKJ HK	TPKJ	The same ultimate parent company	Sales	NT$ 246,805 (approximately US$ 8,333)	0.22	45 days after monthly closing	No significant difference	No significant difference	-	-	

Note 1: The sales prices and payment terms of intercompany and related party sales and purchases were not significantly different from those transactions with third parties.

Note 2: Except for TES XM and BTO, intercompany balances and transactions were eliminated upon consolidation.

Note 3: The average exchange rate from U.S. dollars to New Taiwan dollars for the year ended December 31, 2020 was US$1=NT$29.6175.

Note 4: The exchange rate from U.S. dollars to New Taiwan dollars as of December 31, 2020 was US$1=NT$28.48.

(Concluded)

TPK HOLDING 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
(In Thousands)

Company Name	Related Party	Relationship	Ending Balance (Notes 1 and 3)	Turnover Rate	Overdue		Amount Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount (Note 1)	Action Taken		
TPKC	TPK HK	The same ultimate parent company	NT$ 10,070,265 (approximately US$ 353,591)	3.17	NT$ 2,987,193 (approximately US$ 104,887)	Enhance collection	NT$ 5,092,830 (approximately US$ 178,821)	$ -
TPKS	TPKC	The same ultimate parent company	NT$ 384,931 (approximately US$ 13,516)	4.02	-	-	NT$ 377,673 (approximately US$ 13,261)	-
	TPK HK	The same ultimate parent company	NT$ 975,432 (approximately US$ 34,250)	7.51	-	-	NT$ 699,823 (approximately US$ 24,572)	-
TPKG	TPKD	The same ultimate parent company	NT$ 201,004 (approximately US$ 7,058)	5.71	-	-	NT$ 201,004 (approximately US$ 7,058)	-
TPK HK	TPKC	Investments accounted for using equity method	NT$ 372,000 (approximately US$ 13,062)	7.23	-	-	NT$ 43 (approximately US$ 2)	-
	TPKS	The same ultimate parent company	NT$ 361,224 (approximately US$ 12,683)	7.16	-	-	NT$ 361,225 (approximately US$ 12,683)	-
	TPKD	Investments accounted for using equity method	NT$ 3,534,719 (approximately US$ 124,112)	7.36	-	-	NT$ 3,534,719 (approximately US$ 124,112)	-
	TES XM	Related parties in substance	NT$ 127,481 (approximately US$ 4,476)	9.08	-	-	-	-
MTOH	TPK HK	The same ultimate parent company	NT$ 945,949 (approximately US$ 33,214)	4.07	NT$ 347,257 (approximately US$ 12,193)	Enhance collection	NT$ 945,949 (approximately US$ 33,214)	-
TPKD	TPK HK	The same ultimate parent company	NT$ 10,020,766 (approximately US$ 351,853)	5.44	NT$ 2,556,539 (approximately US$ 89,766)	Enhance collection	NT$ 7,064,753 (approximately US$ 248,060)	-

(Continued)

Company Name	Related Party	Relationship	Ending Balance (Notes 1 and 3)	Turnover Rate	Overdue		Amount Received in Subsequent Period (Note 2)	Allowance for Impairment Loss
					Amount (Note 1)	Action Taken		
TPKJ	TPKC	The same ultimate parent company	NT$ 349,791 (approximately US$ 12,282)	5.23	$ -	-	NT$ 343,397 (approximately US$ 12,057)	$ -
	TPKS	The same ultimate parent company	NT$ 141,904 (approximately US$ 4,983)	5.05	-	-	NT$ 139,419 (approximately US$ 4,895)	-
	TPKD	The same ultimate parent company	NT$ 381,171 (approximately US$ 13,384)	5.40	-	-	NT$ 374,906 (approximately US$ 13,164)	-

Note 1: The exchange rate from U.S. dollars to New Taiwan dollars as of December 31, 2020 was US$1=NT$28.48.

Note 2: The amount received in the subsequent period means that the collection was made by February 28, 2021.

Note 3: Please refer to Table 1 for information on financing provided to others.

(Concluded)

TPK HOLDING CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of December 31, 2020			Net Income (Loss) of the Investee (Note 2)	Share of Profits (Loss) (Notes 2 and 4)	Note
				December 31, 2020 (Note 1)	December 31, 2019 (Note 1)	Number of Shares	%	Carrying Amount (Notes 1 and 4)			
TPKH	Improve	Samoa	Holding company	NT$ 4,399,875 (approximately US$ 154,490)	NT$ 4,399,875 (approximately US$ 154,490)	154,490,000	100.00	NT$ 3,868,586 (approximately US$ 135,835)	NT$ (188,711) (approximately US$ -6,372)	NT$ (188,711) (approximately US$ -6,372)	Subsidiary
	UYH	Samoa	Holding company	NT$ 5,611,699 (approximately US$ 197,040)	NT$ 5,611,699 (approximately US$ 197,040)	196,250,000	100.00	NT$ 30,433,562 (approximately US$ 1,068,594)	NT$ 1,077,152 (approximately US$ 36,369)	NT$ 1,077,152 (approximately US$ 36,369)	Subsidiary
	TTI	Samoa	International trade	-	NT$ 14,240 (approximately US$ 500)	-	-	-	NT$ (12,655) (approximately US$ -427)	NT$ (12,655) (approximately US$ -427)	Subsidiary (Note 10)
	OTH	Singapore	Holding company	NT$ 1,485,317 (approximately US$ 52,153)	NT$ 1,485,317 (approximately US$ 52,153)	31,000	100.00	NT$ 1,764,166 (approximately US$ 61,944)	NT$ 77,028 (approximately US$ 2,601)	NT$ 77,028 (approximately US$ 2,601)	Subsidiary
	RUSL	Hong Kong	Holding company	NT$ 13,371,303 (approximately US$ 469,498)	NT$ 13,371,303 (approximately US$ 469,498)	469,498,000	100.00	NT$ 8,089,120 (approximately US$ 284,028)	NT$ 558,644 (approximately US$ 18,862)	NT$ 558,644 (approximately US$ 18,862)	Subsidiary
	AMPH	Cayman	Holding company; research and development, manufacturing and sale of resin products	NT$ 170,880 (approximately US$ 6,000)	-	15	57.69	NT$ 171,325 (approximately US$ 6,016)	NT$ 1,415 (approximately US$ 48)	NT$ 816 (approximately US$ 28)	Subsidiary (Note 9)
Improve	TPKA	Malaysia	Holding company	NT$ 4,744,457 (approximately US$ 166,589)	NT$ 4,744,457 (approximately US$ 166,589)	632,187	100.00	NT$ 3,834,555 (approximately US$ 134,640)	NT$ (188,699) (approximately US$ -6,371)	NT$ (188,699) (approximately US$ -6,371)	Sub-subsidiary (Note 8)
AMPH	AMPHK	Hong Kong	Holding company and international trade	NT$ 28,480 (approximately US$ 1,000)	-	1,000,000	100.00	NT$ 25,333 (approximately US$ 890)	NT$ (3,272) (approximately US$ -110)	NT$ (3,272) (approximately US$ -110)	Sub-subsidiary (Note 9)
OTH	TPKU	U.S.A.	International trade	NT$ 136,704 (approximately US$ 4,800)	NT$ 136,704 (approximately US$ 4,800)	Note 3	100.00	NT$ 165,961 (approximately US$ 5,827)	NT$ 3,703 (approximately US$ 125)	NT$ 3,703 (approximately US$ 125)	Sub-subsidiary
RUSL	TPK HK	Hong Kong	Touch module related research; holding company and international trade	NT$ 13,314,343 (approximately US$ 467,498)	NT$ 13,314,343 (approximately US$ 467,498)	467,498,000	100.00	NT$ 8,033,685 (approximately US$ 282,082)	NT$ 558,687 (approximately US$ 18,863)	NT$ 558,687 (approximately US$ 18,863)	Sub-subsidiary
TPK HK	Cando	Taiwan	Touch modules research and manufacture	NT$ 5,512,990 (approximately US$ 193,574)	NT$ 5,512,990 (approximately US$ 193,574)	77,124,591	19.78	-	-	-	Associate accounted for using equity method (Note 6)
	TPKF HK	Hong Kong	Holding company	NT$ 427,627 (approximately US$ 15,015)	NT$ 427,627 (approximately US$ 15,015)	18,000,000	100.00	NT$ (5,319) (approximately US$ -187)	NT$ 954 (approximately US$ 32)	NT$ 954 (approximately US$ 32)	Sub-subsidiary (Note 11)
TPKA	TPKT	Taiwan	Touch related material sales and machinery manufacture, wholesale and retail	NT$ 2,911,700 (approximately US$ 116,433)	NT$ 2,911,700 (approximately US$ 116,433)	50,717,000	100.00	NT$ 1,870,022 (approximately US$ 65,661)	NT$ (212,324) (approximately US$ -7,169)	NT$ (212,324) (approximately US$ -7,169)	Sub-subsidiary
TPKT	RSSL	Hong Kong	Holding company	-	NT$ 379,069 (approximately US$ 13,310)	-	-	-	-	-	Sub-subsidiary (Note 7)
TPKJ	TPKJ HK	Hong Kong	International trade	NT$ 14,240 (approximately US$ 500)	NT$ 14,240 (approximately US$ 500)	500,000	100.00	NT$ 28,784 (approximately US$ 1,011)	NT$ 10,869 (approximately US$ 367)	NT$ 10,869 (approximately US$ 367)	Sub-subsidiary

Note 1: The exchange rate from U.S. dollars to New Taiwan dollars as of December 31, 2020 was US$1=NT$28.48.

Note 2: The average exchange rate from U.S. dollars to New Taiwan dollars for the year ended December 31, 2020 was US$1=NT$29.6175.

Note 3: There are no shares since it is a limited liability no-shares company.

(Continued)

Note 4: Except for Cando, intercompany balances and transactions were eliminated upon consolidation.

Note 5: Please refer to Table 8 for information on investment in mainland China.

Note 6: Based on assessments, the recoverable amounts of the Company's interests in Cando were less than their carrying amounts. Hence, impairment losses of the total carrying amounts were recognized. Refer to Note 13 to the consolidated financial statements for more information.

Note 7: In order to simplify its organizational structure, the Company's board of directors resolved to dissolve and liquidate RSSL, which has finished in January 2020.

Note 8: The Company resolved to dissolve and liquidate TPKA in order to simplify its organizational structure. As of March 11, 2021, the process of dissolution and liquidation was not completed.

Note 9: For operational needs, the Company's board of directors resolved to set up AMPH in Cayman Islands as a holding company, which was set up on December 19, 2019 and received a capital investment of US$400 thousand and US$5,600 thousand in February and April 2020, respectively. AMPH set up AMP HK as its subsidiary in Hong Kong on April 7, 2020, and invested in AMP HK in amounts of US$10 thousand and US$990 thousand in June and September 2020, respectively. AMP HK set up its subsidiary Amplifi Tech (Xiamen) Limited on December 15, 2020 with a registered capital of US$1,000 thousand, and invested in the amount of US$500 thousand in February 2021.

Note 10: The Company resolved to dissolve and liquidate TTI in order to simplify its organizational structure, and the process of liquidation was completed in November 4, 2020.

Note 11: The Company's board of directors resolved to ask TPK HK to acquire 100% of TPKF's shares from TPKF HK in order to simplify its organizational structure, and the acquisition process was completed on September 25, 2020. The Company resolved to dissolve and liquidate TPKF HK. As of March 11, 2021, the dissolution and liquidation procedures were not completed.

(Concluded)

TPK HOLDING CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENT IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands)

Investee Company	Main Business and Products	Paid in Capital (Notes 1 and 2)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2020	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2020 (Note 2)	Net Income (Loss) of the investee (Note 3)	% Ownership of Direct or Indirect Investment	Investment Income (Loss) Recognized (Notes 3 and 5)	Carrying Amount as of December 31, 2020 (Note 2)	Accumulated Repatriation of Investment Income as of December 31, 2020 (Note 3)
					Outward	Inward						
TPKC	Touch related material sales and machinery manufacture, wholesale and retail	NT$ 6,931,861 (approximately US$ 243,394)	Direct investment	$ -	$ -	$ -	$ -	NT$ 801,030 (approximately US$ 27,046)	100.00	NT$ 801,030 (approximately US$ 27,046)	NT$ 33,835,152 (approximately US$ 1,188,032)	$ -
TPKL	Optical glass processing and sales	-	Direct investment	-	-	-	-	NT$ (12) (approximately US$ -)	100.00 (Note 6)	NT$ (12) (approximately US$ -)	-	-
TPKS	Touch modules research, development, manufacture and sales	NT$ 712,000 (approximately US$ 25,000)	Direct investment	-	-	-	-	NT$ 655,004 (approximately US$ 22,115)	100.00	NT$ 655,004 (approximately US$ 22,115)	NT$ 3,207,222 (approximately US$ 112,613)	-
RSO	Optical glass processing and sales	-	Direct investment	-	-	-	-	NT$ (7) (approximately US$ -)	100.00 (Note 6)	NT$ (7) (approximately US$ -)	-	-
TPKG	Optical glass processing and sales	NT$ 10,589,434 (approximately US$ 371,820)	Direct investment	NT$ 378,784 (approximately US$ 13,300)	-	-	NT$ 378,784 (approximately US$ 13,300)	NT$ (132,042) (approximately US$ -4,458)	100.00	NT$ (132,042) (approximately US$ -4,458)	NT$ 929,577 (approximately US$ 32,640)	-
MTOH	Touch modules research, development, manufacture and sales	NT$ 2,449,280 (approximately US$ 86,000)	Direct investment	-	-	-	-	NT$ 158,221 (approximately US$ 5,342)	100.00	NT$ 165,891 (approximately US$ 5,601)	NT$ 1,136,797 (approximately US$ 39,916)	-
TPKP	Touch modules research, development, manufacture and sales	NT$ 6,232,905 (approximately US$ 218,852)	Direct investment	-	-	-	-	NT$ (804,368) (approximately US$ -27,159)	100.00	NT$ (804,368) (approximately US$ -27,159)	NT$ (3,490,273) (approximately US$ -122,552)	-
TPKM	Touch related electronic materials manufacture	NT$ 99,680 (approximately US$ 3,500)	Direct investment	-	-	-	-	NT$ 19,747 (approximately US$ 667)	100.00	NT$ 19,747 (approximately US$ 667)	NT$ 280,529 (approximately US$ 9,850)	-
TPKMS	Trade	NT$ 6,417 (approximately US$ 225)	Direct investment	-	-	-	-	NT$ (2,247) (approximately US$ -76)	100.00	NT$ (2,247) (approximately US$ -76)	NT$ 4,888 (approximately US$ 172)	-
TPKD	Touch modules research, development, manufacture and sales	NT$ 3,643,488 (approximately US$ 127,931)	Direct investment	-	-	-	-	NT$ 183,599 (approximately US$ 6,199)	100.00	NT$ 183,599 (approximately US$ 6,199)	NT$ 13,990,602 (approximately US$ 491,243)	-
TPKJ	Protective film and optical adhesive manufacture and sales	NT$ 102,528 (approximately US$ 3,600)	Direct investment	-	-	-	-	NT$ 578,072 (approximately US$ 19,518)	100.00	NT$ 577,031 (approximately US$ 19,483)	NT$ 1,772,004 (approximately US$ 62,219)	-

(Continued)

Investee Company	Main Business and Products	Paid in Capital (Notes 1 and 2)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2020	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2020 (Note 2)	Net Income (Loss) of the investee (Note 3)	% Ownership of Direct or Indirect Investment	Investment Income (Loss) Recognized (Notes 3 and 5)	Carrying Amount as of December 31, 2020 (Note 2)	Accumulated Repatriation of Investment Income as of December 31, 2020 (Note 3)
					Outward	Inward						
TPKF	Research and development, manufacturing and sale of touch modules and resin products	NT$ 1,165,117 (approximately US$ 40,910)	Direct investment	$ -	$ -	$ -	$ -	NT$ 9,135 (approximately US$ 308)	100.00	NT$ 9,135 (approximately US$ 308)	NT$ 118,313 (approximately US$ 4,154)	$ -
TPKMT	Touch related electronic material manufacture	NT$ 284,800 (approximately US$ 10,000)	Direct investment	-	-	-	-	NT$ 632 (approximately US$ 21)	100.00	NT$ 632 (approximately US$ 21)	NT$ 299,334 (approximately US$ 10,510)	-

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2020	Investment Amount Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Notes 2 and 4)
-	-	NT$1,122,013 (approximately US$39,397)

Note 1: It is calculated based on historical cost.

Note 2: The exchange rate from U.S. dollars to New Taiwan dollars as of December 31, 2020 was US$1=NT$28,48.

Note 3: The average exchange rate from U.S. dollars to New Taiwan dollars for the year ended December 31, 2020 was US$1=NT$29.6175.

Note 4: The limit cannot exceed 60% of TPKT's net asset value as of December 31, 2020.

Note 5: The investee company's financial report was audited by parent company's auditors.

Note 6: In order to simplify its organizational structure, the Company's board of directors resolved to dissolve and liquidate TPKL and RSO, which has finished in March 2020.

(Concluded)

TPK HOLDING CO., LTD. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2020
(In Thousands)

No. (Note 1)	Company Name (Note 2)	Counterparty (Notes 2)	Relationship (Note 3)	Transactions Details				
				Financial Statements Account	Amount (Approximately US$)	Amount (NT$)	Terms (Note 4)	Percentage of Consolidated Total Gross Sales or Total Assets (Note 5)
1	TPKH	TPK HK	1	Short-term borrowings	$ 234,000	$ 6,664,320		7.97
2	UYH	TPK HK	3	Long-term borrowings	30,000	854,400		1.02
3	TPKA	TPK HK	3	Loan to related parties - long-term	28,000	797,440		0.95
		TPK HK	3	Loan to related parties - short-term	39,000	1,110,720		1.33
4	TPKT	TPK HK	3	Loan to related parties - short-term	20,000	569,600		0.68
5	TPKC	TPKS	3	Loan to related parties - short-term	6,211	176,886		0.21
		TPKS	3	Short-term borrowings	25,450	724,816		0.87
		TPKS	3	Trade payables	13,516	384,931		0.46
		TPKS	3	Purchase	37,738	1,117,708		0.98
		TPKU	3	Sales	6,662	197,314		0.17
		TPKG	3	Loan to related parties - short-term	97,116	2,765,855		3.31
		TPKG	3	Purchase	17,826	527,949		0.46
		TPKG	3	Sales	4,837	143,265		0.13
		TPK HK	3	Loan to related parties - short-term	96,670	2,753,150		3.29
		TPK HK	3	Trade receivables, net	353,591	10,070,265		12.04
		TPK HK	3	Trade payables	13,062	372,000		0.44
		TPK HK	3	R&D expense	17,038	504,622		0.44
		TPK HK	3	Purchase	138,051	4,088,723		3.57
		TPK HK	3	Sales	1,203,078	35,632,166		31.10
		MTOH	3	Loan to related parties - short-term	39,668	1,129,736		1.35
		TPKP	3	Loan to related parties - short-term	222,038	6,323,655		7.56
		TPKP	3	Purchase	4,265	126,316		0.11
		TPKM	3	Short-term borrowings	3,575	101,802		0.12
		TPKD	3	Other current assets	3,336	95,010		0.11
		TPKD	3	Loan to related parties - short-term	46,986	1,338,174		1.60
		TPKD	3	Rental revenue	5,577	165,171		0.14
		TPKD	3	Sales	3,900	115,495		0.10
		TPKD	3	Non-operating income	8,289	245,494		0.21
		TPKJ	3	Short-term borrowings	17,495	498,261		0.60
		TPKJ	3	Trade payables	12,282	349,791		0.42
		TPKJ	3	Purchase	62,591	1,853,781		1.62
		TPKMT	3	Short-term borrowings	6,934	197,470		0.24

(Continued)

No. (Note 1)	Company Name (Note 2)	Counterparty (Notes 2)	Relationship (Note 3)	Transactions Details				
				Financial Statements Account	Amount (Approximately US$)	Amount (NT$)	Terms (Note 4)	Percentage of Consolidated Total Gross Sales or Total Assets (Note 5)
6	TPKS	TPK HK	3	Trade receivables, net	$ 34,250	$ 975,432		1.17
		TPK HK	3	Trade payables	12,683	361,224		0.43
		TPK HK	3	Purchase	103,910	3,077,561		2.69
		TPK HK	3	Sales	207,983	6,159,923		5.38
		TPKJ	3	Trade payables	4,983	141,904		0.17
		TPKJ	3	Purchase	22,362	662,301		0.58
7	TPKG	TPK HK	3	Short-term borrowings	70,000	1,993,600		2.38
		TPKD	3	Trade receivables, net	7,058	201,004		0.24
		TPKD	3	Sales	36,009	1,066,507		0.93
8	TPK HK	MTOH	3	Trade payables	33,214	945,949		1.13
		MTOH	3	Purchase	94,903	2,810,790		2.45
		MTOH	3	Sales	4,947	146,516		0.13
		TPKD	3	Trade receivables, net	124,112	3,534,719		4.23
		TPKD	3	Trade payables	351,853	10,020,766		11.98
		TPKD	3	Purchase	1,992,782	59,021,231		51.51
		TPKD	3	Sales	1,244,236	36,851,145		32.16
9	MTOH	TPKP	3	Purchase	9,151	271,035		0.24
10	TPKD	TPKJ	3	Trade payables	13,384	381,171		0.46
		TPKJ	3	Purchase	79,334	2,349,670		2.05
		TPKJ	3	Non-operating income	7,450	220,640		0.19
11	TPKJ	TPKJ HK	3	Purchase	8,333	246,805		0.22

Note 1: The parent company is indicated by “1”, while all other numbers indicate subsidiaries.

Note 2: The Company name and counterparty are listed in Note 12 to the financial statements.

Note 3: No. 1 represents the transactions from parent company to subsidiary.
No. 2 represents the transactions from subsidiary to parent company.
No. 3 represents the transactions between subsidiaries.

Note 4: The sales prices and payment terms of intercompany sales and purchases were not significantly different from those transactions with third parties. For other intercompany transactions, prices and terms are determined based on mutual agreements.

Note 5: Other transactions that were less than 0.1% of total assets or sales are not disclosed.

Note 6: Intercompany balances and transactions were eliminated upon consolidation.

(Concluded)

TABLE 10

TPK HOLDING CO., LTD. AND SUBSIDIARIES

INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2021

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Max Gain Management Limited	25,222,643	6.20
Capable Way Investments Limited	23,139,855	5.69

Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preferred shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

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